



# WE'KOQMA'Q

## 2022-2023 ANNUAL REPORT

## Letter from Chief and Council

We send our warmest greetings to you all and hope that this letter finds you in good health and happiness. As the Chief and Council of We'koqma'q, we are pleased to share our annual report for the year 2022-2023 as we come together in the spirit of unity, resilience, and optimism.

In a year filled with challenges, we have continued to stand as one, resilient and filled with hope for a brighter tomorrow. Together, we have faced the obstacles that came our way, supporting one another and holding fast to our traditions and values.

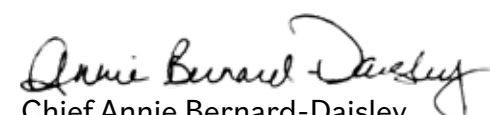
We are honored to share some of the highlights from the past year within this report, such as investments in community housing, economic development, and community infrastructure. These accomplishments reflect our shared commitment to the well-being of our people and our land. We take pride in the unity and determination displayed by our community members as we reflect on the tremendous achievements of our community.

As we look ahead, we remain dedicated to building a prosperous and sustainable future for all. Our priorities will continue to revolve around our vision for a We'koqma'q that nourishes its Mi'kmaw language and culture while providing opportunities for education, employment, and economic growth to empower the self-reliance and wellbeing of community members as we work towards progress, sustainability, and the happiness of every member of our community.

We encourage you to stay connected, share your thoughts, ideas, and concerns. In unity, there is strength, and together, we can accomplish even more and overcome any challenges that may come our way.

We express our gratitude for your unwavering support and your commitment to We'koqma'q. As we journey together, we believe that there are no limits to what we can achieve.

In unity and hope,

  
Chief Annie Bernard-Daisley



## Letter from CEO



Gioia Usher  
CEO

Dear We'koqma'q Community members,

I extend my warmest greetings to each of you. As the CEO of We'koqma'q, I am honored to update you on our progress in realizing the vision set forth by our esteemed Chief and Council. We are wholeheartedly committed to achieving the objectives outlined in their strategic plan.

Though I am not a member of your community, I've been consistently inspired by your resilience, wisdom, and rich culture. Over the past year, we've faced challenges and celebrated achievements together. Through our shared goals, we've made significant progress in education, healthcare, cultural preservation, and sustainable development within this community.

This year has been a journey filled with dedication and hard work, as we strive to transform the vision of our Chief and Council into reality. Their strategic plan, a guiding light for this community's future, inspires us daily, and I'm pleased to share a few of the significant strides we've made in this pursuit:

1. **New Housing (20 homes per year to match growth):** We remain dedicated to addressing the housing crisis. With over 95% of We'koqma'q membership living in-community, housing growth must match population growth. We are happy to report that we built 14 new homes during fiscal 2023. We have also secured \$892,000 of Rapid Housing Initiative funding through CMHC which will support the building of 10 additional eco-homes.
2. **Land-Use and Infrastructure Plan:** To support the growth in housing, major upgrades to community infrastructure are required. During 2023, a significant number of studies were undertaken to assess the current state of infrastructure and plan for future improvement. Specifically, Subdivision Feasibility Study, Stormwater Study and Population Study. Information coming from these studies will be used for future funding and improvement to community infrastructure.
3. **Construct Youth and Elders Center:** In collaboration with our Health division, We'koqma'q secured funding to support Youth Prevention activities. Chief and Council identified a need to further support youth and so a separate Youth Prevention division is in process to better support these services in the community.

4. **Seek Out Investment Opportunities:** During fiscal 2023, the commercial fisheries division undertook a comprehensive review of our commercial fishing licenses to assess profitability and Access for Members to work. The results of the study (completed by TriNav) helped inform which licenses should be relinquished and/or purchased based on trends in the market. As a result, We'koqma'q relinquished several small, less profitable licenses and put funds towards the purchase of an Area 12F snow crab license (\$12.5M) and a lobster license (\$1.2M) on the gulf side with the idea of creating easier access for community workers and to increase profits that go back into community programming such as housing, food bank, etc. As an owner in Clearwater, we are also committed to working with the First Nations Coalition to ensure profits are brought into community as quickly as possible.

*“Our commitment to these, and many other strategic planning items is unwavering, and we are dedicated to making this community a better place for all. These accomplishments reiterate the importance of aligning our efforts with the vision and goals set by our Chief and Council.”*

As we move forward, we will continue to focus on the strategic objectives and work tirelessly to bring them to fruition. Your involvement and support are pivotal to our success. Let us maintain our spirit of understanding and cooperation as we work towards a brighter future for all. Thank you for your ongoing support and partnership. Together, we are on the path to making We'koqma'q a shining example of what can be achieved when a community unites with a shared vision.

