First Peoples' Cultural Council

2025/26
Annual Service Plan Report

August 2026

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Board Chair's Accountability Statement

The First Peoples' Cultural Council 2025/26 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2025/26 – 2027/28 Service Plan published in 2025. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

Carla George (Kwitelut i Kwelaw'ikw)
Board Chair
July 30, 2026

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Letter from the Board Chair & CEO

In 2025/26, First Peoples' Cultural Council (FPCC) advanced cultural revitalization across B.C., delivering $45.3 million in funding to First Nations communities. These investments strengthened language and cultural practices and created skilled employment opportunities that contribute to B.C.'s economy.

B.C. has the greatest First Nations language and cultural diversity in Canada, and these investments advanced community revitalization, created valuable skilled jobs and contributed to B.C.'s GDP.

A new $15 million annual commitment from the Province, combined with a five-year federal agreement, provides funding certainty for language programs through March 2028. This stability enabled multi-year grants and supported long-term planning, assisting communities to address their language revitalization goals. The investments allowed communities to adopt more strategic and flexible approaches to their work.

Provincial funding for arts and heritage grants decreased from the previous year; however, FPCC secured funding for cultural practices grant through the First Peoples' Cultural Foundation. The program is made possible through the Canada-B.C. bilateral agreement to end gender-based violence that is advancing work under Safe and Supported: B.C.'s Gender-Based Violence Action Plan. This initiative supported valuable new community programs. Final reports to date indicate that more than 13,000 people engaged with arts and heritage programs in 2025/26, far exceeding FPCC targets.

In response to community requests to enhance support, FPCC established a Learning Centre focused on training and resource development in 2025. In addition, three departments were consolidated under an executive director to better leverage staff expertise, improve consistency, reduce administration and enable FPCC subject matter specialists to focus on community needs.

FPCC also strengthened collaboration with government, providing expert advice in the co-development of a provincial Repatriation Policy Framework and proposed changes to the Heritage Conservation Act. To further support repatriation efforts, FPCC released two major reports. From Stealing to Healing: Repatriation and B.C. First Nations shares critical research identifying over 2,500 Ancestors and 100,000 Belongings, from B.C. that are held in 229 colonial institutions worldwide. It's companion piece, Repatriation Cost Analysis: A Framework and Model outlines key steps and estimated costs for First Nations-led repatriation.

FPCC continued to engage, connect, promote and report on First Nations cultural revitalization in B.C. Staff attended 10 events, including the First Nations Leaders' Gathering, to strengthen relationships. FPCC was featured in more than 530 syndicated media stories and recorded over 815,000 visits to its websites. FirstVoices, a collaborative language documentation platform, accounted for most site traffic. FirstVoices is an essential service for First Nations in B.C., providing a secure, accessible platform for language revitalization.

FPCC met with its Advisory Committee in November 2025 to report progress, seek input on community needs and to refine program offerings.

The FPCC Board provided strong leadership and ensured sound governance practices. To ensure that the Ministry of Indigenous Relations and Reconciliation remains informed of FPCC progress, the Board Chair and CEO met quarterly with the Minister.

The FPCC Board, Advisory Committee and staff celebrate the incredible accomplishments of communities over the past year and we thank the Province and our multiple partners for their ongoing support.

Tracey Herbert
Chief Executive Officer
July 30, 2026

Carla George (Kwitelut i Kwelaw'ikw)
Board Chair
July 30, 2026

Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for Government organizations. Under the BTAA, a Minister Responsible for a government organization is required to make public a report on the actual results of that organization’s performance related to the forecasted targets stated in the service plan for the reported year.

Strategic Direction

The strategic direction set by Government in 2024 and the Board Chair’s Mandate Letter from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the First Peoples’ Cultural Council 2025/26 – 2027/28 Service Plan and the actual results reported on in this annual report.

Purpose of the Organization

The First Peoples’ Cultural Council (FPCC) supports B.C. First Nations people in their efforts to revitalize languages, arts, cultures and heritage. FPCC serves all First Nations in B.C., 36 languages, over 90 language dialects and many First Nations arts, culture and heritage organizations.

As stated in the First Peoples' Heritage, Language and Culture Act, FPCC’s legislated mandate is to:

Protect, revitalize and enhance First Nations heritage, language, culture and arts.

Increase understanding and sharing of knowledge, within both First Nations and non-First Nations communities.

Heighten appreciation and acceptance of the wealth of cultural diversity among all British Columbians.

FPCC’s vision is one where First Nations languages, arts, cultures and heritage in B.C. are thriving. The knowledge and worldviews expressed through First Nations languages, arts, cultures and heritage are valued as essential to our collective well-being and human rights.

FPCC’s mission is to provide leadership to strengthen and rebuild First Nations knowledge systems disrupted by cultural genocide by supporting the revitalization of First Nations languages, arts, cultures and heritage.

FPCC supports self-determination by providing grants, training, resources, technology, coaching, research and support to help First Nations communities reach their revitalization goals. In addition, the organization contributes to the province’s economic output, GDP, job creation and tax revenue.

FPCC's work addresses legislation and policy commitments, including the federal government's Indigenous Languages Act and the United Nations Declaration on the Rights of Indigenous Peoples Act. FPCC also supports British Columbia's commitment to meaningful reconciliation, including the Truth and Reconciliation Commission Calls to Action and the Declaration on the Rights of Indigenous Peoples Act.

