Columbia Basin trust

STATEMENT OF FINANCIAL INFORMATION

Fiscal year ended
March 31, 2022

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STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned represents the Board of Directors of Columbia Basin Trust and approves all statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.

JOCELYN CARVER
Chair, Board of Directors
July 22, 2022

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Finance and Audit Committee of the Board. The Finance and Audit Committee meets with management a minimum of four times a year.

The external auditors, the Auditor General of British Columbia, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have the responsibility for assessing the management systems and practices of the corporation. The external auditors have full and free access to the Finance and Audit Committee of the Board and meet on a regular basis.

On behalf of Columbia Basin Trust

Christine Lloyd
Executive Director, Finance & Operations
June 30, 2022

TAB 2

COLUMBIA BASIN TRUST

CONSOLIDATED FINANCIAL STATEMENTS

AS AT MARCH 31, 2022

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RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the accompanying consolidated financial statements and all of the information contained in the Annual Report. The consolidated financial statements have been prepared in accordance with the financial reporting provisions of Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia and include amounts that are based on estimates and judgements. Management believes that the consolidated financial statements fairly present the Trust's consolidated financial position and results of operations. The integrity of the information presented in the consolidated financial statements, including estimates and judgements relating to matters not concluded by fiscal year end, is the responsibility of management. The consolidated financial statements have been approved by the Trust's Board of Directors.

Management has established and maintained appropriate systems of internal control which are designed to provide reasonable assurance that the Trust's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of consolidated financial statements. These systems include formal written policies and appropriate delegation of authority and segregation of responsibilities within the organization.

The Auditor General of British Columbia has been appointed by the Trust's Board of Directors to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the Trust's financial position, results of operations, changes in net assets and cash flows in conformity with the financial reporting provisions of public sector accounting standards. The Auditor's report follows and outlines the scope of their examination and their opinion on the consolidated financial statements.

The Board of Directors, through the Finance and Audit Committee, is responsible for ensuring that management fulfills its responsibility for financial reporting and internal controls. The Finance and Audit Committee, comprised of directors who are not employees, meets regularly with the external auditors and management to satisfy itself that each group has properly discharged its responsibility to review the consolidated financial statements before recommending approval by the Board of Directors. The external auditors have full and open access to the Finance and Audit Committee, with and without the presence of management.

Johnny Strilaeff
President & CEO

Christine Lloyd, CPA, CGA
Executive Director, Finance & Operations

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Columbia Basin Trust, and
To the Minister of Forests, Province of British Columbia

Opinion

I have audited the accompanying consolidated financial statements of Columbia Basin Trust ("the Trust"), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, remeasurement gains and losses, change in accumulated operating surplus, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Trust as at March 31, 2022, and the results of its operations, remeasurement gains and losses, change in accumulated operating surplus, change in net financial assets, and its cash flows for the year then ended in accordance with Public Sector Accounting Standards (PSAS).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of my report. I am independent of the Trust in accordance with the ethical requirements that are relevant to my audit of the consolidated financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Accompanying Information

Management is responsible for the other information. The other information comprises the information included in the 2021/22 Annual Service Plan Report but does not include the consolidated financial statements and my auditor's report thereon. The 2021/22 Annual Service Plan Report is expected to be made available to us after the date of this auditor's report.

My opinion on the consolidated financial statements does not cover the other information accompanying the financial statements and I do not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated financial statements, my responsibility is to read the other information that I have obtained prior to the date of my auditor's report and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or my knowledge obtained during the audit or otherwise appears to be materially misstated.

When I read the 2021/22 Annual Service Plan Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

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

Those charged with governance are responsible for the oversight of the financial reporting process. Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards (PSAS), and for such internal control as management determines is necessary to enable the preparation of the 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting when the Trust will continue its operations for the foreseeable future.

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

My objectives are to obtain reasonable assurance about whether the Trust's 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 my 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 Trust'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 Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

Stuart Newton, CPA, CA
Assistant Auditor General

Victoria, British Columbia, Canada
June 2, 2022

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in thousands)

AS AT MARCH 31	Note		2022		2021
FINANCIAL ASSETS					
Cash		$	17,141	$	13,097
Short-term investments	5		55,889		64,651
Accrued interest and other accounts receivable	6		1,952		1,298
Market securities	7		82,358		76,650
Loans receivable	8		6,629		4,646
Private placements - Commercial loans	9		24,995		25,847
Private placements - Commercial investment	10		2,375		2,375
Private placements - Real estate investments	11		8,373		8,517
Investment in power facilities	12		967,182		971,774
			1,166,894		1,168,855
LIABILITIES					
Accounts payable and accrued liabilities	13		3,221		832
Employee future benefits			406		372
Long-term debt	14		6,013		5,771
Deferred contributions	15		4,848		6,322
Delivery of benefits initiatives	16		33,436		18,818
Due to Waneta Expansion Power Corporation	17		626,796		634,208
			674,720		666,323
Net Financial Assets			492,174		502,532
NON-FINANCIAL ASSETS					
Prepaid expenses			616		1,214
Tangible capital assets	18				
Tangible capital assets - Corporate			1,771		1,798
Tangible capital assets - Delivery of benefits			16,201		8,217
Tangible capital assets - Investments			14,944		8,350
Total tangible capital assets			32,916		18,365
			33,532		19,579
ACCUMULATED SURPLUS		$	525,706	$	522,111
Accumulated Surplus is comprised of:					
Accumulated Operating Surplus		$	517,913	$	512,476
Accumulated Remeasurement Gains			7,793		9,635
		$	525,706	$	522,111
COMMITMENTS	25				

Approved on behalf of the Board of Directors:

Jocelyn Carver
Chair

Bill van Yzerloo
Chair, Finance and Audit Committee

The accompanying notes are an integral part of these consolidated financial statements.

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF OPERATIONS
(in thousands)

FOR THE YEAR ENDED MARCH 31	Note	Budget (Note 29)	2022	2021
REVENUES				
Power facilities	12	$ 73,604	$ 76,241	$ 74,771
Market securities		1,200	7,550	3,983
Power facilities recoveries	19	3,777	3,777	3,500
Grant revenues	20	2,660	2,633	140
Private placements - Real estate investments	11	1,360	1,580	1,237
Private placements - Commercial loans		1,675	1,347	1,569
Broadband operations		741	921	912
Short-term investments		1,000	630	953
Rental revenues - Commercial investments	21	574	546	452
Restricted investment income	17	-	453	221
Other revenues	22	537	389	442
		87,128	96,067	88,180
EXPENSES	23			
Community initiatives		30,998	40,043	41,505
Water and environment initiatives		9,403	9,208	5,970
Social initiatives		4,773	5,401	3,949
Other initiatives		7,864	4,226	1,838
Power facilities administration	19	3,777	3,777	3,500
Economic initiatives		5,429	3,233	6,859
Broadband initiatives		3,776	2,966	2,499
Youth initiatives		2,190	2,945	1,924
Investment initiatives		1,183	1,254	1,250
Financing costs	17	17,662	17,544	17,562
		87,055	90,597	86,856
Loss due to impairment	8	-	33	714
ANNUAL OPERATING SURPLUS		$ 73	$ 5,437	$ 610

The accompanying notes are an integral part of these consolidated financial statements.

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
(in thousands)

FOR THE YEAR ENDED MARCH 31	Note		2022		2021
Accumulated remeasurement gains (losses), beginning of year		$	9,635	$	(971)
Unrealized gains on market securities			4,217		13,336
Less realized gains reclassified to the Statement of Operations			(6,059)		(2,730)
Net change for the year			(1,842)		10,606
ACCUMULATED REMEASUREMENT GAINS, end of year	7	$	7,793	$	9,635

CONSOLIDATED STATEMENT OF CHANGE IN ACCUMULATED OPERATING SURPLUS
(in thousands)

FOR THE YEAR ENDED MARCH 31		2022		2021
Accumulated operating surplus, beginning of year	$	512,476	$	511,866
Annual operating surplus		5,437		610
ACCUMULATED OPERATING SURPLUS, end of year	$	517,913	$	512,476

The accompanying notes are an integral part of these consolidated financial statements.

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
(in thousands)

FOR THE YEAR ENDED MARCH 31	Budget (Note 29)	2022	2021
ANNUAL SURPLUS	$ 73	$ 5,437	$ 610
Acquisition of prepaid expenses	-	(616)	(1,214)
Use of prepaid expenses	-	1,214	303
Acquisition of tangible capital assets	-	(16,525)	(4,243)
Disposal of tangible capital assets	-	-	3
Amortization of tangible capital assets	491	1,974	1,467
	491	(13,953)	(3,684)
Effect of remeasurement gains (losses)	-	(1,842)	10,606
Change in Net Financial Assets	564	(10,358)	7,532
NET FINANCIAL ASSETS, beginning of year	502,532	502,532	495,000
NET FINANCIAL ASSETS, end of year	$ 503,096	$ 492,174	$ 502,532

The accompanying notes are an integral part of these consolidated financial statements.

COLUMBIA BASIN TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands)

FOR THE YEAR ENDED MARCH 31	2022	2021
CASH FLOWS FROM (APPLIED TO) OPERATING ACTIVITIES		
Cash received from private placements - Commercial loans	$ 1,409	$ 1,726
Cash received from other loans	211	174
Cash received from broadband operations	1,271	1,218
Cash received from short-term investments	733	990
Cash received from market securities	7,550	3,983
Cash received from tenants	556	464
Cash paid for operating expenses	(3,855)	(4,767)
Cash paid for delivery of benefits initiatives	(46,437)	(47,720)
Cash received from delivery of benefits	803	2,680
	(37,759)	(41,252)
CASH FLOWS FROM (APPLIED TO) INVESTING ACTIVITIES		
Purchase of short-term investments and market securities	(46,064)	(49,357)
Redemption of short-term investments and market securities	47,276	29,314
Issuance of commercial loans	(5,906)	(3,480)
Repayment of commercial loans	6,787	11,822
Issuance of other loans	(3,404)	(2,420)
Repayment of other loans	1,392	8,725
Real estate investments	(50)	(90)
Dividends received from real estate investments	1,774	1,508
Dividends received from power facilities investments	80,735	84,075
	82,540	80,097
CASH FLOWS APPLIED TO CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(16,525)	(4,243)
Disposal of tangible capital assets	-	3
	(16,525)	(4,240)
CASH FLOWS FROM (APPLIED TO) FINANCING ACTIVITIES		
Issuance of other debt	-	750
Repayment of debt	(57)	(43)
Interest paid on debt	(18,194)	(18,174)
Contributions to WEPC sinking fund	(6,260)	(16,140)
Advances from community foundations	299	509
Repayment to community foundations	-	(83)
	(24,212)	(33,181)
INCREASE IN CASH	4,044	1,424
CASH, beginning of year	13,097	11,673
CASH, end of year	$ 17,141	$ 13,097

Interest collected during the year was $2.4 million (fiscal 2021 - $2.9 million).
Interest paid during the year was $18.4 million (fiscal 2021 - $18.4 million).