With gratitude and commitment,



Gioia Usher  
CEO

## Our Community

**Total Number of Band Members:** **1095**  
*As of March 31st, 2023*

**Band Members in Community:**

**972**

**Band Members off Community:**

**121**

**Age Range:**

0 - 18

**368**

19 - 64

**671**

65+

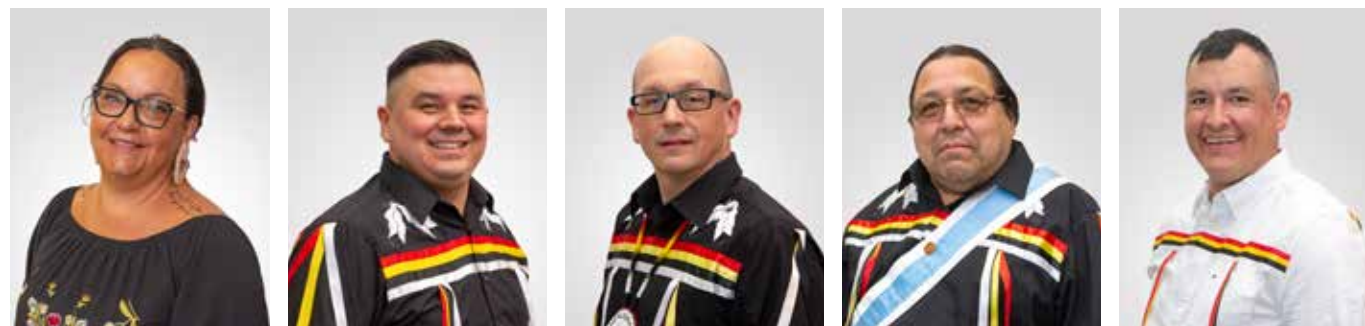
**56**



# Chief and Council

As Chief and Council, our paramount duty is to champion the welfare and aspirations of our community. Our Chief serves as a beacon of leadership, voicing the concerns and hopes of our people to external entities and ensuring our cultural heritage is preserved. As Council we aim to work in harmony to deliberate, decide and implement policies that shape the present and future of our community.

Together, we will preserve our traditions and work towards progress, striving for unity, prosperity, and the well-being of our community.



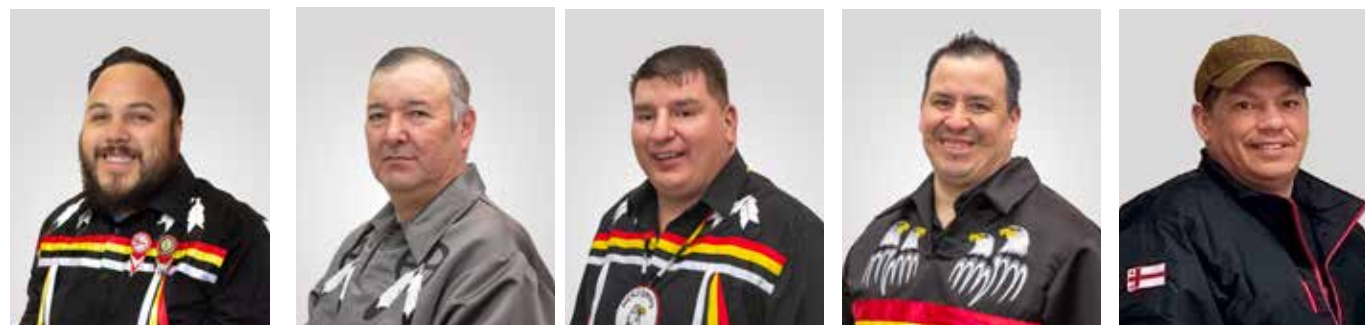
Chief Annie Bernard-Daisley

Brandon Poulette

Jason Bernard

John W Cremo

PJ Googoo



Steven Googoo

Stewart Peters

Stuart Basque

Wally Bernard

John Bernard

# Housing

In response to the growing housing shortage in our community, we embarked on an exciting initiative to invest in building more homes. Recognizing the pressing need to address the housing challenges faced by our community, this endeavor aimed to create not just structures but thriving, supportive spaces that meet the diverse needs of our community. With a vision of stronger neighborhoods and brighter futures, our ongoing investment represents our commitment to ensuring every member of our community has a safe and welcoming place to call home. Ongoing efforts continue as we build more than houses; we're building the foundation for a stronger, more connected community.



| COMMUNITY HOME BREAKDOWN |                                 |          |            |  |
|--------------------------|---------------------------------|----------|------------|--|
| Homes                    | Apartment Complexes<br>(8 UNIT) | Duplexes | Fourplexes |  |
| 287                      | 2                               | 5        | 1          |  |

In an ongoing effort to maintain the vibrancy and comfort of every household, we're thrilled to share that we've invested over \$950,000 in renovating and repairing homes in our community, including addressing damages from storms. By responding to the evolving needs of our community, we are ensuring homes are sources of nurturing and growth.

- Emergency housing repairs
- Increasing accessibility through major renovations

**Reno Money Spent: \$976,000**

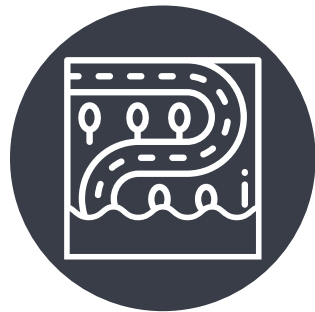
# Community Infrastructure

To support the long-term growth of both housing and economic development, as well as determine the path we will take to realize our community needs, assessments were conducted in the community to evaluate the current state of infrastructure and the long term impacts of adverse weather, storm water run-off, and our population growth. The following assessments were conducted:



## Subdivision Feasibility Study

This project includes an analysis of population projections with the intent of identifying housing needs while also identifying the types of housing that are most suitable and sustainable for the community's development. In conjunction with this study, a development plan was prepared to understand how this can be achieved. The preparation of the development plan has taken into consideration existing site constraints and input from the community to create a plan that best meets the needs of We'koqma'q Inuekati.



## Stormwater and Road Assessment

The community has long dealt with erosion and culvert issues, leading to flooding that puts roads and community infrastructure at risk. Due to more intense rain from climate change, a decision was made to conduct an assessment to address these issues. The aim of the study was to equip us with the knowledge to improve culverts, manage water flow better, plan land use more efficiently, and assess roads for better flood protection in the future. This will help guide planning and decision making.