To carry out its work, FPCC applies a community development approach which has been proven to produce results in cultural revitalization that have not been seen elsewhere in Canada.

Report on Performance: Goals, Objectives, and Results

The following goals, objectives and performance measures have been restated from the 2025/26 – 2027/28 service plan. For forward-looking planning information, including current and future performance targets, please see the latest service plan.

Goal 1: First Nations languages, arts, cultures and heritage in B.C. are thriving

Objective 1.1: Support people from First Nations in B.C. who are speaking and transferring knowledge of their languages, arts, and heritage

The number of Knowledge Keepers and fluent speakers of First Nations languages continues to decline. Supporting learners, speakers, and people who are transferring knowledge is critical to revitalization.

Key results

- Offered a new Cultural Practices Grant, significantly increasing opportunities for knowledge transfer and mentorship.
- Implemented Growing from Language & Culture: Creating Transformative First Nations Early Learning and Child Care (ELCC) Programs, a pilot program to increase the quantity and quality of language nest education and provide additional program supports to communities.
- Supported one-on-one Mentor-Apprentice learning, with 133 language learners participating in three unique programs.
- Provided direct support to more than 64 communities, with community workshops, hands-on assistance with planning, coaching and project site visits.
- Delivered Reclaiming my Language, a Course for Silent Speakers, in two communities.

Summary of progress made in 2025/26

FPCC launched a new Cultural Practices Grant, supporting 7,718 participants across community-based cultural initiatives. The program funded $1.63 million in projects and helped strengthen identity, intergenerational learning and community connection. Demand exceeded available funding, with 101 applications requesting $2.45 million. The initiative is one of several being advanced under Safe and Supported: B.C.'s Gender-based Violence Action Plan.

The Braided Knowledge Grant and Heritage Stewardship Program engaged 1,865 participants. The Heritage Stewardship Program supports communities to assess local climate change impacts, safeguard cultural sites, digitize cultural resources and record oral histories. The Braided Knowledge Grant supports projects that reflect the interconnected and holistic nature of arts, languages, cultures and heritage.

All three of these programs have mentorship components that support the transfer of cultural knowledge and skills from expert knowledge holders to younger learners.

FPCC is also strengthening knowledge transfer through a multi-year pilot program to enhance early childhood immersion programs called Language Nests with funding from Employment and Social Development Canada through their Indigenous Early Learning and Child Care Quality Improvement Project funded through the First Peoples’ Cultural Foundation. The pilot supported 11 of the 31 FPCC-funded language nests in 2025/26. The additional funding supports hiring more fluent speakers, language assessments and quality resources and tools. The pilot includes dedicated coaching support, with in-person visits, phone calls and monthly webinars.

Objective 1.2: Identify opportunities for people from First Nations in B.C. to revitalize arts and heritage

The rich diversity of cultures and aging Knowledge Keepers create increasing urgency for larger and longer-term investments in arts and heritage.

Key results

- Presented at 16 events and attended an additional 10 to increase engagement in FPCC programs.
- Completed 63 community visits, including site visits and outreach to provide expert hands-on cultural revitalization support.
- Facilitated discussions and case study presentations with the FPCC Advisory Committee at the Annual General Meeting to develop and refine FPCC programs and resources.
- Issued 21 electronic newsletters to subscribers, with an annual report mailed to all B.C. First Nations.

Summary of progress made in 2025/26

Communications, engagement and outreach are key to connecting First Nations people with opportunities to access funding and resources to support revitalization. In 2025/26, FPCC maintained its focus on supporting work in community while reducing the number of planned in-person awareness events in response to operating funding constraints.

FPCC staff presented at 16 events, including WAVES 2025: Global Indigenous Languages Summit, Chief Atahm Conference and the Assembly of First Nations 2026 Education Forum, among others.

While FPCC had planned to host an interdisciplinary arts retreat, with limited staff capacity, the event pivoted to a more accessible Online Learning Series that enabled FPCC to reach a broader audience across the province. With funding support from the BC Arts Council and the

Ministry of Indigenous Relations and Reconciliation, FPCC delivered training sessions live to more than 448 attendees. The series created peer-learning opportunities where people running successful projects shared their work, processes and the outcomes. More than 600 additional viewers have watched the recorded sessions.

FPCC increased engagement with music and arts festivals to increase profile for FPCC funding recipients, including Carving on the Edge and CCMA Country Music Awards Week.

Performance measure(s) and related discussion

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1a Number of people participating in language immersion opportunities funded by FPCC[1]	3,679	3,800	1,661

Data source: FPCC grant appendix data and final reports, with 71 of 354 project reports submitted as of May 4, 2026.
[1]PM 1a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 2,800 and 2,800, respectively.

Results were below target due to timing of receiving funding, rather than reduced program activity.

Based on in-progress reporting, FPCC expects final participation to exceed the target once all data is received.

Based on final reports received to date, 1,661 people participated in language opportunities funded by FPCC. Of that total, more than 1,504 people were in community immersion programs and 157 people learned their language through one-on-one Mentor-Apprentice immersion, including 39 participants in the Youth Empowered Speakers Program. The Youth Empowered Speakers Program provides paid internships and Mentor-Apprentice language immersion learning for post-secondary students. The immersion program supports people studying for careers as Early Childhood Immersion Educators, Language Immersion Teachers and Community Language Revitalizationists.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
1b Number of people involved in arts and heritage funding opportunities[1]	14,667	1,500	13,007

Data source: Final reports from 207 of 455 project reports submitted as of May 4, 2026.
[1]PM 1b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 1,500 and 1,500, respectively.