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE OF COLUMBIA BASIN TRUST

Columbia Basin Trust (the Trust) is a corporation established by the *Columbia Basin Trust Act*. The purpose of the Trust is to manage its assets for the ongoing economic, social and environmental well-being of the Columbia Basin (the Basin) region. The sole share of the Trust is held by the Minister of Finance on behalf of the Province of British Columbia (Province) and the Trust reports to the Ministry of Forests.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Trust are prepared by management in accordance with the basis of accounting described below. Significant accounting policies of the Trust are as follows:

(a) Basis of accounting

The consolidated financial statements have been prepared in accordance with Section 23.1 of the *Budget Transparency and Accountability Act* of the Province of British Columbia (Section 23.1) supplemented by Regulations 257/2010 and 198/2011 (Regulations) issued by the Province of British Columbia Treasury Board.

The *Budget Transparency and Accountability Act* requires that the consolidated financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for public sector organizations in Canada, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for senior governments in Canada as modified by the alternate standard or guideline or part thereof adopted in the regulation.

Regulation 257/2010 requires all tax-payer supported organizations to adopt Canadian public sector accounting standards without any PS4200 elections.

Regulation 198/2011 requires that restricted contributions received or receivable are to be reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows:

i. Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded. The reduction of deferred capital contributions and recognition of revenue are accounted for over the fiscal periods during which the tangible capital asset is used to provide services.

ii. Contributions restricted for specific purposes other than those for the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contributions have been met.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

The accounting policy requirements under Regulation 198/2011 are significantly different from the requirements of Canadian public sector accounting standards which require that:

i. Government transfers that do not contain a stipulation that creates a liability be recognized as revenue by the recipient when approved by the transferor and the eligibility criteria have been met in accordance with public sector accounting standard PS3410; and

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

ii. Externally restricted contributions be recognized as revenue in the period in which the stipulations are met.

(b) Basis of consolidation

i. Consolidated entities:

These consolidated financial statements reflect the assets, liabilities, revenues and expenses of organizations which are wholly owned and controlled by the Trust. Controlled organizations are consolidated except for government business partnerships and government business enterprises which are accounted for by the modified equity method. Intercompany transactions, balances, and activities are eliminated on consolidation.

The following entities are wholly owned and controlled by the Trust and are fully consolidated:

- CBT Commercial Finance Corp.
- CBT Arrow Lakes Power Development Corp.
- CBT Brilliant Expansion Power Corp.
- CBT Power Corp.
- CBT Property Corp.
- CBT Waneta Expansion Power Corp.
- CBT Real Estate Investment Corp.
- Columbia Basin Broadband Corporation
- Columbia Basin Development Corporation

ii. Investment in Government business partnerships:

Government business partnerships (GBPs) are accounted for using the modified equity method. Under the modified equity method, only the Trust's percentage investment in the GBP, and the net income and other changes in equity are recorded. No adjustments are made for accounting policies that are different from those of the Trust and intercompany transactions and balances are not eliminated.

The following entities are GBPs of the Trust and are consolidated using the modified equity method:

Power facilities:

- Arrow Lakes Power Corporation (ALPC) – 50% interest
- Brilliant Power Corporation (BPC) – 50% interest
- Brilliant Expansion Power Corporation (BEPC) – 50% interest
- Waneta Expansion Power Corporation (WEPC) – 50% interest

Real estate:

- Castle Wood Village – 50% interest
- Columbia Village – 50% interest
- Crest View Village – 50% interest
- Garden View Village – 50% interest
- Joseph Creek Village – 50% interest
- Kootenay Street Village – 50% interest
- Lake View Village – 50% interest
- Mountain Side Village – 50% interest
- Rocky Mountain Village – 50% interest

2. (b) Basis of consolidation (continued)

iii. Investment in Government business enterprises:

Government business enterprises (GBEs) are accounted for using the modified equity method. Under the modified equity method, only the Trust's percentage investment in the GBE, and the net income and other changes in equity are recorded. No adjustments are made for accounting policies that are different from those of the Trust and inter-entity transactions and balances are not eliminated.

Red Mountain Hostel (80% interest) is a GBE of the Trust and is consolidated in these financial statements using the modified equity method.

(c) Tangible capital assets and amortization

Tangible capital assets are recorded at cost, which includes amounts directly related to the acquisition, construction, design, development, improvement or betterment of the assets. Costs include overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the construction of the asset. The cost, less residual value of the tangible capital assets, excluding land, is amortized on a straight-line basis over the expected useful lives as follows:

	Years
Automobiles	2 - 8
Hardware and software	3 - 7
Broadband hardware	3 - 15
Office furniture and equipment	5
Fibre optics	25
Buildings	25 - 35
Tenant improvements	Lease term or improvement useful life

Tangible capital assets are written down to their residual value when conditions indicate they no longer contribute to the Trust's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The write-downs are accounted for as expenses in the statement of operations. Transfers of capital assets from related parties are recorded at carrying value.

(d) Revenue recognition

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

Regulation 198/2011 requires that restricted contributions received or receivable are to be reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows:

i. Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or contributions in the form of a depreciable tangible capital asset are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the related tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for over the fiscal period during which the tangible capital asset is used to provide services.

2. (d) Revenue recognition (continued)

ii. Contributions restricted for specific purposes other than those for the acquisition or development of a depreciable tangible capital asset are recorded as deferred contributions and recognized in revenue in the year in which the stipulation or restriction on the contributions have been met.

For British Columbia tax-payer supported organizations, these contributions include government transfers and externally restricted contributions.

Contributions are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Revenue related to fees or services received in advance of the fee being earned or the service being performed is deferred and recognized when the fee is earned or service performed.

(e) Expenses

Expenses are reported on an accrual basis when the goods have been received or the services have been provided. The cost of all goods consumed and services received during the year is expensed.

Expenses are classified by function on the statement of operations. The Trust allocates administration costs by identifying an appropriate basis of allocating and applying that basis consistently each year.

Government transfers are recognized in the consolidated financial statements in the period in which the amounts of the transfers are authorized and any eligibility criteria have been met by the recipient.

(f) Taxes

The Trust and its wholly owned subsidiaries are exempt from income taxes under paragraph 149(1)(d) of the *Income Tax Act*. The Trust is also exempt from Federal Large Corporations Tax under subsection 181.1(3) of the *Income Tax Act*.

(g) Financial instruments

Derivatives and equity instruments quoted in an active market are measured at fair value. The Trust measures other specific financial instruments at cost and amortized cost to correspond with how they are evaluated and managed.

Financial instruments measured at fair value are classified as level one, two or three for the purposes of describing the basis of the inputs used to measure the fair values, as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Market-based inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3: Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

2. (g) Financial instruments (continued)

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

For financial instruments measured using amortized cost, amortized cost is defined as the amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus cumulative amortization using the effective interest method and minus any impairment losses. The effective interest rate method is used to determine interest revenue or expense.

For portfolio investments measured at cost, the cost method records the initial investment at cost and earnings from such investments are recognized only to the extent received or receivable. When an investment is written down to recognize an impairment loss, the new carrying value is deemed to be the new cost basis for subsequent accounting purposes.

Interest and dividends attributable to financial instruments are reported in the statement of operations.

Financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations and any related fair value changes previously recorded in the statement of remeasurement gains and losses are reversed to the extent of the impairment. Impairment losses are not reversed for a subsequent increase in value.

Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Trust has designated its financial instruments as follows:

i. Cash:

Cash includes cash on hand and demand deposits. The Trust presents its statement of cash flows using the direct method.

ii. Portfolio investments:

Short-term investments are accounted for as portfolio investments. Investments quoted in an active market are reported at fair value and other investments are recorded at cost or amortized cost. These investments are highly liquid and held for the purpose of meeting short-term cash commitments. Investments reported at fair value recognize any changes in fair value in the statement of remeasurement gains and losses.

Market securities equity and debt investments quoted in an active market are reported at fair value. The Trust invests in long-term investments through pooled fund products managed by the British Columbia Investment Management Corporation (BCI), a corporation established under the *Public Sector Pension Plans Act*. The Trust has a diversified securities portfolio that includes short-term deposits, bonds and equities. Market securities are accounted for as portfolio investments and are reported at fair value with changes in fair value recognized in the statement of remeasurement gains and losses.

Private placements - commercial investments that have an equity interest are accounted for as portfolio investments and are measured at cost, less any amounts written off to reflect a permanent decline in value.

2. (g) Financial instruments (continued)

iii. Loans receivable:

Private placements - commercial loans as well as loans receivable are recorded at amortized cost less any amount for impairments. Impairment losses are recorded to reflect loans receivable at the lower of amortized cost and the net recoverable value, when collectability and risk of loss exists. Impairments are recognized in the statement of operations. Interest is accrued on loans receivable to the extent it is deemed collectable.

iv. Debt and other financial assets and financial liabilities:

Debt, accrued interest and other assets, and accounts payable and accrued liabilities are measured and recorded at amortized cost using the effective interest rate method.

(h) Employee future benefits

Employee future benefits consist of an employee pension plan, retirement benefits and sick leave benefits.

The Trust and its employees make contributions to the Public Sector Pension Plan, which is a multi-employer defined benefit pension plan. Multi-employer defined benefit pension plans are accounted for as defined contribution plans. As a result, the Trust's contributions are expensed as paid.

The Trust provides a retirement allowance to all employees who have accumulated 20 years or more of service with the Trust. An actuarially determined accrued liability for the retirement allowance has been recorded in the statements and has been determined using management's best estimate of employee retention, salary escalation, long-term inflation and discount rates.

The Trust provides their employees with sick leave benefits that accumulate but do not vest. All employees are entitled to eight sick days per calendar year, which may be carried over, to a maximum of 120 days. An actuarially determined accrued liability has been recorded on the statements for non-vesting sick leave benefits. The cost of non-vesting sick leave benefits are calculated using management's best estimate of salary escalation, long-term inflation rates and discount rates.

(i) Measurement uncertainty

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the consolidated financial statements and the reported amounts of the revenues and expenses during the period. Significant estimates include assumptions used for recording specific impairments and general loan loss provisions on commercial loans and loans receivable, useful life of tangible capital assets, and for identifying any impairment on its commercial investment.

Estimates are based on the best information available at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates.

(Tabular amounts in thousands)

3. FUTURE ACCOUNTING STANDARDS

In August 2018, the Canadian public sector accounting board issued PS3280 Asset Retirement Obligations. PS3280 establishes standards of how to account for and report legal obligations associated with the retirement of certain tangible capital assets and solid waste landfill sites. Disclosure of information about asset retirement obligations is required when tangible capital assets are acquired, constructed, developed, or are in normal use. PS3280 applies to fiscal years beginning on or after April 1, 2022. Management is in the process of assessing the impact of adoption of PS3280 on the financial statements of the Trust.

In June 2018, the Canadian public sector accounting board issued PS3400 Revenue. PS3400 proposes a framework describing two categories of revenue – transactions with performance obligations and transactions with no performance obligations. PS3400 applies to fiscal years beginning on or after April 1, 2023. Management is in the process of assessing the impact of adoption of PS3400 on the financial statements of the Trust.