## Water and Wastewater Assessment

The water and wastewater assessment is an evaluation of the systems that manage the supply of clean water and the treatment of wastewater in a community. This assessment involves analyzing the infrastructure, processes, and technologies related to water supply, distribution, and wastewater treatment. It aims to identify the current state of these systems, assess their efficiency, and determine if any improvements or upgrades are needed. The goal is to ensure a sustainable and reliable water supply while effectively treating and managing wastewater.

# Education

## Post-Secondary Funding: \$960,000

### University Students Entering First Year Post-Secondary Programs



43

We'koqma'q Band Members entered 1st year studies at a post secondary institution

- Entered a 1st year University Program
- Entered a Community College Program

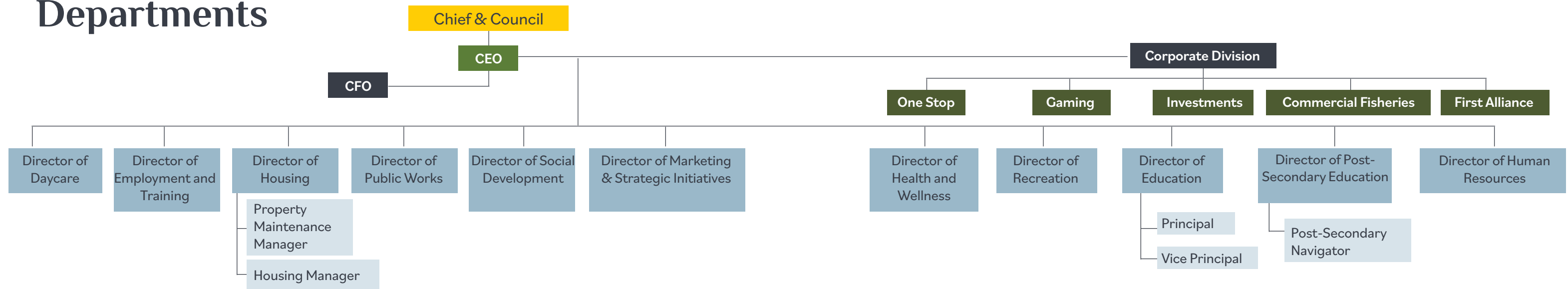
### University Students:



### Community College Students:

- 1 Physical Education
- 1 Auto Repair
- 1 IT Program
- 3 Natural Resources & Environmental Tech
- 1 Iron Trades
- 1 Continuing care
- 1 Disability & Support
- 1 Craft & Design
- 1 Electrical
- 1 Baking & Pastry
- 3 Carpentry

# Departments



## CEO - Gioia Usher

gioiausher@waycobah.ca

## CFO - Kyle Usher

kyleusher@waycobah.ca

## Housing

Responsible for managing the construction, maintenance, and renovation of the We'koqma'q residential properties.

Focuses on:

- New home construction
- Renovations
- Preventative maintenance
- Emergency repairs and response

Director: Marcus Poulette  
marcupoulette@waycobah.ca

## Public Works

Oversees management and maintenance of all We'koqma'q public buildings and properties.

Focuses on:

- Waste management
- Maintenance of public roads
- Community land development

Director: Jordan Keeling  
jordankeeling@waycobah.ca

## Marketing & Strategic Initiatives

Advances the growth of We'koqma'q through the promotion and management of the We'koqma'q brand and community engagement.

Director: Storm Gould  
stormgould@waycobah.ca

## Social Development

Coordinates and directs social assistance programming.

Focuses on:

- Foodbank coordination
- Collaborates with Employment and Training

Director: Tillie Googoo  
tilliegoogoo@waycobah.ca

## Education

Guides the delivery of innovative, high quality, and culturally centered education for We'koqma'q.

Director: Eleanor Bernard  
eleanor.bernard@wfns.ca

## Post-Secondary Education

Liaises with post-secondary institutions and ensures multiple supports are in place to help students succeed.

Director: Gordon MacIver  
gmaciver@waycobah.ca

## Human Resources

Supports the Band operations through the administration of the HR policy and benefits programs.

Director: Patty Bernard

## Employment and Training

Leads the establishment and coordination of key employee development programs to strengthen the community's workforce.

Focuses on:

- Tailored training programs for community members
- Short-term work experiences for all ages
- Skye River Trail

Director: Susan Raye Googoo  
susangoogoo@waycobah.ca

## Health and Wellness

Guides the development and delivery of programs that support a higher quality of life for community members, and oversees the day-to-day Health Centre operations.

Focuses on:

- Health services such as part-time physician and well-rounded nursing staff
- Addictions services
- Mental health support

- Youth and family support
- Pre and post natal support
- Homecare

Director: Jennifer MacDonald  
jennifermacdonald@waycobah.ca

## Recreation

Coordinates and guides the effective delivery of recreational programs that support a healthy and active lifestyle.

Focuses on:

- Group yoga classes (virtual and in-person)
- Gym with cardio and weight training equipment
- Recreational sports

Director: Charlene Bernard  
charlenebernard@waycobah.ca

## We'koqma'q Daycare

Provides high quality education and support for early childhood development.

Focuses on:

- Early childhood development for 25 children 1-3 years of age
- Utilizing industry best practices such as play-based learning and exposure to Mi'kmaw culture

Director: Renita Bernard  
renitabernard@waycobah.ca



# Services

## Food Bank



Born out of necessity during the pandemic, our community food bank initiative has become a beacon of support for our neighbors facing challenges. Strengthened by the thoughtful investment from leadership, this vital effort has been meticulously coordinated by dedicated staff and supported by the community. What started as a response to immediate needs has evolved into a sustained commitment to ensuring no member of our community goes hungry. Together, we're nourishing not just bodies, but the spirit of our community.