FPCC significantly surpassed its target for arts and heritage program participation opportunities due to new opportunities that were not identified in the 2025/26 service plan. The FPCC Arts Vitality grant was a one-time funding opportunity to support FPCC arts vitality research. In total, 615 people participated in this program that invited storytellers, artists and arts organizations to share about the perseverance of storytelling, arts knowledge and practices in their communities.

Similarly, funding from the Canada-B.C. bilateral agreement to end gender-based violence, which is supporting work under Safe and Supported: B.C.'s Gender-Based Violence Action Plan, was provided through the First Peoples' Cultural Foundation to FPCC to offer a Cultural Practices Grant, with 7,718 people participating in the resulting programs.

Goal 2: First Nations' rights to their languages, arts, cultures and heritage are recognized, upheld and valued in B.C.

Objective 2.1: Increase support for FPCC's work to implement a long-term strategic approach to community revitalization efforts

This objective is important to enable FPCC and communities to take a long-term, strategic approach to revitalization of languages, arts, cultures and heritage. A long-term strategic approach is required to create systems-level changes and produce sustainable results.

Key results

- Released two reports that support repatriation and rematriation for B.C. First Nations.
- Conducted Arts Vitality Research.
- Initiated 2026 Report on the Status of B.C. First Nations Languages.
- Produced paper on Artificial Intelligence and raised concerns with all levels of government about the need for safeguards to protect First Nations data.
- Received language plan submissions from 16 communities.

Summary of progress made in 2025/26

FPCC strategically invests in research to support evidence-based decision-making for First Nations and to understand the needs, impacts and benefits of revitalization work to B.C. First Nations communities and B.C. as a whole.

FPCC published two key reports in 2025/26 that support repatriation for B.C. First Nations. From Stealing to Healing: Repatriation and B.C. First Nations provides the history, context and impacts of repatriation for First Nations in B.C. Repatriation Cost Analysis: A Framework and Model, describes steps and estimates the costs of First Nations-led repatriation. The reports support First Nations as the Province addresses actions set out in the Declaration Act Action Plan.

Also, Arts Vitality research in 2025/26 included grants to explore how community storytelling and arts knowledge have evolved across generations, their connection to the land, and how arts practices and knowledge will thrive in the future. FPCC received 85 applications and was able to fund 19 projects, supporting 23 percent of applications.

FPCC piloted regional coaching services to support arts and heritage projects. The arts coaching program provided peer-to-peer project planning and grant writing support. The coaches had approximately 119 engagements with B.C. First Nations artists, supporting 53 artists with project planning and 40 artists with grant writing mentorships. In total, arts coaches provided an estimated 51 hours of support for B.C. First Nations artists, with 336 email exchanges and 70 phone or video calls.

The Braided Infrastructure Program was also supported by a dedicated coach who provided one-on-one support to applicants and recipients and shared their expertise in Indigenous cultural infrastructure and project management. The pilot increased capacity and confidence for funding recipients.

Additionally, the Heritage Team developed a process and suite of resources to support Heritage Revitalization Strategic Planning in 2025/26. This will be piloted in 2026/27.

FPCC also provided expert advice to support government with two policy areas in 2025/26, the Heritage Conservation Act and a provincial Repatriation Policy Framework.

Objective 2.2: Support the economic value of cultural revitalization

While there is growing awareness of the urgency and importance of revitalizing First Nations languages, arts, and heritage in B.C., the work also has an economic impact. Through this objective, FPCC is working to enhance the economic benefits of cultural revitalization.

Key results

- Secured $15 million per year of funding to support First Nations languages, heritage, arts and cultures programming from the Ministry of Indigenous Relations and Reconciliation.
- Supported the development of cultural infrastructure through the Braided Infrastructure Program with funding from the Ministry of Indigenous Relations and Reconciliation
- Secured funding for a Cultural Practices Grant under the Canada-B.C. bilateral agreement to end gender-based violence through the First Peoples' Cultural Foundation.
- Delivered training to develop cultural revitalization skills to more than 2,000 people.
- Offered internships, scholarships, mentorships and workshops that enable language and cultural knowledge to be passed on to the next generation.

Summary of progress made in 2025/26

FPCC secured yearly funding for grants from the Ministry of Indigenous Relations and Reconciliation, a significant milestone supporting the Declaration Act Action Plan Action 4.30.

FPCC also submitted a federal pre-budget submission and met senior officials and the Minister of Canadian Heritage and Identity to advance funding discussions.

Performance measure(s) and related discussion

Performance Measure	2022/23 Baseline	2024/25 Actual	2025/26 Target	2025/26 Actual
2a Total amount of funding delivered to communities.[1]	$30.7 M	$38.7 M	$49.75 M	$45.3 M

Data source: Audited financial statements
[1]PM 2a targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as $31.25M and $31.25M, respectively.

FPCC increased available funding to support cultural revitalization in First Nations communities, securing $15 million in funding per year from the Ministry of Indigenous Relations and Reconciliation in 2025/26, with $12 million dedicated to language revitalization. This investment represents a key commitment in the Declaration Act Action Plan. Other funders include the federal Department of Canadian Heritage, which provides funding for language revitalization, and BC Arts Council and Creative BC, which provide valuable support for FPCC arts grants.