4. COMPARATIVE FIGURES

Certain prior year figures have been reclassified to conform with the current year's presentation.

5. SHORT-TERM INVESTMENTS

Short-term investments consist of a portfolio of guaranteed investment certificates (GICs) held at financial institutions.

6. ACCRUED INTEREST AND OTHER ACCOUNTS RECEIVABLE

Accrued interest and other accounts receivable consist of accrued interest on short-term investments, receivables, accrued interest on commercial loans and recoveries for management and information technology services.

7. MARKET SECURITIES

The Trust has a diversified securities portfolio that includes short-term deposits, bond and equity pooled funds, which are managed by the BCI. The Trust's investment in market securities measured at fair value is as follows:

	Fair value hierarchy level	2022	2021
Market value	1	$ 82,358	$ 76,650
Cost		74,565	67,015
Accumulated remeasurement gains		$ 7,793	$ 9,635

During fiscal year 2022, the Trust recognized realized gains on market securities of $6.1 million (2021 - $2.7 million).

8. LOANS RECEIVABLE

The Trust provides funding through the Impact Investment program to businesses challenged with obtaining financing from other sources. These loans are generally secured by assets and personal guarantees and currently have terms extending no further than 17 years.

(Tabular amounts in thousands)

8. LOANS RECEIVABLE (continued)

The Trust provides funding through the Small Business Working Capital program to provide working capital and operating funds to Basin-based small businesses and social enterprises to assist with the challenges of COVID-19. The Trust also provides funding through the Basin Food Producer program to help bolster the region's food supply, create employment and alleviate longer-term economic impacts caused by the pandemic. The loan terms for both of these related programs bear interest of 2% over a maximum term of five years. There is no interest charged for the first three months followed by interest-only payments for nine months. At March 31, 2022, the outstanding balance of the loans in these two programs totaled $1.4 million (discounted to present value $1.3 million). Three loans under the Small Business Working Capital program declared bankruptcy in fiscal 2022 resulting in an impairment loss totaling $33,000.

The Trust provided the Trail airport with a non-interest bearing $1 million loan over a term of 20 years. At March 31, 2022, the outstanding balance was $800,000 (discounted to present value $562,000).

The Trust provides funding through the Economic Development program to support business development throughout the Basin. The Trust provided two loans under the Economic Development program in fiscal 2022 with terms extending no further than 25 years.

Loans receivable are as follows:

	2022	2021
Impact Investment funds bearing interest from 3.7% to 6.7%	$ 3,476	$ 2,906
Small Business Working Capital bearing interest at 2% after first 3 months	761	1,010
Trail airport non-interest bearing	562	585
Basin Food Producers bearing interest at 2% after first 3 months	560	369
Economic Development loans bearing interest from prime to prime +2%	1,519	-
	6,878	4,870
Less: general impairment loss	(249)	(224)
	$ 6,629	$ 4,646

9. PRIVATE PLACEMENTS – COMMERCIAL LOANS

The Trust provides commercial loans that are generally secured by real estate and currently have terms extending no further than 25 years.

Commercial loans are as follows:

	2022	2021
Commercial loans bearing interest from nil to 7.5%	$ 25,172	$ 26,030
Less: general impairment loss	(177)	(183)
	$ 24,995	$ 25,847

10. PRIVATE PLACEMENTS – COMMERCIAL INVESTMENT

This commercial equity investment in a private company is accounted for as a portfolio investment and measured at cost, net of impairment.

(Tabular amounts in thousands)

11. PRIVATE PLACEMENTS - REAL ESTATE INVESTMENTS

The Trust's real estate investments are comprised of the following:

- 50% ownership interest in nine seniors housing facilities throughout the Basin.
- 80% ownership interest in Red Mountain Hostel located in Rossland, BC.

These investments are accounted for as investments in GBPs and GBEs using the modified equity method. See Note 2(b).

Condensed supplementary financial information for private placements – Real estate investments is as follows:

(a) Financial position:

	Current Assets	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Total Liabilities	Net Assets
March 31, 2022							
Castle Wood Village - 50%	$ 495	$ 2,823	$ 3,318	$ 209	$ 2,534	$ 2,743	$ 575
Columbia Village - 50%	154	3,991	4,145	256	3,490	3,746	399
Crest View Village - 50%	270	3,155	3,425	269	2,511	2,780	645
Garden View Village - 50%	416	2,404	2,820	181	2,127	2,308	512
Joseph Creek Village - 50%	46	6,875	6,921	502	5,159	5,661	1,260
Kootenay Street Village - 50%	75	11,797	11,872	302	11,128	11,430	442
Lake View Village - 50%	226	4,328	4,554	229	3,044	3,273	1,281
Mountain Side Village - 50%	81	2,192	2,273	127	1,666	1,793	480
Red Mountain Hostel - 80%	371	3,177	3,548	50	1,313	1,363	2,185
Rocky Mountain Village - 50%	112	2,217	2,329	224	1,511	1,735	594
	$ 2,246	$ 42,959	$ 45,205	$ 2,349	$ 34,483	$ 36,832	$ 8,373
March 31, 2021							
Castle Wood Village - 50%	$ 424	$ 3,018	$ 3,442	$ 180	$ 2,712	$ 2,892	$ 550
Columbia Village - 50%	132	4,212	4,344	236	3,718	3,954	390
Crest View Village - 50%	251	3,367	3,618	258	2,769	3,027	591
Garden View Village - 50%	58	2,543	2,601	149	1,954	2,103	498
Joseph Creek Village - 50%	18	7,288	7,306	440	5,622	6,062	1,244
Kootenay Street Village 50%	205	12,234	12,439	85	11,689	11,774	665
Lake View Village - 50%	211	4,534	4,745	222	3,283	3,505	1,240
Mountain Side Village - 50%	71	2,319	2,390	121	1,784	1,905	485
Red Mountain Hostel - 85%	282	3,428	3,710	48	1,404	1,452	2,258
Rocky Mountain Village - 50%	99	2,340	2,439	162	1,681	1,843	596
	$ 1,751	$ 45,283	$ 47,034	$ 1,901	$ 36,616	$ 38,517	$ 8,517

(Tabular amounts in thousands)

11. PRIVATE PLACEMENTS - REAL ESTATE INVESTMENTS (continued)

(b) Results of operations:

	Revenue	Finance Charges	Operations	Amortization	Total Expense	Surplus
March 31, 2022						
Castle Wood Village - 50%	$ 524	$ 93	$ 16	$ 202	$ 311	$ 213
Columbia Village - 50%	529	138	13	226	377	152
Crest View Village - 50%	561	94	9	213	316	245
Garden View Village - 50%	362	70	19	140	229	133
Joseph Creek Village - 50%	1,093	197	36	422	655	438
Kootenay Street Village - 50%	812	321	-	448	769	43
Lake View Village - 50%	545	102	-	207	309	236
Mountain Side Village - 50%	310	70	2	126	198	112
Red Mountain Hostel - 80%	106	38	35	156	229	(123)
Rocky Mountain Village - 50%	374	67	33	143	243	131
	$ 5,216	$ 1,190	$ 163	$ 2,283	$ 3,636	$ 1,580
March 31, 2021						
Castle Wood Village - 50%	$ 525	$ 98	$ (10)	$ 202	$ 290	$ 235
Columbia Village - 50%	528	150	-	227	377	151
Crest View Village - 50%	559	102	19	214	335	224
Garden View Village - 50%	363	96	15	144	255	108
Joseph Creek Village - 50%	1,094	246	107	428	781	313
Kootenay Street Village - 50%	278	160	2	255	417	(139)
Lake View Village - 50%	546	109	1	207	317	229
Mountain Side Village - 50%	311	74	8	126	208	103
Red Mountain Hostel - 85%	113	67	25	150	242	(129)
Rocky Mountain Village - 50%	374	76	12	144	232	142
	$ 4,691	$ 1,178	$ 179	$ 2,097	$ 3,454	$ 1,237

(c) Investment in private placements - real estate:

	Castle Wood Village	Columbia Village	Crest View Village	Garden View Village	Joseph Creek Village	Kootenay Street Village	Lake View Village	Mountain Side Village	Red Mountain Hostel	Rocky Mountain Village	Total
	50%	50%	50%	50%	50%	50%	50%	50%	80%*	50%	
March 31, 2022											
Opening balance	$ 550	$ 390	$ 591	$ 498	$ 1,244	$ 665	$ 1,241	$ 484	$ 2,258	$ 596	$ 8,517
Dividends paid	(188)	(143)	(191)	(119)	(422)	(266)	(196)	(116)	-	(133)	(1,774)
Contributions	-	-	-	-	-	-	-	-	50	-	50
Surplus	213	152	245	133	438	43	236	112	(123)	131	1,580
	$ 575	$ 399	$ 645	$ 512	$ 1,260	$ 442	$ 1,281	$ 480	$ 2,185	$ 594	$ 8,373

(Tabular amounts in thousands)

11. PRIVATE PLACEMENTS - REAL ESTATE INVESTMENTS (continued)

	Castle Wood Village	Columbia Village	Crest View Village	Garden View Village	Joseph Creek Village	Kootenay Street Village	Lake View Village	Mountain Side Village	Red Mountain Hostel	Rocky Mountain Village	Total
	50%	50%	50%	50%	50%	50%	50%	50%	85%*	50%	
March 31, 2021											
Opening balance	$ 503	$ 382	$ 558	$ 509	$ 1,353	$ 804	$ 1,208	$ 497	$ 2,297	$ 587	$ 8,698
Dividends paid	(188)	(143)	(191)	(119)	(422)	-	(196)	(116)	-	(133)	(1,508)
Contributions	-	-	-	-	-	-	-	-	90	-	90
Surplus	235	151	224	108	313	(139)	229	103	(129)	142	1,237
	$ 550	$ 390	$ 591	$ 498	$ 1,244	$ 665	$ 1,241	$ 484	$ 2,258	$ 596	$ 8,517

*Additional equity contributions from Red Mountain Hostel joint venture partner in fiscal 2022 decreased the Trust's equity ownership to 80% (fiscal 2021 - 85%).

(d) Non-current assets:

The Trust's investment in private placements - Real estate is as follows:

	Land	Building and Equipment	2022	2021
Operating facilities	$ 3,953	$ 64,457	$ 68,410	$ 68,480
Less: accumulated amortization	-	(25,451)	(25,451)	(23,197)
	$ 3,953	$ 39,006	$ 42,959	$ 45,283

(e) Non-current liabilities:

i. Long-term debt

Long-term debt consisting of mortgage loans are included in current and non-current liabilities of the real estate entities. The purpose of the mortgage loans was to provide financing for the acquisition of land and construction of the real estate facilities. These loans have interest rates varying between 2.65% and 4.25% and will mature on different dates between June 2022 and November 2028. The loans are repayable in equal monthly payments of principal and interest, were originally amortized over 25 years and are secured by first charges, both fixed and floating, over the assets of the seniors housing facilities to which they relate.

ii. Indemnities by joint venturers

The joint venturers of Trust's real estate investments gave separate indemnities for mortgage proceeds totaling $34.9 million (fiscal 2021 - $36.4 million).

