

ENIYUD COMMUNITY FORESTS LIMITED PARTNERSHIP
Financial Information
Year Ended March 31, 2024

Index to Financial Information

	Page
COMPILATION ENGAGEMENT REPORT	1
FINANCIAL INFORMATION	
Balance Sheet	2
Statement of Partners' Capital	3
Statement of Income	4
Notes to Financial Information	5



COMPILATION ENGAGEMENT REPORT

To the Partners of Eniyud Community Forests Limited Partnership

On the basis of information provided by management, we have compiled the balance sheet of Eniyud Community Forests Limited Partnership as at March 31, 2024, and the statements of partners' capital and income for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information and other explanatory information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Williams Lake, BC
October 1, 2024


PMT CHARTERED PROFESSIONAL
ACCOUNTANTS LLP

ENIYUD COMMUNITY FORESTS LIMITED PARTNERSHIP

Balance Sheet

March 31, 2024

	2024	2023
ASSETS		
Current		
Cash	\$ 1,883,705	\$ 4,687,794
Term deposits	750,000	1,534,588
Accounts receivable	421,599	25,345
Prepaid expenses	15,549	15,511
Deferred project expenses	12,575	-
	<u>3,083,428</u>	<u>6,263,238</u>
Intangible assets	1	1
Goodwill	1	1
	<u>\$ 3,083,430</u>	<u>\$ 6,263,240</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 135,428	\$ 626,084
Deferred income	70,154	-
Due to related parties	220	-
Siviculture liability	187,895	552,944
	<u>393,697</u>	<u>1,179,028</u>
Siviculture liability	<u>274,358</u>	<u>-</u>
	668,055	1,179,028
PARTNERS' CAPITAL		
Partners' capital	<u>2,415,375</u>	<u>5,084,212</u>
	<u>\$ 3,083,430</u>	<u>\$ 6,263,240</u>

APPROVED BY THE PARTNERS

 Partner

 Partner

The accompanying notes are an integral part of this statement

ENIYUD COMMUNITY FORESTS LIMITED PARTNERSHIP**Statement of Partners' Capital****Year Ended March 31, 2024**

	Eniyud Community Forests Ltd.	Tatla Resource Association	Tsideldel First Nation	2024	2023
Balance - beginning of year	\$ 71,618	\$ 2,506,297	\$ 2,506,297	\$ 5,084,212	\$ -
Net Income	40,856	65,580	65,580	172,016	5,051,496
Contributions	-	-	-	-	32,716
Withdrawals	(40,853)	(1,400,000)	(1,400,000)	(2,840,853)	-
Balance - end of year	\$ 71,621	\$ 1,171,877	\$ 1,171,877	\$ 2,415,375	\$ 5,084,212

The accompanying notes are an integral part of this statement

ENIYUD COMMUNITY FORESTS LIMITED PARTNERSHIP**Statement of Income****Year Ended March 31, 2024**

	2024	2023
Revenue		
Project funding	\$ 720,714	\$ 793,200
Log sales	83,380	5,726,518
Delivery allowance	46,965	35,932
	<u>851,059</u>	<u>6,555,650</u>
Direct costs		
Contractors	-	490,606
Insurance and licences	3,722	1,537
Management fees	128,565	147,748
Planning	122,669	42,864
Post-harvest activities	11,226	37,573
Purchases	-	30,714
Rentals	14,842	3,653
Silviculture	499,727	779,294
	<u>780,751</u>	<u>1,533,989</u>
Gross profit	<u>70,308</u>	<u>5,021,661</u>
General and administrative expenses		
Accounting fees	11,967	3,000
Bank charges and interest	29,789	195
Licences, dues and fees	13,166	-
Meetings and conventions	3,328	-
Professional fees	3,226	38,475
	<u>61,476</u>	<u>41,670</u>
Income from operations	<u>8,832</u>	<u>4,979,991</u>
Other income		
Interest income	163,184	71,505
Net income	<u>\$ 172,016</u>	<u>\$ 5,051,496</u>

The accompanying notes are an integral part of this statement

ENIYUD COMMUNITY FORESTS LIMITED PARTNERSHIP

Notes to Financial Information

Year Ended March 31, 2024

1. Basis of accounting

The basis of accounting applied in the preparation of the balance sheet of Eniyud Community Forests Limited Partnership as at March 31, 2024, and the statements of partners' capital and income for the year then ended is the historical cost basis and reflects cash transactions with the addition of:

- Accounts receivable
- Term deposits recorded at cost
- Prepaid expenses over the specified term of the expense
- Intangible assets consist of timber license recorded at cost
- Goodwill recorded at cost
- Accounts payable and accrued liabilities
- Silviculture accrued liability as estimated by the current cost of reforestation
- Revenue from log sales is recognized when scaled and delivered
- Revenue from term deposits are accrued based on the underlying maturity date and interest rate.

2. Description of business

The Tsideldel First Nation and the Tatla Resource Association formed the Eniyud Community Forests Limited Partnership (the "Partnership") to carry on the business of managing a community forest, with a view to profit, in a safe and ecologically sound manner that enables forestry and tourism to prosper, preserves First Nations traditional uses of the land base and encourages community stability.

3. Partnership units

Issued

	<u>2024</u>	<u>2023</u>
20,000 Common units	\$ 2,000	\$ 2,000
1,000 Class A Preferred units	<u>30,716</u>	<u>30,716</u>
	<u>\$ 32,716</u>	<u>\$ 32,716</u>

Class A Preferred units were issued as consideration for assets transferred to the Partnership. The fair market value of the Preferred units is \$4,085.289 per unit or \$4,085,289.00 in aggregate.

4. Allocation of net income and net loss

The net income and net loss shall be allocated, at the end of each fiscal period, as follows:

1. Net income shall be allocated first to the Preferred units, calculated as 1% times the fair market value of the capital contribution of the Preferred units at the time of allocation
2. After the allocation to the Preferred units, remaining net income is allocated pro-rata to the Limited Partners (99.999%) and General Partner (0.001%)
3. All net losses shall be allocated to the holders of the Common units.