The FPCC Language Nest Pilot is funded through the First Peoples' Cultural Foundation by Employment and Social Development Canada through their Indigenous Early Learning and Child Care Quality improvement Project.

Cultural Practices Grants are funded through the First Peoples' Cultural Foundation with federal funding under the Canada-B.C. bilateral agreement to end gender-based violence as part of work to advance Safe and Supported: B.C.'s Gender-Based Violence Action Plan. These grants support B.C. First Nations in planning, conducting and documenting community-based cultural practices and events. The goal of this grant is to affirm identities, foster a sense of belonging and celebrate the roles, relationships and responsibilities within a community to take action against gender-based violence.

Additional funds were provided by the First Peoples' Cultural Foundation and Non-Governmental Organizations.

Despite securing additional money for grants, FPCC grants to community were lower than target primarily due to the timing of receiving funding, with the bulk of funding received at the end of Q2, in September 2025. FPCC releases final grant payments upon receipt of final reports.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2b The total number of jobs supported as a result of FPCC programming.[1]	5,194	4,500	4,585

Data source: Final reports from 398 out of more than 1,108 funded project reports submitted as of May 4, 2026.
[1]PM 2b targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 4,100 and 4,100, respectively.

FPCC exceeded its target for the number of jobs supported in 2025/26, with 463 full-time jobs, 930 part-time jobs and 3,192 casual employment opportunities. The bulk of the full-time jobs are associated with language programming, where final reports indicate communities added

45 new full-time positions and 116 new part-time jobs in 2025/26. Grant funding supported 115 full-time heritage positions and 86 full-time arts positions.

These jobs are essential to meet revitalization goals and help to address the high rate of child poverty experienced by B.C. First Nations people, while preparing communities for the future. As cultural leaders, language teachers and speakers retire, First Nations communities across B.C. will require many people to replace them. This is a significant investment for FPCC, providing grants, training and professional development to develop the next generation of skilled staff.

It should be noted that these figures do not include honoraria or mentors who support language immersion through the FPCC Mentor-Apprentice Program and Youth Empowered Speakers Program. In total, 208 mentors supported one-on-one language learning through the FPCC Mentor-Apprentice programs in 2025/26.

Performance Measure	2024/25 Actual	2025/26 Target	2025/26 Actual
2c Number of people receiving training through FPCC to support revitalization of language, arts, and heritage.[1]	1,226	1,400	2,720

Data source: Internal quarterly reporting.
[1]PM 2c targets for 2026/27 and 2027/28 were stated in the 2025/26 service plan as 1,000 and 1,000, respectively.

FPCC provided training to 2,720 people, significantly surpassing the target. FPCC training develops the expert skills communities need to support revitalization. Offerings in 2025/26 included training in grant administration and language revitalization planning as well as Mentor-Apprentice learning, thematic language collection to support language documentation, and arts workshops for storytellers. FPCC also offered advanced training to support administrative dashboards on FirstVoices dashboards, empowering community staff with advanced technical skills.

The FPCC Online Learning Series, which offers short accessible presentations, reached more than 448 people in the live presentations, with more than an additional 600 people watching the recorded videos on YouTube.

Financial Report

For the auditor's report and audited financial statements, see Appendix [Letter]. These documents can also be found on the First Peoples' Cultural Council website.

Discussion of Results

FPCC provided $45.3 million in grants to communities in 2025/26.FPCC and community programming was impacted by the timing of receiving funding, with the bulk of FPCC revenue received at the end second quarter. The impact was offset in part through a multi-year funding agreement with Canadian Heritage.

Financial Summary

($000s/$m)	2024/25 Actual	2025/26 Budget	2025/26 Actual	2025/26 Variance
Revenues				
Ministry of Indigenous Relations and Reconciliation	6,951	22,371	22,067	304
BC Arts Council	1,348	1,725	1,564	161
Other Provincial Ministries	608	750	686	64
Grants from Federal Government	3,489	21,122	2,891	18,231
Grants from Non-Governmental Organizations	10,493	0	1,308	(1,308)
Deferred Revenue	15,637	13,200	25,763	(12,563)
Interest and Other	839	0	632	(632)
Total Revenue	**39,365**	**59,168**	**54,911**	**4,257**
Expenses				
Language Programs	15,090	44,688	36,207	8,481
Arts Programs	4,528	2,685	3,400	(715)
Heritage Programs	9,043	2,350	4,273	(1,923)
Administration and Governance	8,243	7,567	7,554	13
Amortization	197	333	450	(117)
Other Operating	2,264	1,545	3,027	(1,482)
Total Expenses	**39,365**	**59,168**	**54,911**	**4,257**
Annual Surplus (Deficit)	**0**	**0**	**0**	**0**
Total /Debt	**0**	**0**	**0**	**0**
Accumulated Surplus (Deficit)	**384**	**384**	**384**	**384**
Capital Expenditures	**95**	**150**	**2,602**	**(2,452)**

[1] The above financial information was prepared based on current Generally Accepted Accounting Principles.

Variance and Trend Analysis

With multiple funders, FPCC is subject to year-to-year fluctuations in funding and revenue.

Revenues were $15.5 million higher in 2025/26 than the prior year due to several factors. Most notably, FPCC received $15 million in new ongoing funding from the Ministry of Indigenous Relations and Reconciliation for grants. In addition, FPCC drew $10 million more from deferred revenue in 2025/26 than 2024/25, as final grant payments were paid upon receipt of final reports.