(f) Contingencies:

In June 2010, the BC Housing Management Commission (BC Housing) provided Lake View Village, a seniors housing facility located in Nelson, BC, with a government grant to allow for subsidized suites. Under this agreement, Lake View Village received a forgivable loan in the amount of $855,000 (the Trust's share is 50%), which was applied directly to the existing mortgage on the property. Under the terms and conditions of the agreement, if the loan is defaulted within the first 10 years, $855,000 is repayable to BC Housing. Thereafter, the forgivable loan amount is reduced by 1/15th per year. As at March 31, 2022, the balance of the forgivable loan was $741,000 (fiscal 2021 - $798,000). The Trust's share is 50%.

12. INVESTMENT IN POWER FACILITIES

The Trust's investment in power facilities comprises ownership interests in four entities that are jointly controlled with Columbia Power, a party related through common control by the Province. These investments are accounted for as GBP's using the modified equity method. See listing of joint ventures in Note 2(b).

(a) Arrow Lakes Power Corporation

The Trust's wholly owned subsidiary, CBT Arrow Lakes Power Development Corp., has a 50% ownership interest in Arrow Lakes Power Corporation (ALPC). The purpose of ALPC is to operate the 185-megawatt Arrow Lakes Generating Station adjacent to Hugh Keenleyside Dam at Castlegar, BC, and a 48-kilometre transmission line from the power plant to BC Hydro's Selkirk substation. ALPC sells the entitlement energy and capacity generated from this facility.

(b) Brilliant Power Corporation

The Trust's wholly owned subsidiary, CBT Power Corp., has a 50% ownership interest in Brilliant Power Corporation (BPC). The purpose of BPC is to act as lessor of the Brilliant Dam and Generating Station (Brilliant Power Facility) and Brilliant Terminal Station assets. The Brilliant Power Facility and Brilliant Terminal Station are currently leased to FortisBC Inc., a regulated utility operating in British Columbia, according to the terms of finance leases. The Brilliant Power Facility is located on the Kootenay River, three kilometers upstream of the confluence with the Columbia River.

(c) Brilliant Expansion Power Corporation

The Trust's wholly owned subsidiary, CBT Brilliant Expansion Power Corp., has a 50% interest in Brilliant Expansion Power Corporation (BEPC). The purpose of BEPC is to operate Brilliant Expansion, a 120-megawatt power generation facility adjacent to the Brilliant Dam at Castlegar, BC. BEPC sells the entitlement energy and capacity generated from this facility.

(d) Waneta Expansion Power Corporation

The Trust's wholly owned subsidiary, CBT Waneta Expansion Power Corp., has a 50% interest in Waneta Expansion Power Corporation (WEPC). The purpose of WEPC is to operate the 340-megawatt power generation facility adjacent to the Waneta Dam near Trail, BC, and a 10 kilometre transmission line from the power plant to British Columbia Hydro and Power Authority's Selkirk substation. WEPC sells the entitlement energy and capacity generated from this facility.

The Waneta Expansion was previously owned by the Waneta Expansion Limited Partnership (WELP), of which Fortis Inc. held a 51% interest, Columbia Power a 32.5% interest, and the Trust a 16.5% interest. On April 17, 2019, the Trust and Columbia Power purchased Fortis Inc.'s 51% interest in WELP. The purchase agreement was completed through a series of transactions and amalgamations, which resulted in the creation of WEPC through a business combination to hold the Trust and Columbia Power's interest (a 50/50 partnership). The acquisition transaction was identified as a business combination with WEPC identified as the acquirer. A purchase price allocation was performed to measure the fair value of identifiable assets acquired and liabilities assumed by WEPC at the acquisition date. The Trust purchased additional shares (33.5%) in WEPC for the purchase price of $651 million to have equal ownership in WEPC between the Trust and Columbia Power. The structure of this additional purchase of shares required the Trust to be responsible for 66% of the long-term debt required for the purchase from Fortis. See Note 17.

(Tabular amounts in thousands)

12. INVESTMENT IN POWER FACILITIES (continued)

In applying the modified equity basis of accounting to its interest in WEPC, the Trust makes annual adjustments for related party transactions where the underlying investment remains within the reporting entity. The Trust's original investment in WELP of 16.5% is accounted for on a cost basis, with the additional 33.5% investment accounted for at fair value at acquisition. The entire amount of the investment is recorded at fair value within WEPC. The fair value increment on the original investment, adjusted for annual amortization of related assets, is eliminated on consolidation. WEPC adjustments in the tables below also include development costs incurred by the Trust for the purchase of Fortis Inc.'s 51% interest in the Waneta Expansion Limited Partnership.

Condensed supplementary financial information for investment in power facilities is as follows:

(e) Financial position:

	Current Assets	Property, Plant & Equipment	Lease Receivable	Non-Current Assets	Total Assets	Current Liabilities	Non-Current Liabilities	Total Liabilities	Net Assets
March 31, 2022									
ALPC - 50%	$ 12,175	$ 101,837	$ -	$ -	$ 114,012	$ 9,270	$ 148,534	$ 157,804	$ (43,792)
BPC - 50%	12,792	-	166,437	6,484	185,713	8,731	23,482	32,213	153,500
BEPC - 50%	4,600	98,372	-	654	103,626	596	-	596	103,030
WEPC* - 50%	19,765	923,771	-	491,310	1,434,846	4,872	490,779	495,651	939,195
	$ 49,332	$ 1,123,980	$ 166,437	$ 498,448	$ 1,838,197	$ 23,469	$ 662,795	$ 686,264	$ 1,151,933
WEPC adjustment									(184,751)
									$ 967,182
March 31, 2021									
ALPC - 50%	$ 12,460	$ 103,003	$ -	$ -	$ 115,463	$ 9,266	$ 153,031	$ 162,297	$ (46,834)
BPC - 50%	12,612	-	165,082	6,506	184,200	7,916	29,092	37,008	147,192
BEPC - 50%	5,126	99,772	-	678	105,576	640	-	640	104,936
WEPC* - 50%	20,137	938,258	-	492,064	1,450,459	4,885	491,311	496,196	954,263
	$ 50,335	$ 1,141,033	$ 165,082	$ 499,248	$ 1,855,698	$ 22,707	$ 673,434	$ 696,141	$ 1,159,557
WEPC adjustment									(187,783)
									$ 971,774

*WEPC assets and liabilities contain amounts due from the owners and due to the Province for a long-term debt arrangement to fund the acquisition of Fortis Inc.'s 51% ownership in WELP. Each owner purchased additional shares to restore the ownership to the originally mandated 50/50 partnership between the Trust and Columbia Power (Trust purchased 33.5%). The Trust's share of the long-term debt is $621.7 million (fiscal 2021 - $629.1 million). See Note 17.

(f) Investment in power facilities:

	ALPC 50%	BPC 50%	BEPC 50%	WEPC 50%	Total
March 31, 2022					
Opening balance	$ (46,834)	$ 147,192	$ 104,936	$ 766,480	$ 971,774
WEPC adjustment	-	-	-	3,032	3,032
Dividends paid	(15,600)	(7,905)	(11,600)	(45,630)	(80,735)
Surplus	18,642	14,213	9,694	30,562	73,111
	$ (43,792)	$ 153,500	$ 103,030	$ 754,444	$ 967,182

(Tabular amounts in thousands)

12. INVESTMENT IN POWER FACILITIES (continued)

	ALPC 50%	BPC 50%	BEPC 50%	WEPC 50%	Total
March 31, 2021					
Opening balance	$ (49,143)	$ 139,798	$ 106,269	$ 784,255	$ 981,179
WEPC adjustment	-	-	-	3,090	3,090
Dividends paid	(16,275)	(6,400)	(10,800)	(50,600)	(84,075)
Surplus	18,584	13,794	9,467	29,735	71,580
	$ (46,834)	$ 147,192	$ 104,936	$ 766,480	$ 971,774

(g) ALPC negative equity:

In fiscal 2012, ALPC issued $350 million principal amount Series B bonds, due in April 2041. The proceeds of the Series B bond issue were used to pay for the $45.6 million owing on ALPC's series A bond redemption, and the net proceeds of $285.6 million were distributed by dividend to the owners, Columbia Power and CBT Arrow Lakes, for investment in the Waneta Expansion and future project development. The dividend to the owners created a deficit in ALPC of $56.1 million. ALPC ended fiscal 2012 with a deficit of $60.3 million after incurring net losses of $4.2 million that year. Total cumulative dividends of $241.5 million less cumulative net income of $214.2 million since fiscal 2012 have increased the deficit in ALPC to $87.6 million at the end of fiscal 2022.

As ALPC's negative equity position has been caused by the payment of dividends rather than by operating losses, the Trust continues to record its investment in ALPC as a long-term financial asset that is recorded on a modified equity basis on the consolidated statement of financial position. The Trust's future share of ALPC's net income will reduce the negative equity balance and the Trust's future share of any additional dividends will increase the negative equity balance. Contracts entered into for the delivery of electricity over the next 23 years are expected to generate sufficient revenue and cash flow to fund on-going operations for the foreseeable future.

(h) Results of operations:

	Revenue	Finance Charges	Operations	Amortization	Total Expense	Surplus
March 31, 2022						
ALPC - 50%	$ 35,480	$ 8,615	$ 5,591	$ 2,632	$ 16,838	$ 18,642
BPC - 50%	23,743	2,517	6,980	33	9,530	14,213
BEPC - 50%	16,680	7	4,653	2,326	6,986	9,694
WEPC - 50%	65,747	13,627	6,890	14,668	35,185	30,562
	$ 141,650	$ 24,766	$ 24,114	$ 19,659	$ 68,539	$ 73,111
WEPC adjustment						3,130
						$ 76,241
March 31, 2021						
ALPC - 50%	$ 35,350	$ 8,848	$ 5,345	$ 2,573	$ 16,766	$ 18,584
BPC - 50%	22,997	2,915	6,255	33	9,203	13,794
BEPC - 50%	16,714	8	4,962	2,277	7,247	9,467
WEPC - 50%	64,835	13,483	6,942	14,675	35,100	29,735
	$ 139,896	$ 25,254	$ 23,504	$ 19,558	$ 68,316	$ 71,580
WEPC adjustment						3,191
						$ 74,771

(Tabular amounts in thousands)

12. INVESTMENT IN POWER FACILITIES (continued)

(i) Non-current liabilities:

Long-term debt

ALPC has long-term debt that consists of Series B bonds due April 5, 2041. The Series B bonds are secured on a limited recourse basis by charges against Arrow Lakes Generating Facility and Transmission assets, related material contracts, licenses, permits, approvals, authorizations and insurance coverage.

BPC bonds are redeemable in whole or in part at any time before May 31, 2026, at a price equal to the greater of the principal amount then outstanding, or a price calculated to provide a yield to maturity based on the current yield of a matching-duration Government of Canada bond plus 0.30%, 0.31% and 0.23% respectively. The bonds are secured on a limited recourse basis by charges against Brilliant Dam assets and revenues.