**Over 1,000**  
packages distributed last year

**50 recipients**  
on average every 2 weeks

**Food bank supported from  
Own Source Revenue:**

**APPROXIMATELY  
\$90,000/year**

## Community Power Assistance Program

Tailored for community members within a specific income threshold, this initiative is a lifeline, lessening the burden of power bills. Through thoughtful assistance, we're ensuring that everyone, regardless of economic challenges, has access to essential utilities. Our commitment is clear: empowering our community to thrive, one watt at a time. Together, we're lighting the way for a brighter and more equitable future.

**Number of Power  
Program Recipients:** **73**

## Sport & Recreation

This year, we funded community recreational activities for youth, from individual registration assistance for sports such as hockey, golf, dance, soccer, and more. This fund also supported community based fastpitch teams to play in tournaments across Nova Scotia as well as over 100 athletes in several different sports at the Nova Scotia Mi'kmaq Summer Games (NSMSG).

**Funding: \$113,000**

- Youth sport registration support
- Nova Scotia Mi'kmaq Summer Games support
- Team sport registration support



# Our Strategic Goals 2022 to 2027

## HEALTH AND WELLBEING

Create an environment where our members can thrive in a safe and supportive community.

## LANGUAGE AND CULTURE

Ensure our language and cultural traditions are vibrant and alive within our community.

## HOUSING AND COMMUNITY INFRASTRUCTURE

Provide quality housing, build our infrastructure, and expand our landbase to support the current needs and growth of our community.

## TREATY RIGHTS

Protect and assert our rights for the benefit of future generations, empowering our youth and positioning our community for success.

## OPERATIONS

Strengthen operations through financial and administrative capacity building and operational excellence.

# Achievements



## Purchase of Fishing Licenses

We'koqma'q relinquished several small, less profitable licenses and put funds towards the purchase of an **Area 12F snow crab license (\$12.5M)** and a **lobster license (\$1.2M)** on the gulf side with the idea of creating easier access for community workers and to increase profits that go back into community programming such as housing.



## Record Profits for Clearwater

Clearwater reported a leap in annual sales, as 2022 **revenues rose by \$71.6 million** compared to the year before. As an owner in Clearwater, we are also committed to working with the First Nations Coalition to ensure profits are brought into the community as quickly as possible.



## By-law Development

- Safer Community By-law
- Community Dog By-law



## Community Craft Centre Development

Community craft centre under development to support community artisans and entrepreneurs. This center, located between the One Stop and Tim Hortons, is to be called Amkwesowa'q Kisitutitl - The First Peoples Creations.



## Funding Received for youth prevention programming

We're thrilled to announce significant funding for youth prevention programming in We'koqma'q! This vital initiative focuses on safeguarding the well-being of our youth through comprehensive strategies aimed at preventing child welfare concerns. Youth prevention programming involves educational, supportive, and community-driven efforts to create a nurturing and protective environment that supports the health and well-being of children and families.

With this funding to support programming for youth prevention, we are developing an entirely new department focused primarily on establishing community prevention programs and services within We'koqma'q.



## 5 Moderate Livelihood boats

Moderate Livelihood launched with 5 boats full of community fishers



## Community Waste Management Transformation

In the heart of We'koqma'q, positive change is stirring as our community embraces a revolutionary shift in waste management. With a heartfelt commitment to the environment, we're bidding farewell to the old catch-all dumpsters and welcoming in a new era of separating garbage, recycling, and compost. This transformation, guided by our dedicated Waste Management Coordinator, Carrie Anne Michael, a proud member of our community, is not just about bins – it's a community-wide movement towards sustainability.

Our journey began with education, reaching out through social media, knocking on doors, and enlightening young minds at We'koqma'q Mi'kmaw School. The response has been incredible, as neighbors eagerly adopted new habits and took pride in contributing to a cleaner, greener community.

Chief Annie and Council have been our unwavering support from day one, recognizing the importance of this initiative. Together, as a community, we're not just managing waste – we're shaping a more environmentally conscious, united, and forward-thinking We'koqma'q. This is not just a change in bins; it's a reflection of our commitment to the land, the water, and the generations yet to come.

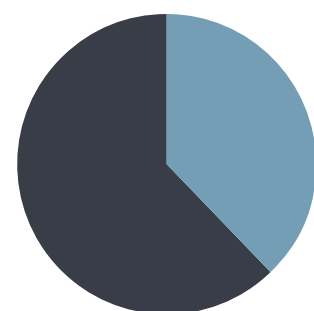


## HR Demographics

**336**  
Employees in total



**50%**  
of director roles filled by  
community members

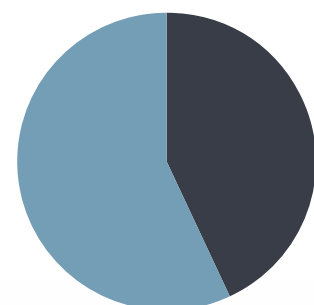


**62%**

Indigenous employees across all band and commercial operations

**38%**

Non-Indigenous employees across all band and commercial operations



**57%**

We'koqma'q Band Members across all Band and commercial operations

**43%**

Non-We'koqma'q Band Members across all band and commercial operations



## We'koqma'q First Nation: A Financial Overview for Fiscal Year 2022-23

### Empowering our Community through Diversified Revenue

In the fiscal year 2022-23, We'koqma'q First Nation continued its journey towards financial sustainability and community growth. Let's dive into the financial highlights that shape our progress.