Funding from BC Arts Council and other provincial funding also had a positive impact on revenues compared to 2024/25, contributing an additional $0.3 million to revenues. The increases were offset by $9.2 million in reduced revenue from non-governmental organizations and $0.6 million less from the federal government, compared to the prior year.

While revenues were higher than 2024/25, they were $4.3 million lower than the 2025/26 budget. FPCC recognized $18 million less than budgeted in current year grants from the federal government, offset by $12.6 million more than budgeted under deferred revenue that was recognized from prior year deferred contributions. In total, $22.6 million of 2025/26 federal funding was deferred in 2025/26 and is expected to be recognized in future fiscal periods, as indicated in the audited financial statements. These funds were deferred partly because FPCC received funding late in the second quarter, at the end of September 2025, and partly because the federal funding agreement enables FPCC to commit to multi-year community grants.

Additionally, in 2025/26 FPCC received more than $1.3 million from non-governmental organizations and $0.6 million in interest that had not been anticipated in the service plan budget.

Expenses were $15.5 million higher in 2025/26 compared to 2024/25. Most notably, FPCC language grants were $21 million higher in 2025/26 than the year prior. This was due to new funding from the Ministry of Indigenous Relations and Reconciliation and the release of final grant payments from 2024/25. Heritage and arts programs in 2025/26 were down $5.9 million from 2024/25 due to lower funding from the First Peoples' Cultural Foundation.

Administrative costs, salaries and benefits were $0.7 million lower in 2025/26 than the year prior, offset by higher amortization and $0.8 million in higher operating costs.

Compared to the 2025/26 service plan budget, actual expenses were $4.3 million lower, primarily because FPCC received the bulk of its grant funding at the end of the second quarter, in September 2025, which delayed delivery of committed funding to grant recipients. This resulted in corresponding delays in the recognition of expenses within the fiscal year and funds have been deferred. Importantly, these variances do not indicate a reduction in program activity or program commitments, however language program expenses are $8.5 million below the 2025/26 budget.

Heritage and arts program expenses were higher than the service plan budget by $2.6 million. These increased expenses were driven by the recognition of deferred grants from 2024/25 revenues and the allocation of $3 million from the new funding from the Ministry of Indigenous Relations and Reconciliation. Heritage grants also increased because of new funding for Cultural Practices Grants. These funds were provided to FPCC from the First Peoples' Cultural Foundation. They were made available through the Canada-B.C. bilateral agreement to end gender-based violence that is advancing work under Safe and Supported: B.C.'s Gender-Based Violence Action Plan.

Other operating costs were $1.5 million higher than service plan budget due to ongoing investments in partnership with First Peoples' Cultural Foundation to support long-term projects that address common goals.

Capital expenditures were $2.5 million above the 2025/26 budget due to the acquisition of an office building. FPCC received funding for the building from the First Peoples' Cultural Foundation through a contribution they received from the Mastercard Foundation. The grant has been used to create a deferred capital contribution fund, which will be amortized over the life of the building. FPCC is grateful for the opportunity to have its office located in a W̱SÁNEĆ community on the Saanich Peninsula.

Risks and Uncertainties

FPCC results are subject to several risks and uncertainties, largely related to the timing and predictability of funding as well as broader external factors, including economic uncertainty and rising inflation.

A key financial risk is the reliance on government funding agreements, particularly the federal agreement, which is currently in the third year of a five-year term. Other risks are related to inflationary pressures, which impact FPCC operations. The use of deferrals and holdbacks, which are released upon receipt of final reports, introduces variability in the timing of revenue recognition, which can create misalignment between grants received and program expenditures across fiscal periods. While deferred amounts are expected to be recognized in future years, there remains uncertainty regarding the exact timing of these releases. FPCC works to mitigate these challenges through tracking multi-year funding commitments and through engagement and regular communications with grant recipients.

Delays in the receipt of funding from the Province and federal government can result in increased holdbacks to grantees, particularly within the Language Program. FPCC mitigates these risks through proactive communications with funders.

The organization faces increasing operational and external risks. Cybersecurity threats continue to evolve in frequency and sophistication, posing risks to data integrity, privacy and continuity of operations, particularly given the reliance on digital systems to administer funding programs and manage community information. FPCC mitigates risks linked to cybersecurity through multiple strategies, including security investments, monitoring and staff training.

In addition, evolving political dynamics and changing public perspectives on reconciliation may impact policy direction, funding priorities and the operating environment for programs, creating potential variability in future funding decisions and program mandates.

FPCC is facing potential operational instability and human resources risk due to a lack of compensation competitiveness and an increased need for succession planning. FPCC employs First Nations, Indigenous people and allies who have specialized skills and expertise and are not easily replaced. The FPCC board and management are working with partners and with the Public Sector Employers’ Council Secretariat to mitigate these issues. FPCC has been investing in staff training and making structural changes to ensure Subject Matter Experts are used effectively and efficiently and to ensure that they pass on their knowledge to the new leaders being developed by FPCC.

Ongoing monitoring of funding agreements, program delivery timelines, cybersecurity resilience and strong relationships are critical to effectively managing these risks and ensuring alignment between financial performance and organizational objectives.

Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2025 and 2023 Mandate Letters from the Minister Responsible.