WEPC has long-term debt that consists of Series A and B bonds maturing June 30, 2050 requiring semi-annual coupon payments and annual payments to a sinking fund for debt retirement. See Note 17.

Power facilities bonds are as follows (at 50%):

	Coupon Rate	Effective Rate	2022	2021
ALPC - Series B	5.52%	5.59%	$ 153,090	$ 157,345
BPC - Series A	8.93%	9.06%	16,821	19,733
BPC - Series B	6.86%	7.00%	4,539	5,370
BPC - Series C	5.67%	6.39%	7,807	9,261
WEPC - Series A	2.95%	2.62%	266,143	266,526
WEPC - Series B	2.95%	2.76%	224,636	224,785
			673,036	683,020
Current portion of bonds			(10,241)	(9,586)
			$ 662,795	$ 673,434

Bond amounts stated above are inclusive of financing costs of $4.0 million (fiscal 2021 - $4.2 million).

(j) Contingencies

The Trust's operating and development power project activities are affected by federal, provincial and local government laws and regulations. Under its agreements with its Bondholders, BPC and ALPC have agreed to comply or cause compliance in all material respects with such laws and regulations, as well as to maintain all material franchises. Under current regulations, the venturers are required to meet performance standards to minimize or mitigate the negative impacts of their proposed projects. The impact, if any, of future legislative or regulatory requirements on specific projects and their related deferred costs cannot currently be estimated. Refer to Note 30 for disclosure of current contingent liabilities.

(Tabular amounts in thousands)

13. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of payables and accruals for information technology services, broadband services, employee benefits, sales taxes and administrative expenses.

14. LONG-TERM DEBT

The Trust has three term loans secured by a collateral mortgage over real estate. The Trust also accepts investment funds from various Community Foundations for investment purposes which are classified as loans.

The debt shown on the consolidated statement of financial position is measured at amortized cost and is comprised of the following:

	2022	2021
Mortgages, interest rates 3.27% and 3.5% per annum, maturing November 2022 and January 2026	$ 1,438	$ 1,495
Demand loan, interest rate 5.00% per annum, no specific repayment terms	4,575	4,276
	$ 6,013	$ 5,771

The total interest expense in the table below is included in the investment initiatives total on the consolidated statement of operations:

	2022	2021
Mortgage, interest rate 3.27 % and 3.5% per annum, maturing November 2022 and January 2026	$ 50	$ 30
Demand loan, interest rate 5.00% per annum, no specific repayment terms	231	207
	$ 281	$ 237

Long-term debt repayment is as follows:	
2023	$ 57
2024	62
2025	64
2026	66
2027 and thereafter	5,764
	$ 6,013

15. DEFERRED CONTRIBUTIONS

Deferred capital contributions represent the unamortized amount of grants received from various entities for the purchase of broadband tangible capital assets. Deferred capital contributions are recognized in revenue at the same rate that amortization of the tangible capital asset is recorded.

Deferred contributions and other revenue represents funding that has been received and relates to broadband projects and a Community Wildfire program scheduled to be completed in a subsequent year. Deferred contributions and other revenue are recognized in revenue as expenses are incurred.

(Tabular amounts in thousands)

15. DEFERRED CONTRIBUTIONS (continued)

Deferred contributions at March 31 are as follows:

	Deferred Capital Contributions	Deferred Revenue	Total
March 31, 2022			
Opening balance	$ 3,883	$ 2,439	$ 6,322
Contributions received during the year	1,157	32	1,189
Transfers to revenue during the year	(298)	(2,365)	(2,663)
	$ 4,742	$ 106	$ 4,848
March 31, 2021			
Opening balance	$ 3,686	$ 34	$ 3,720
Contributions received during the year	366	2,405	2,771
Transfers to revenue during the year	(169)	-	(169)
	$ 3,883	$ 2,439	$ 6,322

Deferred contributions are expected to be recognized in revenue as follows:

	Deferred Capital Contributions	Deferred Revenue	Total
2023	$ 261	$ 106	$ 367
2024	243	-	243
2025	228	-	228
Thereafter	4,010	-	4,010
	$ 4,742	$ 106	$ 4,848

16. DELIVERY OF BENEFITS INITIATIVES

Delivery of benefits initiatives refers to activities that the Trust undertakes to support the efforts of the people of the Basin to create a legacy of social, economic and environmental well-being.

	2022	2021
Liabilities, beginning of year	$ 18,818	$ 8,350
Funds authorized during the year	62,359	58,888
Funds recovered/rescinded	(1,304)	(700)
Funds paid during the year	(46,437)	(47,720)
Liabilities, end of year	$ 33,436	$ 18,818

17. DUE TO WANETA EXPANSION POWER CORPORATION

Waneta Expansion Power Corporation (WEPC) is jointly owned by the Trust's wholly owned subsidiary, CBT Waneta Expansion Power Corporation, and Columbia Power. WEPC is the owner of the Waneta Expansion and related transmission assets (see Note 12(d)). In April 2019, the Trust purchased additional shares in WEPC (33.5%) to have equal ownership between the Trust and Columbia Power. The structure of this additional purchase of shares requires the Trust to make payments to WEPC in an amount approximately equal to 66% of the long-term

(Tabular amounts in thousands)

17. DUE TO WANETA EXPANSION POWER CORPORATION (continued)

debt held in WEPC. The Trust has recorded an amount due to WEPC and this liability matches the terms of the fiscal agency loan provided to WEPC. The amount of the interest portion of the payments is $9.1 million semi-annually, with the principal portion of the payments equal to those expected for the sinking fund contributions of WEPC to fully retire CBT Waneta's debt obligations no later than 2050 (see Note 12(i)).

Due to Waneta Expansion Power Corporation is composed on the identical terms to the corresponding long-term debt held in WEPC which consists of the following debt issuances:

	2022	2021
WEPC BONDS: SERIES A		
Long-term debt (coupon rate 2.95%, effective rate 2.623%, maturing 2050)	$ 328,431	$ 328,431
Accrued interest	2,734	2,734
Premium on long-term debt	23,153	23,702
Deferred financing costs	(1,945)	(1,991)
	352,373	352,876
WEPC BONDS: SERIES B		
Long-term debt (coupon rate 2.95%, effective rate 2.763%, maturing 2050)	286,629	286,629
Accrued interest	2,386	2,386
Premium on long-term debt	10,452	10,693
Deferred financing costs	(1,971)	(2,016)
	297,496	297,692
Total gross long-term debt	653,785	654,575
Less: deferred financing costs	(3,916)	(4,007)
	649,869	650,568
Less: contributions to WEPC sinking fund	(23,073)	(16,360)
	$ 626,796	$ 634,208

Original debt issuance:	Premium	Interest and fees	Net proceeds	Coupon rate	Effective rate	2022 Carrying amount	2021 Carrying amount
WEPC - Series A	$ 24,757	$ 4,840	$ 353,869	2.95%	2.597%	$ 352,373	$ 352,876
WEPC - Series B	11,133	5,366	298,929	2.95%	2.763%	297,496	297,692
	$ 35,890	$ 10,206	$ 652,798			$ 649,869	$ 650,568

Total interest expense for the year is as follows:

	2022	2021
Series A	$ 9,186	$ 9,199
Series B	8,260	8,265
	17,446	17,464
Purchase premium	98	98
	$ 17,544	$ 17,562

The Trust is required to make semi-annual coupon interest payments of $9.1 million (fiscal 2021 - $9.1 million) and annual sinking fund contributions for debt retirement to WEPC.

(Tabular amounts in thousands)

17. DUE TO WANETA EXPANSION POWER CORPORATION (continued)

Contributions are invested by the Provinces' Debt Management Branch. Interest earned on sinking fund investments are held within the fund for future debt retirement. Restricted interest income totaled $453,000 (fiscal 2021 - $221,000).

Long-term debt repayment in the form of sinking fund payments is as follows:

2023	$	6,517
2024		7,095
2025		7,506
2026		8,050
2027 and thereafter		377,302
	$	406,470

18. TANGIBLE CAPITAL ASSETS

		Cost		Accumulated Amortization		2022		2021
Corporate								
Land	$	205	$	-	$	205	$	205
Building		3,494		2,367		1,127		1,243
Tenant improvements		724		675		49		57
Automobiles		135		28		107		-
Office furniture and equipment		499		432		67		60
Hardware and software		2,058		1,842		216		233
	$	7,115	$	5,344	$	1,771	$	1,798
Delivery of benefits								
Economic initiatives								
Land	$	188	$	-	$	188	$	188
Building		1,481		300		1,181		1,233
		1,669		300		1,369		1,421
Broadband initiatives								
Broadband hardware*		6,306		3,659		2,647		1,577
Fibre optics		12,168		1,533		10,635		4,376
		18,474		5,192		13,282		5,953
Grain Elevators								
Land		102		-		102		102
Building		1,477		29		1,448		741
		1,579		29		1,550		843
	$	21,722	$	5,521	$	16,201	$	8,217
Investments								
Land	$	3,404	$	-	$	3,404	$	1,604
Building		12,941		1,401		11,540		6,746
	$	16,345	$	1,401	$	14,944	$	8,350
Total tangible capital assets	$	45,182	$	12,266	$	32,916	$	18,365

*Includes $68,000 (fiscal 2021 - $5,000) for unamortized development costs for broadband projects expected to commence in a subsequent year. Refer to Schedule A for additional financial information.

(Tabular amounts in thousands)

19. POWER FACILITIES RECOVERIES AND ADMINISTRATION

The Trust and Columbia Power implemented an Asset Management Services Agreement (Agreement) effective January 1, 2020, wherein the Trust provides support in all areas of operations services for the jointly owned power assets including human resources, accounting, payroll, records management, information technology, and other support functions to Columbia Power on a cost recovery basis. Columbia Power remains the appointed Manager of the four power assets under the Agreement. Staff are employed directly by the Trust and all employment benefits and related costs are paid by the Trust. There are no direct employees of Columbia Power.

20. GRANT REVENUES

CBBC entered into Contribution Agreements with the Northern Development Initiative Trust for the *Connecting BC Program* and the *Canadian Radio-Television and Telecommunications Commission Broadband Fund*. These programs extend and/or enhance high-capacity broadband infrastructure in rural and remote communities to provide access to quality broadband services. The *Connecting BC Program* is expected to be completed by March 31, 2023, and the *Canadian Radio-Television and Telecommunications Commission Broadband Fund* by March 31, 2024.

The Trust also entered into an agreement with the Province for a Community Wildfire program scheduled to be completed in fiscal 2023.

21. RENTAL REVENUES - COMMERCIAL INVESTMENTS

The Trust records revenues for various commercial properties located throughout the Basin.

22. OTHER REVENUES

Other revenues for the Trust consist of the following:

Interest revenue
The Trust receives interest revenue from four programs: Impact Investment, Small Business Working Capital, Basin Food Producers and Economic Development. The Impact Investment program provides capital to businesses challenged with obtaining financing from other sources. The Small Business Working Capital program supports working capital and operational projects for Basin-based small businesses facing challenges of COVID-19. The Basin Food Producer program assists food producers challenged with increased COVID-19-related demand. The Economic Development program supports business development throughout the Basin.