### Revenue Streams: A Tapestry of Success

Our financial landscape is diverse, with revenue flowing from various sources. The cornerstone of our earnings is Own Source Revenue (OSR), contributing a substantial 51% to our overall income. OSR is the fruit of our business ventures, including successes like One Stop and Fisheries.

Government funding, primarily sourced from Indigenous Services Canada (ISC), forms another crucial pillar of our revenue structure. This year marked a significant milestone as We'koqma'q secured a 10-Year grant funding agreement with ISC. This strategic partnership not only brings in vital resources but also signifies the strength of our financial systems, enabling us to access this grant and manage it with flexibility and predictability all while minimizing the administrative burdens.

Additional streams of revenue include interest and other income, featuring proceeds from fishing licenses and interest revenue from Clearwater. Notably, the sale of fishing licenses funded the acquisition of a new crab license in 2023, showcasing our commitment to sustainable growth. The interest earned from Clearwater was applied to the debt used to purchase our share of Clearwater.



### Expenditures: Navigating Challenges with Resilience

In the realm of expenditures, our fiscal strategies reflect adaptability and resilience.

- Fisheries:** We'koqma'q First Nation engages in diverse fisheries, notably elvers and snow crab. The increase in costs related to the elver fishery aligns with the boost in revenue from this sector, demonstrating a proportional investment for future gains.
- Aquaculture:** The We'koqma'q Fish Farm experienced a decrease in costs, attributed to a reduction in fish inventory from the prior year, which in turn, led to a downswing in sales.
- Commercial Entities:** Our commercial ventures witnessed both increased costs and sales. Elevated gas prices and the broader impact of inflation contributed to these fluctuations. However, these challenges are met with strategic planning, positioning us for continued success.



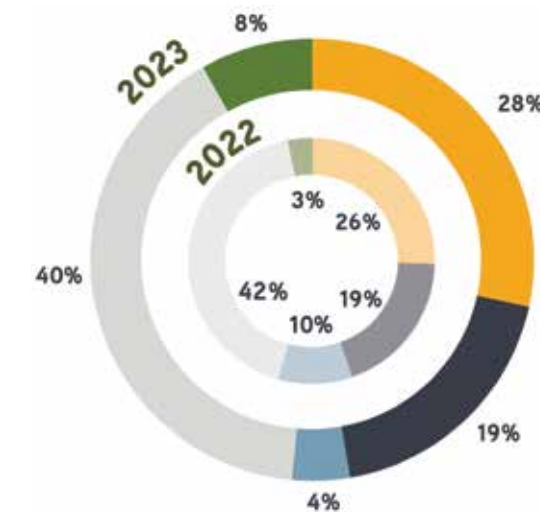
## Looking Ahead: A Community on the Rise

As we navigate the complexities of the financial landscape, We'koqma'q First Nation remains committed to sustainable growth, community empowerment, and fiscal responsibility. The fiscal year 2022-23 reflects not just financial statistics but a narrative of resilience, adaptability, and progress. We invite our community members to delve into these financial insights, understanding the robust foundation we've built and the promising horizon ahead. Together, we shape the future of We'koqma'q First Nation.