2025 Mandate Letter Priority	Status as of March 31, 2026
Support First Nations communities to reach goals through delivering successful language, arts, and cultural heritage programs by providing funding grants, coaching, resources, professional development and training.	• $45.3M in grants to communities • More than 63 community visits including site visits and expert hands-on support • Advanced FirstVoices platform to support language documentation, with more than 709,000 data points
Design and implement First Nations language, arts, and cultural heritage programming that will most effectively transmit cultural knowledge to new generations and achieve mandate.	• Supported development of long-term language plans • Funded 31 language nests • Created a new cultural practices grant • Created a Learning Centre that will advance FPCC training and resource development to address community goals
Continue to raise the profile of the importance of protecting, revitalizing, and enhancing First Nations languages, arts, and cultural heritage in B.C. by promoting the work of the FPCC, community partners, and other interest holders around the province and across Canada.	• Presented at 16 events and participated in an additional 10 to increase engagement with FPCC • Referenced in more than 530 syndicated media stories • Produced 333 social media posts with more than 25,000 followers • More than 815,000 visits to FPCC websites • Completed opening maps Application Programming Interface for the First Peoples' Map and Plan2Adapt, an online tool about projected climate change for regions across B.C. for UVIC's Pacific Climate Impacts Consortium

2025 Mandate Letter Priority	Status as of March 31, 2026
Advise and collaborate with B.C. government ministries whose mandates intersect with FPCC's on the policy and actions required to meet government's commitments to implement the Declaration on the Rights of Indigenous Peoples Act and the Truth and Reconciliation Commission Calls to Action that relate to languages, culture, arts, and heritage.	• Provided input to support provincial Repatriation Policy Framework and changes to the Heritage Conservation Act • Provided expert advice to support a review of Resources Information Standards Committee (RISC) Archaeological and CMT Inventory training in collaboration with the BC Association of Professional Archaeologists (BCAPA) and Indigenous groups to ensure it remains culturally appropriate and up to date • Completed opening maps Application Programming Interface for the First Peoples' Map with ClimateReadyBC and GeoBC Hazard Insights Tool
Advance discussions to support long term sustainable and predictable funding related to revitalization of languages, arts and heritage.	• Secured $15 million per year of funding to support First Nations languages, heritage, arts and cultures programming from the Ministry of Indigenous Relations and Reconciliation • Secured funding to support new grants and pilot programs • Continued to support the Assembly of First Nations Chiefs Committee on Languages through the Technical Committee on Languages

2023 Mandate Letter Priority	Status as of March 31, 2026
Design and implement First Nations language, arts, and cultural heritage programming that will most effectively transmit cultural knowledge to new generations and achieve mandate.	• Supported development of long-term language plans • Funded 31 language nests • Created a new cultural practices grant • Created a Learning Centre that will advance FPCC training and resource development to address community goals

Appendix B: Auditor's Report and Audited Financial Statements

Doane Grant Thornton

Financial Statements

First Peoples' Heritage, Language and Culture Council

March 31, 2026

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Management's Responsibility for Financial Reporting

The financial statements of First Peoples' Heritage, Language and Culture Council have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, which requires Canadian public sector accounting standards modified by B.C. Regulation 198/2011 "Restricted Contributions" and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial 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 a system of internal controls to provide reasonable assurance that reliable financial information is provided.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls and exercises these responsibilities through the Board. The Board reviews internal financial statements on a quarterly basis and external audited financial statements annually.

The external auditors, Doane Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of First Peoples' Heritage, Language and Culture Council and meet when required.

On behalf of First Peoples' Heritage, Language and Culture Council

Tracey Herbert, CEO
May 8, 2026

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Independent auditor's report

To the members of First Peoples' Heritage, Language and Culture Council

Opinion

We have audited the financial statements of First People's Heritage, Language and Culture Council ("the Council"), which comprise the statement of financial position as at March 31, 2026, and the statements of operations and accumulated surplus, change in net financial debt and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of First Peoples' Heritage, Language and Culture Council as at March 31, 2026, and its results of operations, its changes in its net financial debt, and its cash flows for the year then ended in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia (the "Act").

Basis for Opinion

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

Emphasis of Matter – Financial Reporting Framework

Without modifying our opinion, we draw attention to Note 2 to the financial statements which describes the applicable financial reporting framework and the significant differences between that financial reporting framework and Canadian public sector accounting standards. Our opinion is not modified in respect of this matter.

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

Management is responsible for the preparation of these financial statements in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Council’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Doane Grant Thornton LLP

Victoria, Canada
May 8, 2026

Chartered Professional Accountants

FIRST PEOPLES' HERITAGE, LANGUAGE AND CULTURE COUNCIL

Statement of Financial Position
as of March 31, 2026
(In Thousands of Dollars)

	2026	2025
Financial Assets		
Cash and Cash Equivalents	**$ 28,417**	$ 27,851
Accounts Receivable	**136**	2,158
Government Receivable (Note 4)	**364**	93
	28,917	30,102
Liabilities		
Accounts Payable	**4,467**	4,090
Deferred Revenue (Note 8)	**24,538**	26,084
Deferred Capital Contributions (Note 7)	**2,252**	-
	31,257	30,174
Net Financial Debt	**(2,340)**	(72)
Non-Financial Assets		
Tangible Capital Assets (Note 6)	**2,466**	314
Prepaid Expenses	**258**	142
Total Non-Financial Assets	**2,724**	456
Accumulated Surplus	**$ 384**	$ 384