Rental revenue
The Trust receives rental revenue from commercial properties located in Creston and Trail, BC.

Other revenue
Other revenues include external funding and fees collected for various delivery of benefits events and projects as well as loan recoveries and discounts.

	2022	2021
Interest revenue	$ 239	$ 206
Rental revenue	10	13
Other revenue	140	223
	$ 389	$ 442

(Tabular amounts in thousands)

23. EXPENSES

In addition to the direct benefits provided to Basin communities, the Trust has also allocated administration services and costs to each major initiative area (with the exception of CBBC) using an appropriate cost allocation methodology. In the case of CBBC and CBDC, administration costs are tracked separately and expensed directly to these initiative areas.

The following table lists the community benefits expensed, funding benefits that were recovered or rescinded, and the allocation of the Trust's administration services and costs to each major initiative area:

March 31, 2022	Community Benefits	Benefits Recovered/ Rescinded	Administration Allocation	Total Expenses
Trust				
Community initiatives	$ 37,801	$ (772)	$ 3,014	$ 40,043
Water and Environment initiatives	8,854	(301)	655	9,208
Social initiatives	4,619	(14)	796	5,401
Other initiatives	2,749	-	1,477	4,226
Economic initiatives	-	-	692	692
Youth initiatives	2,626	(14)	333	2,945
Investment initiatives	-	-	1,254	1,254
Power facilities administration	-	-	3,777	3,777
	56,649	(1,101)	11,998	67,546
CBBC				
Broadband administration	2,966	-	-	2,966
	2,966	-	-	2,966
CBDC				
Economic initiatives	2,519	(203)	-	2,316
Economic administration	225	-	-	225
	2,744	(203)	-	2,541
	$ 62,359	$ (1,304)	$ 11,998	$ 73,053

(Tabular amounts in thousands)

23. EXPENSES (continued)

March 31, 2021		Community Benefits		Benefits Recovered/ Rescinded		Administration Allocation		Total Expenses
Trust								
Community initiatives	$	39,085	$	(91)	$	2,511	$	41,505
Water and Environment initiatives		5,688		(308)		590		5,970
Social initiatives		2,933		(17)		1,033		3,949
Other initiatives		937		(136)		1,037		1,838
Economic initiatives		40		-		882		922
Youth initiatives		1,654		(33)		303		1,924
Investment initiatives		-		-		1,250		1,250
Power facilities administration		-		-		3,500		3,500
		50,337		(585)		11,106		60,858
CBBC								
Broadband administration		2,499		-		-		2,499
		2,499		-		-		2,499
CBDC								
Economic initiatives		5,769		(115)		-		5,654
Economic administration		283		-		-		283
		6,052		(115)		-		5,937
	$	58,888	$	(700)	$	11,106	$	69,294

The following comprises the Trust's, CBBC's and CBDC's expenses by object:

		Trust		CBBC		CBDC		Total
March 31, 2022								
Amortization*	$	353	$	1,145	$	-	$	1,498
Board and committee expenses		132		3		7		142
Commercial investment expenses*		728		-		152		880
Communications		474		-		-		474
Corporate travel and meetings		86		8		-		94
Delivery of benefits initiatives		55,548		-		2,316		57,864
Information technology		346		361		-		707
Network costs		-		739		-		739
Office and general		711		138		66		915
Professional fees		304		53		-		357
Staff remuneration and development		8,864		519		-		9,383
	$	67,546	$	2,966	$	2,541	$	73,053

(Tabular amounts in thousands)

23. EXPENSES (continued)

	Trust	CBBC	CBDC	Total
March 31, 2021				
Amortization*	$ 402	$ 737	$ -	$ 1,139
Board and committee expenses	118	6	9	133
Commercial investment expenses*	492	-	138	630
Communications	251	2	-	253
Corporate travel and meetings	35	4	-	39
Delivery of benefits initiatives	49,752	-	5,654	55,406
Information technology	347	278	-	625
Network costs	-	730	-	730
Office and general	727	102	136	965
Professional fees	349	101	-	450
Staff remuneration and development	8,385	539	-	8,924
	$ 60,858	$ 2,499	$ 5,937	$ 69,294

*Amortization of $468,000 (fiscal 2021 - $318,000) included in Commercial investment expenses.

24. CONTRACTUAL RIGHTS

Contractual rights are rights to economic resources arising from contracts or agreements that will result in revenues and assets in the future. The Trust's contractual rights arise because of contracts entered into for broadband services, real estate leases and power facilities sales agreements. The following table summarizes the contractual rights of the Trust's future assets:

	2023	2024	2025	2026	2027
Future broadband revenue and project funding	$ 3,451	$ 575	$ 333	$ 320	$ 270
Future real estate rental revenue	$ 5,892	$ 5,703	$ 5,348	$ 4,073	$ 2,605
Future power facilities revenue	120,784	122,086	123,550	124,508	126,327
	$ 130,127	$ 128,364	$ 129,231	$ 128,901	$ 129,202

25. COMMITMENTS

The Trust has entered into various agreements for delivery of benefits initiatives and an operating lease agreement for office space in Nakusp with terms expiring March 31, 2024. The Trust has also entered into a transaction to purchase property for future development. Completion date for this purchase is May 2022.

	Delivery of Benefits	Leases	Real estate	Total
2023	$ 2,038	$ 38	$ 1,050	$ 3,126
2024	638	38	-	676
2025	76	-	-	76
	$ 2,752	$ 76	$ 1,050	$ 3,878

26. RELATED PARTY TRANSACTIONS

The Trust is indirectly related through common control to all Province of British Columbia ministries, agencies, crown corporations and public sector organizations that are included in the provincial government reporting entity. Any related party transactions are recorded on a cost recovery basis.

(Tabular amounts in thousands)

27. PUBLIC SERVICE PENSION PLAN

The Trust and its employees contribute to the Public Service Pension Plan (PSPP) in accordance with the *Public Sector Pension Plans Act*. The British Columbia Pension Corporation administers the plan, including payment of pension benefits to employees to whom the Act applies. The PSPP is a multi-employer defined benefit pension plan. Under joint trusteeship, the risks and rewards associated with the PSPP's unfunded liability or surplus is shared between the employers and the plan members and will be reflected in future contributions.

The most recent actuarial valuation as at March 31, 2020 indicated that the PSPP is fully funded and is sufficient to pay the current and future lifetime pensions of all members. Contributions to the PSPP by the Trust in fiscal 2022 were $668,000 (fiscal 2021 - $624,000). No provision, other than the Trust's required employer pension contributions, has been made in the accounts of the Trust for this liability. The next valuation date for the PSPP is scheduled for 2023 with results expected in 2024.

28. RISK MANAGEMENT

(a) Credit risk

Credit risk refers to the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Trust extends credit within its commercial loans and investments. To mitigate the Trust's exposure to credit risk, an assessment of the credit worthiness of a borrower is carried out prior to the placement of a commercial loan or investment. The Trust's exposure to credit risk is as indicated by the carrying value of its commercial loans and investments.

The maximum exposure to credit risk at March 31 was:

		2022		2021
Accrued interest and other assets	$	1,952	$	1,298
Loans receivable	$	6,629	$	4,646
Commercial loans	$	24,995	$	25,847
Commercial investment	$	2,375	$	2,375

(b) Liquidity risk

Liquidity risk refers to the risk that the Trust will encounter difficulty in meeting obligations associated with financial liabilities. The Trust monitors and maintains its liquidity to ensure sufficient capacity to repay its financial liabilities when they become due. The Trust considers that it has sufficient liquidity to meet its financial obligations.
The maximum exposure to liquidity risk at March 31 was:

		2022		2021
Accounts payable and accrued liabilities	$	3,221	$	832
Long-term debt	$	6,013	$	5,771
Deferred contributions	$	4,848	$	6,322
Delivery of benefits liabilities	$	33,436	$	18,818
Due to Waneta Expansion Power Corporation	$	626,796	$	634,208

(c) Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

(Tabular amounts in thousands)

28 (c) Market risk (continued)

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Trust realizes all significant revenues and expenses in Canadian dollars and is therefore not significantly exposed to currency fluctuations.

ii. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is not exposed to significant interest rate risk for current liabilities due to the short-term nature of its current liabilities. The Trust's short-term investments and commercial loans are subject to variable interest rates. Sensitivity analyses: A change of 100 basis points in the interest rates in short-term investments would increase or decrease revenues by $559,000. A change of 100 basis points in the market rates of commercial loans would increase or decrease revenues by $252,000.

iii. Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As the Trust's market securities portfolio is affected by global market conditions, the maximum exposure to price risk at the reporting date was:

	2022	**2021**
Market securities	$ 82,358	$ 76,650

29. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the Trust's annual budget approved by the Board of Directors in January 2021.

30. CONTINGENT LIABILITIES

The Trust has been named as the defendant in a Notice of Claim in which damages have been sought. These matters may give rise to future liabilities. The outcome of these actions is not determinable as at March 31, 2022, and accordingly, no provision has been made in these consolidated financial statements for any liability that may result.

31. COVID-19

While societal impacts of the COVID-19 pandemic were significant in 2021/22, the Trust's revenues were minimally impacted and the Trust maintained business operations while meeting current public health requirements.

(Tabular amounts in thousands)

Schedule A: Tangible capital assets additional financial information

Corporate	Land	Building	Tenant Improve-ments	Auto-mobiles	Office Furniture and Equipment	Hardware and Software	Total
March 31, 2022							
Cost							
Opening balance	$ 205	$ 3,494	$ 703	$ -	$ 471	$ 1,917	$ 6,790
Additions	-	-	21	135	28	141	325
	205	3,494	724	135	499	2,058	7,115
Accumulated amortization							
Opening balance	-	(2,251)	(646)	-	(411)	(1,684)	(4,992)
Amortization	-	(116)	(29)	(28)	(21)	(158)	(352)
	-	(2,367)	(675)	(28)	(432)	(1,842)	(5,344)
	$ 205	$ 1,127	$ 49	$ 107	$ 67	$ 216	$ 1,771

Delivery of Benefits	Land	Building	Broadband Hardware*	Fibre Optics	Total
March 31, 2022					
Cost					
Opening balance	$ 290	$ 2,243	$ 4,578	$ 5,422	$ 12,533
Additions	-	715	1,728	6,746	9,189
	290	2,958	6,306	12,168	21,722
Accumulated amortization					
Opening balance	-	(269)	(3,001)	(1,046)	(4,316)
Amortization	-	(60)	(658)	(487)	(1,205)
	-	(329)	(3,659)	(1,533)	(5,521)
	$ 290	$ 2,629	$ 2,647	$ 10,635	$ 16,201

Investments	Land	Building	Total
March 31, 2022			
Cost			
Opening balance	$ 1,604	$ 7,730	$ 9,334
Additions	1,800	5,211	7,011
	3,404	12,941	16,345
Accumulated amortization			
Opening balance	-	(984)	(984)
Amortization	-	(417)	(417)
	-	(1,401)	(1,401)
	$ 3,404	$ 11,540	$ 14,944