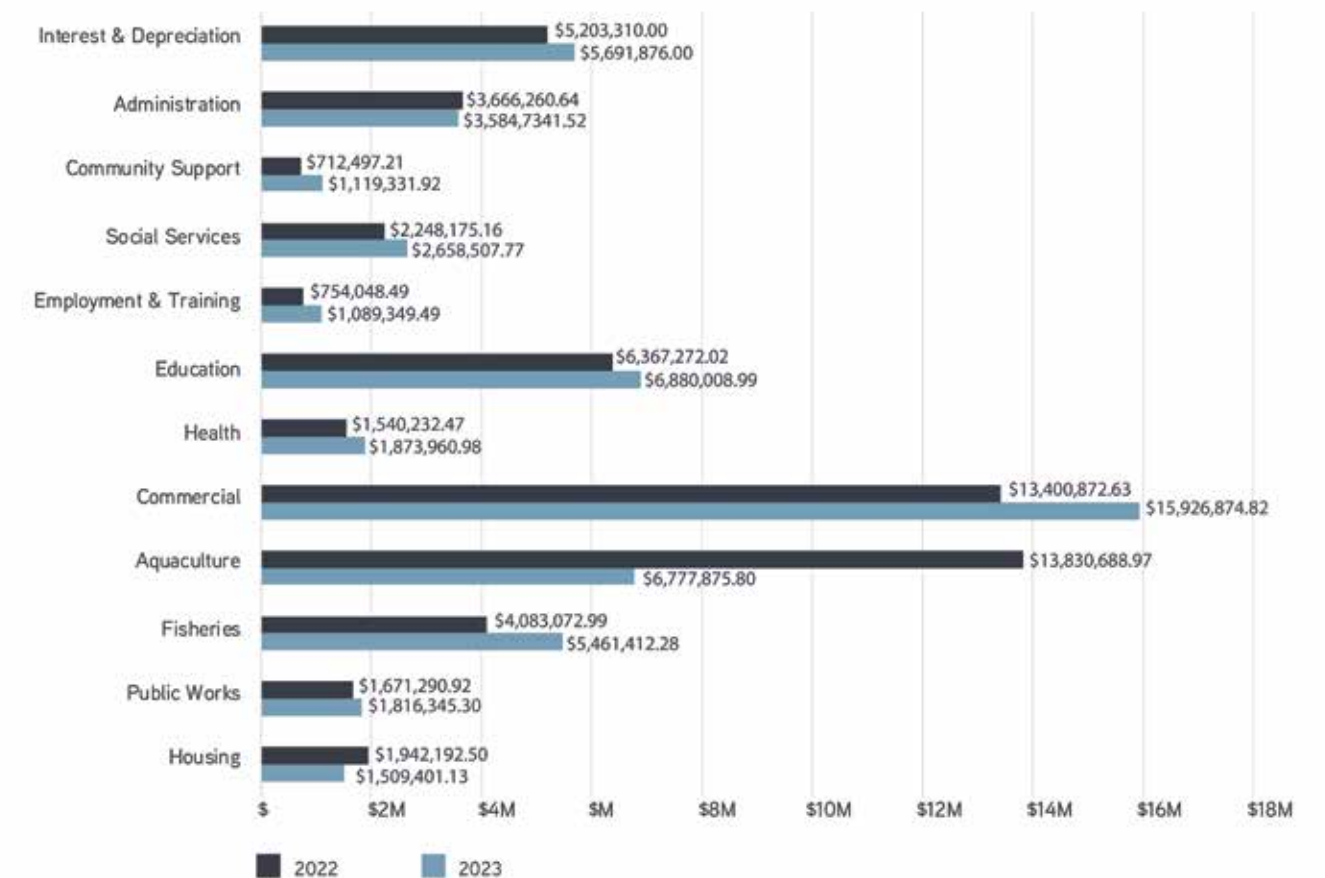
# Financial Highlights

## Revenue



| Revenue                    | 2023            | 2022            |
|----------------------------|-----------------|-----------------|
| Commercial                 | \$17,686,351.43 | \$14,367,143.76 |
| Fisheries                  | \$11,708,733.60 | \$10,777,838.70 |
| Aquaculture                | \$2,620,529.19  | \$5,354,184.84  |
| Government Funding         | \$25,108,667.00 | \$23,695,111.00 |
| Interest and Other Revenue | \$5,094,342.47  | \$1,840,229.45  |

## Expenditures







## Independent auditor's report

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Membertou, NS  
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F +1 902 562 0073

To the Chief and Councillors of the  
We'koqma'q First Nation

### Opinion

We have audited the consolidated financial statements of We'koqma'q First Nation ("the First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, change in net debt and cash flow 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 We'koqma'q First Nation as at March 31, 2023, and its results of operations, its changes in its net debt, 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 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 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 consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of 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 a 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 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 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.

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.

Membertou, Canada  
November 29, 2023

*Grant Thornton LLP*  
Chartered Professional Accountants



## We'koqma'q First Nation Consolidated statement of operations

| Year ended March 31                     | Budget              | 2023                 | 2022                 |
|---|---------------------|----------------------|----------------------|
| <b>Revenues</b>                         |                     |                      |                      |
| Fisheries                               | \$ 21,089,944       | \$ 14,329,263        | \$ 16,132,024        |
| Commercial sales                        | 12,967,348          | 17,686,351           | 14,367,144           |
| Government transfers (Note 20)          | 13,932,313          | 25,108,667           | 23,695,111           |
| Proceeds on sale of assets              | -                   | 3,252,325            | -                    |
| Other revenues                          | 48,300              | 1,842,018            | 1,840,229            |
|   | <u>48,037,905</u>   | <u>62,218,624</u>    | <u>56,034,508</u>    |
| <b>Expenditures</b>                     |                     |                      |                      |
| Administration                          | 224,997             | 587,495              | 823,281              |
| Advertising                             | 5,400               | 344,471              | 41,413               |
| Amortization                            | 838,147             | 3,919,363            | 3,659,003            |
| Bad debt                                | -                   | -                    | 500,846              |
| Community                               | 828,424             | 979,165              | 647,691              |
| Core funding and benefits               | 660,000             | 695,617              | 704,445              |
| Economic and employment development     | 146,335             | 169,414              | 114,566              |
| Education and training                  | 2,477,338           | 1,836,949            | 1,679,905            |
| Health programs                         | 423,895             | 239,026              | 282,218              |
| Insurance                               | 413,281             | 939,027              | 665,578              |
| Interest                                | 446,131             | 1,782,140            | 1,544,307            |
| Municipal services                      | 453,681             | 637,186              | 826,964              |
| Office                                  | 155,373             | 289,614              | 300,844              |
| Professional fees                       | 1,299,615           | 1,568,322            | 1,347,804            |
| Purchases - Fisheries                   | 6,699,062           | 5,281,703            | 10,991,034           |
| Purchases - Retail                      | 9,830,002           | 14,010,573           | 11,549,820           |
| Repairs and maintenance                 | 1,463,036           | 1,879,646            | 1,587,710            |
| Salaries and benefits                   | 17,177,606          | 16,156,398           | 15,237,859           |
| Security                                | 41,400              | 32,938               | 51,898               |
| Social                                  | 2,000,000           | 2,104,449            | 1,891,224            |
| Telephone and utilities                 | 423,996             | 572,268              | 573,916              |
| Training and travel                     | 260,774             | 363,522              | 397,588              |
|   | <u>46,268,493</u>   | <u>54,389,286</u>    | <u>55,419,914</u>    |
| <b>Annual surplus</b>                   | <u>\$ 1,769,412</u> | <u>7,829,338</u>     | <u>614,594</u>       |
| Accumulated surplus, beginning of year  |                     | 27,544,986           | 26,930,392           |
| <b>Accumulated surplus, end of year</b> |                     | <u>\$ 35,374,324</u> | <u>\$ 27,544,986</u> |