Commitments (Note 11)

Approved by The Board:

addie Pryce ______________________ Director

______________________ Director

FIRST PEOPLES' HERITAGE, LANGUAGE AND CULTURE COUNCIL

Statement of Operations and Accumulated Surplus

Year Ended March 31, 2026

(In Thousands of Dollars)

	Budget	**2026**	2025
Revenue			
Grants	$ 59,168	**$ 54,279**	$ 38,526
Interest and Other	-	**632**	839
Total Revenue	59,168	**54,911**	39,365
Expenses			
Language Programs	47,355	**37,898**	17,712
First Voices Programs	-	**-**	-
Arts Programs	3,140	**4,409**	5,450
Heritage Programs	3,012	**5,104**	9,802
Operating Expenses and Overhead			
Administration Salaries/Benefits & Governance	4,112	**3,872**	3,939
Amortization	333	**450**	197
Other Operating Costs	1,216	**3,178**	2,265
Total Expenses	59,168	**54,911**	39,365
Net Surplus (Deficit)	-	-	-
Accumulated surplus at beginning of year	384	**384**	384
Accumulated surplus at end of year	$ 384	**$ 384**	$ 384

FIRST PEOPLES' HERITAGE, LANGUAGE AND CULTURE COUNCIL
Change in Net Financial Debt
Year Ended March 31, 2026
(In Thousands of Dollars)

	Budget	**2026**	2025
Acquisition of tangible capital assets (Note 6)	$ (150)	**$ (2,602)**	$ (94)
Amortization of tangible capital assets (Note 6)	333	**450**	197
	183	**(2,152)**	103
Acquisition of prepaid expense	(300)	**(631)**	(281)
Use of prepaid expense	200	**515**	333
Increase in net financial assets (debt)	83	**(2,268)**	155
Net financial debt at beginning of year	(72)	**(72)**	(227)
Net financial debt at end of year	$ 11	**$ (2,340)**	$ (72)

FIRST PEOPLES' HERITAGE, LANGUAGE AND CULTURE COUNCIL
Statement of Cash Flows
as of March 31, 2026
(In Thousands of Dollars)

		2026		2025
Cash flows from operating activities				
BC Ministry of Indigenous Relations & Reconciliation	**$**	**22,067**	$	6,951
BC Arts Council		**1,564**		1,348
Department of Canadian Heritage		**2,892**		3,489
Creative BC		**686**		608
First Peoples' Cultural Foundation		**1,208**		10,493
Margaret A. Cargill Foundation		**99**		1
Interest Income and Other		**632**		839
Deferred Contributions		**25,764**		15,637
		54,912		39,366
Cash used for grants and awards		**(45,305)**		(30,148)
Cash used for salaries and benefits		**(6,440)**		(5,952)
Cash paid to materials and services		**2**		5,407
Cash flows from operating activities		**3,169**		8,673
Investing activity				
Purchase of tangible capital assets		**(2,602)**		(94)
Cash flow used by Investing activity		(2,602)		(94)
INCREASE (DECREASE) IN CASH FLOW		**566**		8,579
Cash and cash equivalents - beginning of year		**27,851**		19,272
CASH AND CASH EQUIVALENTS - END OF YEAR	**$**	**28,417**	$	27,851

1. NATURE OF OPERATIONS

The First Peoples' Heritage, Language & Culture Council (the "Council") is a Crown Corporation, established under the *First Peoples' Heritage, Language and Culture Act* and is an agent of the Crown. The Council commenced operations April 1, 1991. The mission of the Council is as follows:

- To preserve, restore and enhance First Nations' heritage, language and culture;
- To increase understanding and sharing of knowledge, within both First Nations' and non-First Nations' communities; and
- To heighten appreciation and acceptance of the wealth of cultural diversity among British Columbians.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Section 23.1 of the Budget Transparency and Accountability Act of the Province of British Columbia supplemented by Regulations 257/2010 and 198/2011 issued by the Province of British Columbia Treasury Board. The Budget Transparency and Accountability Act requires that the financial statements be prepared in accordance with the set of standards and guidelines that comprise generally accepted accounting principles for public sector organizations, or if the Treasury Board makes a regulation, the set of standards and guidelines that comprise generally accepted accounting principles for public sector organizations as modified by the alternate standard or guideline or part thereof adopted in the regulation.

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 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 in the fiscal period 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 requires that:

- 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
- externally restricted contributions be recognized as revenue in the period in which the resources are used for the purpose or purposes specified in accordance with public sector accounting standard PS3100.

As a result, revenue recognized in the Statement of Operations and Accumulated Surplus and certain related deferred capital contributions in the Statement of Financial Position would be recorded differently under Canadian public sector accounting standards.

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

Change in basis of accounting

Effective Fiscal 2026, the Council adopted the accounting policy for restricted contributions as mandated by Section 23.1 of the Budget Transparency and Accountability Act. Previously, the Council followed PSAS without the modifications of the Treasury Board regulations. Under the previous policy transfers for capital purchases were recognized as revenue when eligible criteria were met and no legal liability existed. Under the new policy, these transfers are recorded as Deferred Capital Contributions and recognized as revenue over the useful life of the asset. The Council applied this change in the basis of accounting retroactively. There were no adjustments required to the March 31, 2025 comparative figures as a result of this transition.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in term deposits and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days or are cashable.