(Tabular amounts in thousands)

Schedule A: Tangible capital assets additional financial information (continued)

Corporate	**Land**	**Building**	**Tenant Improvements**	**Office Furniture and Equipment**	**Hardware and Software**	**Total**
March 31, 2021						
Cost						
Opening balance	$ 205	$ 3,494	$ 713	$ 567	$ 2,220	$ 7,199
Additions	-	-	-	49	176	225
Disposals	-	-	(10)	(145)	(479)	(634)
	205	3,494	703	471	1,917	6,790
Accumulated amortization						
Opening balance	-	(2,135)	(623)	(533)	(1,931)	(5,222)
Amortization	-	(116)	(23)	(24)	(235)	(398)
Disposals	-	-	-	146	482	628
	-	(2,251)	(646)	(411)	(1,684)	(4,992)
	$ 205	$ 1,243	$ 57	$ 60	$ 233	$ 1,798

Delivery of Benefits	**Land**	**Building**	**Broadband Hardware***	**Fibre Optics**	**Total**
March 31, 2021					
Cost					
Opening balance	$ 290	$ 1,825	$ 4,452	$ 4,572	$ 11,139
Additions	-	418	126	854	1,398
Disposals	-	-	-	(4)	(4)
	290	2,243	4,578	5,422	12,533
Accumulated amortization					
Opening balance	-	(212)	(2,481)	(830)	(3,523)
Amortization	-	(57)	(520)	(216)	(793)
	-	(269)	(3,001)	(1,046)	(4,316)
	$ 290	$ 1,974	$ 1,577	$ 4,376	$ 8,217

Investments	**Land**	**Building**	**Total**
March 31, 2021			
Cost			
Opening balance	$ 1,379	$ 5,335	$ 6,714
Additions	225	2,395	2,620
	1,604	7,730	9,334
Accumulated amortization			
Opening balance	-	(716)	(716)
Amortization	-	(268)	(268)
	-	(984)	(984)
	$ 1,604	$ 6,746	$ 8,350

*Includes $68,000 (fiscal 2021 - $5,000) for unamortized development costs for projects expected to commence in a subsequent year.

TAB 3

THE TRUST, CBBC AND CBDC
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS
FISCAL YEAR ENDED MARCH 31, 2022

Guarantee agreements:

No guarantee agreements were in effect at March 31, 2022.

Indemnity agreements:

1. 5N Plus Inc.
2. 626265 B.C. Ltd.
3. 650854 BC Ltd.
4. 828 Baker Street Inc.
5. A&W Food Services of Canada Inc.
6. American Registry for Internet Numbers
7. ANDRITZ Hydro Canada Inc
8. Apple Business Manager
9. Baker Street Professional Centre Ltd.
10. Balfour Recreation Commission
11. BC Housing Management Commission
12. BC One Call
13. BNSF Railway Company
14. BNW Contracting, a division of Weir Consolidated Ltd.
15. Bob Bougie
16. British Columbia Investment Management Corporation
17. Canadian Imperial Bank of Commerce
18. Canadian Internet Registration Authority
19. Canadian Pacific Railway Company
20. Canadian Radio-Television and Telecommunication Commission
21. Canadian Telecommunications Contribution Consortium Inc., Welch Fund Administration Services Inc.
22. Castle Wood (CBT) Enterprises Ltd.
23. CDW Canada Corporation
24. Chahko Mika Holdings Ltd.
25. Cisco Systems Capital Canada Corporation
26. City of Cranbrook
27. City of Grand Forks
28. Columbia Basin Trust
29. Columbia Networks Inc.
30. Columbia Village Enterprises Ltd.
31. Computershare Trust Company of Canada
32. Corporation of the City of Cranbrook
33. Datahive
34. Deep Trekker Inc
35. District of Elkford
36. District of Sparwood
37. F. H. Black & Company Inc.
38. Fortis BC Inc.
39. Fortis Inc.
40. Global Physical Asset Management Inc.
41. Grant Thornton
42. Her Majesty the Queen as represented by the Minister of Technology, Innovation and Citizens' Services
43. Her Majesty the Queen in Right of Canada
44. Her Majesty the Queen in Right of the Canada as represented by the Minister of Industry
45. Her Majesty the Queen in Right of the Province of BC, as represented by the Minister of Forests, Lands, Natural Resource Operations and Rural Development, BC Wildfire Service
46. Her Majesty the Queen in Right of the Province of British Columbia
47. Her Majesty the Queen in Right of the Province of British Columbia, represented by the minister responsible for the Land Act

48. Her Majesty the Queen in the Right of the Province of British Columbia, as represented by the minister responsible for the Transportation Act
49. Hootsuite Inc.
50. Individual directors and/or officers of the Trust, CBBC and CBDC
51. Interior Health Authority
52. Kimberly Alpine Resort
53. Kootenay Savings Credit Union
54. Kootenay Street (CBT) Enterprises Ltd.
55. Louis Maglio Enterprises Ltd.
56. Martech Industries Ltd.
57. Mediagrif Interactive Technologies Inc.
58. Morneau Shepell Ltd.
59. Nelson (CBT) Enterprises Ltd.
60. Northern Development Initiative Trust
61. Pine Tree Market and Mini Storage
62. Red Mountain Hostel (CBT) Holdings
63. Regional District of Central Kootenay
64. Regional District of East Kootenay
65. Resort of the Canadian Rockies, Inc.(dba) Kimberly Conference Centre
66. Rogers Properties Ltd.
67. Rosling Real Estate (Nelson) Ltd.
68. Selkirk College
69. Shaw Business
70. Shaw Cable Systems
71. St. Francis Developments Ltd.
72. Sun Life Assurance Company of Canada
73. Teck Metals Ltd.
74. Telus
75. Thought Exchange
76. Toronto Dominion Bank
77. Town of Golden
78. Vancouver Internet Exchange
79. Vertiv Canada ULC
80. VETRO Inc.
81. Village of Kaslo
82. Village of Radium Hot Springs
83. Waste Management of Canada Corporation

TAB 4

COLUMBIA BASIN TRUST
STATEMENT OF REMUNERATION AND EXPENSES PAID TO BOARD OF DIRECTORS
FISCAL YEAR ENDED MARCH 31, 2022

NAME	POSITION	REMUNERATION	EXPENSES
Carver, J.	Chair	$ 16,500	$ 1,353
Andrews, C.	Director	9,550	1,744
Evans, C.	Director	8,250	1,361
Marino, B.	Director 1	2,850	1,489
McConnachie, M.	Director 2	5,550	601
McCormick, D.	Director	7,800	2,170
Morigeau, C.	Director	7,350	678
Oszust, R.	Director	6,900	1,331
Raven, D.	Director	10,750	2,663
Torgerson, O.	Director	8,200	4,236
Turcasso, K.	Director	9,000	2,845
Van Yzerloo, B.	Director	9,950	442
Watson, A.	Director	6,000	430
		$ 108,650	**$ 21,343**

1. Term commenced January 1, 2022
2. Term ended December 31, 2021

RECONCILIATION:	TOTAL
Total remuneration and expenses	$ 129,993
General board meeting expenses	10,133
Accruals/adjustments	(8,250)
Board expenses per Statement of Operations (Note 23)	**$ 131,876**

COLUMBIA BASIN TRUST
FISCAL YEAR ENDED MARCH 31, 2022

STATEMENT OF REMUNERATION, BENEFITS, AND EXPENSES PAID TO EMPLOYEES

NAME	SALARIES*	BENEFITS ALLOWANCE**	TOTAL REMUNERATION	EXPENSES
Ambronsone, A.	$ 165,867	$ 17,490	$ 183,357	$ 1,888
Armstrong, W.	82,349	1,551	83,900	3,260
Brunton, M.	117,127	2,133	119,260	783
Cale, M.	77,155	8,390	85,545	-
Campbell, K.	113,512	2,085	115,597	5,679
Checknita, P.	75,057	1,432	76,489	805
Clark, B.	130,802	2,391	133,193	1,036
Conroy, B.	115,143	1,869	117,012	589
Davis, J.	81,012	1,619	82,631	3,246
DeBlois, L.	138,759	2,530	141,289	1,869
d'Entremont, M.	92,048	9,983	102,031	4,370
Dias, D.	135,918	2,479	138,397	3,069
Franco, K.	81,977	821	82,798	1,905
Geissler, D.	135,817	2,478	138,295	2,915
Gelsinger, L.	81,162	1,410	82,572	4,188
Gervais, K.	84,374	1,595	85,969	2,380
Haney, B.	163,307	2,967	166,274	23,304
Harris, R.	79,912	8,663	88,575	709
Holden, H.	108,852	2,013	110,865	3,918
Hoodicoff, D.	137,282	14,247	151,529	535
Horan, W.	122,564	2,243	124,807	5,513
Hounjet, M.	99,534	1,850	101,384	678
Jenner, J.	110,694	2,033	112,727	25
Jillings, M.	129,049	2,350	131,399	3,504
Kendall, K.	109,066	2,013	111,079	5,924
Lafleur, L.	83,813	16,640	100,453	1,987
Lau, D.	114,922	2,116	117,038	1,090
Lloyd, C.	149,768	15,401	165,169	4,292
Lucas, R.	87,283	9,204	96,487	1,271
MacLellan, N.	91,184	1,703	92,887	290
Maier, P.	98,179	1,831	100,010	2,459
Miles, M.	74,366	1,398	75,764	3,102
Mueller, U.	83,375	1,507	84,882	1,448
Nixon, W.	113,306	2,073	115,379	2,867
O'Doherty, T.	124,997	13,245	138,242	139
Patterson, L.	109,069	2,019	111,088	4,774
Repin, A.	119,557	2,107	121,664	2,141
Steeves, S.	83,166	828	83,994	2,230
Strilaeff, J.	219,698	43,760	263,458	2,780
Sweeting, Z.	115,322	2,120	117,442	1,109
Tiefenback, J.	80,428	1,529	81,957	1,973
Tonner, M.	128,590	2,325	130,915	1,980
Wake, R.	80,000	16,000	96,000	1,006
Watts, K.	79,486	1,510	80,996	222
Total for employees over $75,000	4,804,848	235,951	5,040,799	119,252
Total for employees under $75,000	2,523,956	50,987	2,574,943	66,729
	$ 7,328,804	**$ 286,938**	**$ 7,615,742**	**$ 185,981**

* Salaries include taxable benefits.
** Allowance paid to employees in lieu of benefits.

RECONCILIATION:	**TOTAL**
Total employee salaries, benefits, and expenses	$ 7,801,723
CBBC staff	(600,160)
Canada Pension Plan, Employment Insurance, Worksafe BC	396,360
Public Service Plan	667,506
Extended Health Benefits	403,718
Accruals/adjustments	194,396
Staff remuneration per Statement of Operations (Note 23)	**$ 8,863,543**

STATEMENT OF SEVERANCE AGREEMENTS

There was one severance agreement under which payment commenced between Columbia Basin Trust and an employee during the fiscal year. This agreement represents nine months of compensation.