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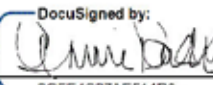
## We'koqma'q First Nation Consolidated statement of financial position

| March 31   | 2023                 | 2022                 |
|--|----------------------|----------------------|
| <b>Financial assets</b>                          |                      |                      |
| Cash   | \$ 609,923           | \$ 2,961,953         |
| Receivables (Note 3)                             | 13,046,724           | 10,615,966           |
| Restricted cash (Note 4)                         | 2,311,623            | 1,593,122            |
| Promissory note receivable (Note 6)              | 17,350,084           | 17,580,361           |
| Inventory (Note 5)                               | 3,230,319            | 2,240,969            |
|  | <u>36,548,673</u>    | <u>34,992,371</u>    |
| <b>Financial liabilities</b>                     |                      |                      |
| Payables and accruals (Note 8)                   | 9,080,862            | 10,137,158           |
| Deferred revenue (Note 9)                        | 4,065,669            | 4,052,228            |
| Capital lease obligations (Note 10)              | 31,006               | 51,975               |
| Long-term debt (Note 11)                         | 58,345,114           | 46,155,735           |
|  | <u>71,522,651</u>    | <u>60,397,096</u>    |
| <b>Net debt (Page 6)</b>                         | <u>(34,973,978)</u>  | <u>(25,404,725)</u>  |
| <b>Non-financial assets</b>                      |                      |                      |
| Prepays  | 673,027              | 730,527              |
| Purchased fishing licenses and permits (Note 13) | 13,700,000           | -                    |
| Property and equipment (Note 12)                 | 55,975,275           | 52,219,184           |
|  | <u>70,348,302</u>    | <u>52,949,711</u>    |
| <b>Accumulated surplus (Note 15)</b>             | <u>\$ 35,374,324</u> | <u>\$ 27,544,986</u> |

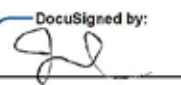
Contingencies (Note 14)

Commitments (Note 15)

On behalf of the First Nation

DocuSigned by:  
  
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Chief

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 89C3CDC137D14EC...

Councillor

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**We'koqma'q First Nation****Consolidated statement of changes in net debt**

| Year ended March 31                  | Budget         | 2023            | 2022            |
|--------------------------------------|----------------|-----------------|-----------------|
| Excess of revenues over expenses     | \$ 1,769,412   | \$ 7,829,338    | \$ 614,594      |
| Amortization                         | 838,147        | 3,919,363       | 3,659,003       |
| Purchased fishing licenses acquired  | -              | (13,700,000)    | -               |
| Capital assets acquired              | (7,555,000)    | (7,675,453)     | (8,733,669)     |
|                                      | 4,947,441      | (9,626,752)     | (5,074,666)     |
| Change in other non-financial assets | -              | 57,499          | (402,718)       |
| Change in net debt                   | \$ (4,947,441) | (9,569,253)     | (4,862,790)     |
| Net debt, beginning of year          |                | (25,404,725)    | (20,541,935)    |
| Net debt, end of year                |                | \$ (34,973,978) | \$ (25,404,725) |

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**We'koqma'q First Nation****Consolidated statement of cash flows**

| Year ended March 31   | 2023         | 2022         |
|---|--------------|--------------|
| Increase (decrease) in cash and cash equivalents                    |              |              |
| <b>Operating</b>  |              |              |
| Excess of revenues over expenses                                    | \$ 7,829,338 | \$ 614,594   |
| Amortization  | 3,919,363    | 3,659,003    |
|   | 11,748,701   | 4,273,597    |
| Change in non-cash operating working capital                        |              |              |
| Receivables   | (2,430,758)  | (2,418,489)  |
| Prepays   | 57,500       | (402,718)    |
| Inventory   | (989,350)    | 4,246,930    |
| Payables and accruals   | (994,300)    | (1,187,724)  |
| HST payable   | (61,996)     | (120,571)    |
| Deferred revenue  | 13,441       | 227,567      |
|   | 7,343,238    | 4,618,592    |
| <b>Financing</b>  |              |              |
| Repayment of capital lease obligations                              | (20,969)     | (19,482)     |
| Proceeds of long-term debt  | 14,636,695   | 10,081,863   |
| Repayment of long-term debt   | (2,447,317)  | (2,298,388)  |
| Receivable from First Nation Fisheries Interest Group               | 230,277      | 216,665      |
|   | 12,398,686   | 7,980,658    |
| <b>Investing</b>  |              |              |
| Purchased fishing licenses acquired                                 | (13,700,000) | -            |
| Capital assets acquired   | (7,675,453)  | (8,733,669)  |
|   | (21,375,453) | (8,733,669)  |
| Net increase (decrease) in cash and cash equivalents                | (1,633,529)  | 3,865,581    |
| Cash and cash equivalents<br>(bank indebtedness), beginning of year | 4,555,075    | 689,494      |
| Cash and cash equivalents, end of year                              | \$ 2,920,546 | \$ 4,555,075 |
| Cash and cash equivalents are comprised of:                         |              |              |
| Restricted cash   | \$ 2,311,623 | \$ 1,593,122 |
| Cash  | 609,923      | 2,961,953    |
|   | \$ 2,921,546 | \$ 4,555,075 |

See community website at [wekoqmaqproud.ca](http://wekoqmaqproud.ca) for full set of financial statements



We'koqma'q First Nation

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies

**Reporting First Nation and principles of financial reporting**  
These financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

The consolidated financial statements of the We'koqma'q First Nation are the representations of management prepared in accordance with Canadian generally accepted accounting principles for public sector entities, as required by the Public Sector Accounting Board (PSAB).