TAB 5

COLUMBIA BASIN TRUST
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER NAME		AMOUNT
Arcos Technologies Inc.	$	138,700
BC Hydro		56,231
Bell Media Inc		33,517
Bell Mobility		42,465
Bev Delikatny		36,042
Black Press Group Ltd.		117,090
Bruder Plumbing & Heating Ltd.		27,962
Bulletproof Solutions		26,775
Castlegar Kia		66,093
CDW Canada Corp		86,699
CEATI International Inc.		60,690
Chandos Construction Ltd		207,468
City of Castlegar		88,772
City of Cranbrook		169,549
Coldwell Banker Rosling Real Estate (Nelson) Ltd		50,218
Columbia Power Corporation		157,879
Dugald McLaren and Victoria Strange		28,378
Fortis BC Inc.		79,247
Fortis BC Natural Gas		67,720
Grant Thornton LLP		67,988
Heritage Office Furnishings Kelowna Ltd.		27,177
IDRS		28,287
Know History		75,000
Kone Inc.		26,580
Kootenay Mountain Culture Magazine		69,101
Microsoft Corporation		193,936
Mitchel Press Limited		44,235
NEXT Architecture		32,640
Norton Rose Fulbright		44,326
Office of the Auditor General of BC		42,000
Queen's Printer BC Mail Plus		31,274
Telus		66,852
Total Payments to Suppliers over $25,000		2,290,891
Total Payments to Suppliers under $25,000		3,388,980
		5,679,871
Total Delivery of Benefit payments over $25,000		37,831,264
TOTAL	**$**	**43,511,135**

COLUMBIA BASIN TRUST
SCHEDULE OF RECONCILIATION OF PAYMENTS
FISCAL YEAR ENDED MARCH 31, 2022

		TOTAL
Remuneration - Board of Directors	$	131,876
Remuneration - Employees		8,863,543
Total payments to Suppliers		5,679,871
Total payments for Delivery of Benefits		37,831,264
Change in accounts payable and accrued liabilities		525,272
Change in Delivery of Benefits liabilities		15,898,215
Capital asset purchases		(1,040,993)
Amortization of capital assets		769,814
Recovery of expenses		(259,351)
Adjustments		(853,511)
Total expenses per Statement of Operations* (Note 23)	**$**	**67,546,000**

*Excluding CBBC and CBDC

TAB 6

COLUMBIA BASIN BROADBAND CORPORATION
FISCAL YEAR ENDED MARCH 31, 2022

STATEMENT OF REMUNERATION AND EXPENSES PAID TO BOARD OF DIRECTORS		
NAME	**POSITION**	**REMUNERATION**
Miles, R.	Chair	$ 600
Booth, W.	Director	900
Deck, G.	Director	900
Kyle, A.	Director	450
Leggett, R.	Director	600
Oszust, R.	Director	600
Torgerson, O.	Director	600
Watson, A.	Director	150
		4,800
General board expense/accruals		(1,800)
Board expenses per Statement of Operations (Note 23)		$ 3,000

SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	
SUPPLIER NAME	**AMOUNT**
ADVA Optical Networking	$ 960,081
Andrew Clark Telecom Consulting	107,261
Axis Technical Services	2,593,833
Baylink Networks Inc.	243,711
CDW Canada Inc.	54,904
Charter Telecom Inc	277,369
City of Trail	47,848
Columbia Networks Inc.	58,252
Cyberlink Systems Corp.	66,946
DCB Consulting	39,152
EB Horsman & Son	45,546
Fortis BC Inc.	46,826
Imperium Data Networks	32,776
Lite Access Technologies	511,018
Livingston International Inc.	48,844
Martech Electrical Cranbrook	35,417
Martech Motor Winding	34,990
Masse Environmental Consultants Ltd.	26,237
Matrix Industries Inc.	26,633
Minister of Finance	115,146
Modus Structures Inc.	666,856
Northbridge Surety Limited	44,810
Shaw Business	123,795
Tanex Engineering Corporation	264,459
Telus	145,534
Nupqu Resource Limited Partnership	130,904
VETRO Inc.	34,476
Waystream AB	59,110
WSP Canada Inc.	128,556
Total Payments to Suppliers over $25,000	6,971,290
Total Payments to Suppliers under $25,000	403,545
	$ 7,374,835

SCHEDULE OF RECONCILIATION OF PAYMENTS	**TOTAL**
Remuneration - Board of Directors	$ 3,000
Total Payments to Suppliers	7,374,835
Change in accounts payable and accrued liabilities	1,794,759
Capital asset purchases	(8,306,843)
Amortization of capital assets	1,145,290
Adjustments	954,959
Total Broadband expenses per Statement of Operations (Note 23)	**$ 2,966,000**

TAB 7

COLUMBIA BASIN DEVELOPMENT CORPORATION
FISCAL YEAR ENDED MARCH 31, 2022

STATEMENT OF REMUNERATION AND EXPENSES PAID TO BOARD OF DIRECTORS

NAME	POSITION		REMUNERATION
McCormick, D.	Chair	$	2,200
Andruschuk, K.	Director		1,050
Binks, L.	Director		1,650
Carver, J.	Director		900
Mason, A.	Director		1,500
McConnachie, M.	Director [2]		900
Romich, H.	Director		1,350
Turcasso, K.	Director [1]		300
			9,850
General board expense/accruals			(3,000)
Board expenses per Statement of Operations (Note 23)		$	6,850

1. Term commenced January 1, 2022
2. Term ended December 31, 2021

SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES

SUPPLIER NAME		AMOUNT
Minister of Finance	$	29,430
Total Payments to Suppliers over $25,000		29,430
Total Payments to Suppliers under $25,000		886,696
		916,126
Total Delivery of Benefit payments over $25,000		2,748,428
	$	**3,664,554**

SCHEDULE OF RECONCILIATION OF PAYMENTS

		TOTAL
Remuneration - Board of Directors	$	6,850
Total Payments to Suppliers		3,664,554
Change in accounts payable and accrued liabilities		12,155
Change in Delivery of Benefits liabilities		(1,279,792)
Amortization of capital assets		51,082
Adjustments		85,959
Total CBDC expenses per Statement of Operations (Note 23)	**$**	**2,540,808**

TAB 8

ARROW LAKES POWER CORPORATION
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER NAME		AMOUNT
AON Reed Stenhouse Inc.	$	804,498
BC Hydro		564,998
CANMEC Industrial		122,032
Central Kootenay Invasive Species Society		63,823
Columbia Power Corporation		984,664
DBRS Limited		36,750
Engen Services Ltd.		26,290
Fish and Wildlife Compensation Program		301,315
Fortis Pacific Holdings Inc.		5,924,291
FortisBC Inc. Utility		45,611
Gaescan		25,625
Janox Fluid Power Ltd.		72,040
Minister of Finance		5,253,402
Precision Service & Pumps		30,262
Total Payments to Suppliers over $25,000		14,255,601
Total Payments to Suppliers under $25,000		318,262
TOTAL	**$**	**14,573,863**

Columbia Basin Trust's Consolidated Financial Statements include its 50% share of the amounts paid to suppliers for goods and services.

BRILLIANT POWER CORPORATION
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER NAME	AMOUNT
AON Reed Stenhouse Inc.	$ 1,000,449
Central Kootenay Invasive Species Society	27,347
Columbia Power Corportation	596,388
Computershare Trust Co. Of Canada	40,991
DBRS Limited	36,750
FortisBC Inc.	3,705,906
Minister of Finance	4,619,143
Norton Rose Fulbright	36,694
Powerex Corp.	94,007
Victor Jmaeff	33,959
Total Payments to Suppliers over $25,000	10,191,634
Total Payments to Suppliers under $25,000	61,070
TOTAL	**$ 10,252,704**

Columbia Basin Trust's Consolidated Financial Statements include its 50% share of the amounts paid to suppliers for goods and services.

BRILLIANT EXPANSION POWER CORPORATION
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER NAME		**AMOUNT**
AON Reed Stenhouse Inc.	$	486,293
ARMS Reliability Canada Inc.		82,260
Brilliant Power Corporation		1,512,817
Central Kootenay Invasive Species Society		41,008
Columbia Power Corporation		984,664
Engen Services Ltd.		84,999
Fortis Pacific Holdings Inc.		3,776,168
FortisBC Inc.		255,373
GE Renewable Energy Canada		101,406
L&S Electric Of Canada ULC.		759,355
Minister of Finance		5,364,991
Niricson Software Inc.		36,330
Northwest Hydraulic Consultants Ltd.		35,460
Rezatec		35,350
Victor Jmaeff		27,063
Wood Environment & Infrastructure Solutions		43,399
Total Payments to Suppliers over $25,000		13,626,936
Total Payments to Suppliers under $25,000		127,435
TOTAL	**$**	**13,754,371**

Columbia Basin Trust's Consolidated Financial Statements include its 50% share of the amounts paid to suppliers for goods and services.

WANETA EXPANSION POWER CORPORATION
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER NAME	AMOUNT
AON Reed Stenhouse Inc.	$ 1,445,797
Beaver Falls Machining Ltd.	46,930
Central Kootenay Invasive Species Society	69,361
Columbia Basin Broadband Corporation	35,410
Columbia Power Corporation	984,664
Fortis Pacific Holdings Inc.	4,152,803
FortisBC Inc.	1,113,050
General Electric Canada International Inc.	77,560
Golder Associates Ltd.	34,443
KGS Group	51,450
Minister of Finance	6,651,472
Northwest Hydraulic Consultants Ltd.	55,543
Total Payments to Suppliers over $25,000	14,718,483
Total Payments to Suppliers under $25,000	160,067
TOTAL	**$ 14,878,550**

Columbia Basin Trust's Consolidated Financial Statements include its 50% share of the amounts paid to suppliers for goods and services.

TAB 9

REAL ESTATE INVESTMENTS
SCHEDULE OF PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES
FISCAL YEAR ENDED MARCH 31, 2022

SUPPLIER	Castle Wood Village	Columbia Village	Crest View Village	Garden View Village	Joseph Creek Village	Kootenay Street Village	Lake View Village	Mountain Side Village	Rocky Mountain Village	Red Mountain Hostel	TOTAL
Golden Life Management*	$ -	$ -	$ -	$ -	$ 41,090	$ -	$ -	$ -	$ -	$ -	$ 41,090
Total Payments to Suppliers over $25,000	-	-	-	-	41,090	-	-	-	-	-	41,090
Total Payments to Suppliers under $25,000	401	9,798	9,925	5,257	401	4,828	401	401	401	18,839	50,652
Total	**$ 401**	**$ 9,798**	**$ 9,925**	**$ 5,257**	**$ 41,491**	**$ 4,828**	**$ 401**	**$ 401**	**$ 401**	**$ 18,839**	**$ 91,742**

Columbia Basin Trus's Consolidated Financial Satements include its share of the amounts paid to suppliers for goods and services (Red Mountain Hostel 80%, remaining entities 50%)