The focus of PSAB financial statements is on the financial position of the First Nation and the changes thereto. The consolidated statement of financial position includes all the assets and liabilities of the First Nation.

Significant aspects of the accounting policies adopted by the First Nation are as follows:

**Principles of consolidation**  
The consolidated financial statements include the entities over which the First Nation has a controlling interest, after the elimination of inter-fund transactions and balances. The entities consolidated in these financial statements include We'koqma'q One Stop, We'koqma'q Housing Projects, and We'koqma'q Contracting Incorporated.

**Government transfers**  
Government transfers received are recognized in the financial statements as revenue when the transfers are authorized, and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized, and all eligibility criteria have been met.

**Revenue recognition**  
All non-government contributions or grant revenues that are externally restricted such that they must be used for a specified purpose are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

Unrestricted revenue, including commercial sales, is recognized when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

Rental revenue is recognized when received or receivable and collection is reasonably assured.

Gaming revenue from video lottery net of corresponding direct expenses are recognized at the time of play and are recorded net of commissions and credits paid out. Other gaming revenues are recognized as earned when received or receivable as long as collection is reasonably assured.

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We'koqma'q First Nation

Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

**Revenue recognition** (continued)  
Interest revenue is recognized as accrued unless it is externally restricted. Any externally restricted inflow received before the criterion has been met is reported as a liability until the resources are used for the purpose or purposes specified.

**Tangible capital assets**  
Tangible capital assets are recorded at cost less accumulated amortization and impairment.

Rates and bases of depreciation applied to write off the cost of property and equipment over their estimated lives are as follows:

|                    |                          |
|--------------------|--------------------------|
| Buildings          | 4% declining balance     |
| Housing properties | 25 years straight line   |
| Fishing vessels    | 4% declining balance     |
| Equipment          | 20% declining balance    |
| Vehicles           | 30% declining balance    |
| Community housing  | 4% declining balance     |
| Subdivision        | 4% declining balance     |
| Infrastructure     | 20% declining balance    |
| Intangibles        | 5% declining balance     |
| Project haven      | 4% declining balance     |
| We'koma'q One Stop | 5-10 years straight line |

When conditions indicate that a tangible capital asset no longer contributes to the First Nation's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. The net write-downs of tangible capital assets are accounted for as expenses in the statement of operations and such write-downs are not reversed.

**Use of estimates**  
In preparing the First Nation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

**Purchased fishing licenses and permits**  
Purchased fishing licenses and permits assets are intangible capital assets. These indefinite-lived fishing licenses and permits are recognized at cost and are not amortized.

The First Nation's evaluates the carrying value of its licenses and permits annually for impairment. Should a permanent impairment be identified, the impairment will be recognized as a reduction in the carrying value and as a charge against income on the statement of operations in the period the impairment occurred.

The First Nation's also owns other communal fishing licenses and permits which were not purchased by the First Nation but were given to or granted to the First Nation.

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We'koqma'q First Nation  
Notes to the consolidated financial statements

March 31, 2023

1. Summary of significant accounting policies (continued)

Inventory

The cost of inventories is comprised of directly attributable costs and includes the purchase price plus other costs incurred in bringing the inventories to their present location and condition, such as freight. The cost is reduced by the value of rebates and allowances received from vendors. The First Nation estimates net realizable value as the amount that inventories are expected to be sold. Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable due to obsolescence, damage, or declining selling prices. When circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in selling price, the amount of the write-down previously recorded is reversed. Costs that do not contribute to bringing inventories to their present location and condition, such as storage and administrative overheads, are specifically excluded from the cost of inventories and are expensed in the period incurred.

The cost of inventory recognized as an expense during fiscal 2023 was \$19,292,276 (2022 - \$22,540,854). No write-down of inventories below their cost to their net realizable value was made in fiscal 2023. There were no reversals of inventories written down previously that are no longer estimated to sell below cost.

Trout farm inventory is recorded at cost. Cost is determined based on the cost of total fish purchased, feed purchased and provided to the fish based on a industry calculated conversion ratio and labour. The cost of the inventory is then applied to the average weight of fish per cage to determine total inventory value. No overhead is allocated to the cost of inventory.

Income taxes

The First Nation is exempt from income taxes under Section 149(l)(c) of the *Canadian Income Tax Act*.

Investments

Portfolio investments are valued at the lower of cost and net realizable value.

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We'koqma'q First Nation  
Notes to the consolidated financial statements

March 31, 2023

2. Change in accounting policy

Asset retirement obligation

On April 1, 2022, the First Nation adopted Public Sector Accounting Standards Section PS 3280 – *Asset retirement obligations* (“PS 3280”). The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, including the removal and remediation of contaminants in retired buildings by public section entities. The standard was adopted on the prospective basis at the date of adoption as the event giving rise to the obligation arose prior to April 1, 2022 and the obligation has not been previously recognized. Under the prospective adoption, the discount rate and assumptions used on initial recognition are those as of the date of adoptions of the standard. As a result of this adoption, no adjustments were necessary to these financial statements.

Financial instruments

As well, effective April 1, 2022, the First Nation adopted new Public Sector Accounting Standards Section PS 3450 *Financial Instruments* and Section 1201 *Financial Statement Presentation*. New Section PS 3450 requires the fair value measurement of derivatives and portfolio investments in equities quoted in an active market. All other financial assets and liability are measured at cost or amortized cost (using the effective method), or by policy choice, at fair value when the First Nation defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis. The adoption of these new standards did not have a significant impact on the financial results of the First Nation.

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