Financial instruments

Derivative and equity instruments (or other portfolio investments) that are quoted in an active market, of which the Council holds none, would be carried at fair value. All other financial instruments are measured at cost/amortized cost; financial assets measured at amortized cost are recognized initially net of transaction costs with interest income recognized initially net of transaction costs with interest income recognized using the effective interest rate method. Impairment losses are recognized in the statement of operations when there is an other than temporary decline in value.

Interest attributed to financial instruments is reported in the statement of operations.

The Council's financial assets and liabilities are measured as follows:

Financial Statement Line Item	Measurement
Cash & cash equivalents	Amortized cost
Accounts receivable	Amortized cost
Accounts payable	Amortized cost
Accrued liabilities	Amortized cost

(continues)

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

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Computer equipment	3 years
Computer software	3 years
Furniture and equipment	5 years
Leasehold improvements	17 years
Building	17 years

Deferred capital contributions recognition

Deferred capital contributions realize the funding received for the new building. These contributions are recognized as revenue on the same basis as the related building is amortized.

Revenue recognition

Restricted donations and grants are reported as revenue depending on the nature of the restrictions on the use of the funds by the contributors as follows;

1. Contributions for the purpose of acquiring or developing a depreciable tangible capital asset or in the form of a depreciable tangible capital asset, in each case for the use in providing services are recorded and referred to as deferred capital contributions and recognized in revenue at the same rate that amortization of the tangible capital asset is recorded. The reduction of the deferred capital contributions and the recognition of the revenue are accounted for in the fiscal period during which the tangible capital asset is used to provide services.
2. contributions restricted for specific purposes other than for those to be held in perpetuity or 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 contribution have been met.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates include collectability of receivables, useful life of tangible capital assets, accrual of accounts payable, and deferred revenue. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Grant expenditures are recorded based on the various grant awards and may differ on whether the payable or holdback is set up initially or whether a payable is set up at year end, to reflect an approximation of the expenses for the fiscal year.

At the end of the year, management assessed the various grant awards and programs and have estimated any impairments to grant awards, based on information available at that time. The actual grants paid relating to this fiscal year will vary due to holdbacks and funding that the recipient may not be able to complete based on various factors.

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

Asset Retirement Obligation

The Council recognizes an asset retirement obligation (ARO) when the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has already occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The Council does not currently have any ARO recognized.

3. RELATED PARTY TRANSACTIONS

The Council's Board of Directors and Advisory Committee are appointed by the Minister of Indigenous Relations and Reconciliation. There are two parallel processes for appointment for these positions. Three board positions are appointed by the Board Development Office by application and the other nine directors on the board are selected by the Council's board of governance committee through an application process. These board members are from BC First Nations communities. The Council's Advisory Committee has thirty-four positions, one for each BC First Nations Language, and these Advisory Committee members are selected by the Council's governance committee.

It is inevitable that there will be grants made to the community may be linked to one of the Council's Board or Advisory Committee members. The standard application process and the peer review processes by which the Council selects grants ensures there is not a conflict of interest.

The Council works closely with the First Peoples' Cultural Foundation (the "Foundation") on shared language revitalization goals, including the FirstVoices program. The Foundation is an independent organization with a separate Board of Directors. Transactions with this entity are made under normal operational terms and conditions.

The First Peoples' Heritage, Language and Culture Council is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations. Transactions with these entities are made under normal operational terms and conditions.

4. DUE FROM GOVERNMENT

Due from government consists of the following:

	(In Thousands of Dollars)	
	March 31, 2026	March 31, 2025
Due from the BC Ministry of Indigenous Relations & Reconciliation	**$ 164**	$ -
GST Receivable	**200**	93
Due from Government	**$ 364**	$ 93

5. IMPACT OF ACCOUNTING FOR RESTRICTED CONTRIBUTIONS IN ACCORDANCE WITH SECTION 23.1 OF THE *BUDGET TRANSPARENCY AND ACCOUNTABILITY ACT*

If the Council adopted Canadian Public Sector Accounting Standards excluding the modifications described in the Treasury Board Regulation BC 198/2011 under the authority of the Budget Transparency and Accountability Act, SBC 2000, c23, s23, the impact on the financial statements is presented as follows:

(In Thousands of Dollars)

	2026 Increase/(Decrease)	2025 Increase/(Decrease)
Statement of Financial Position		
Deferred Capital Contributions	**$ (2,392)**	$ -
Deferred Revenue	**-**	-
Accumulated Surplus	**$ 2,392**	$ -
Statement of Operations and Accumulated Surplus		
Amortization of Deferred Capital Contributions	**$ (141)**	$ -
Revenue	**2,392**	-
Annual Operating Surplus (Deficit)	**$ 2,251**	$ -

6. TANGIBLE CAPITAL ASSETS

(In Thousands of Dollars)

Cost	March 31, 2025 Balance	Additions	Disposals	**March 31, 2026 Balance**
Art collection	$ 195	$ -	$ -	**$ 195**
Buildings	-	2,392	-	**2,392**
Computer equipment	939	48	663	**324**
Computer software	61	-	61	**-**
Furniture and equipment	443	11	199	**255**
Leasehold improvements	792	151	793	**150**
	$ 2,430	$ 2,602	$ 1,716	**$ 3,316**

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6. TANGIBLE CAPITAL ASSETS *(continued)*

(In Thousands of Dollars)

Accumulated Amortization	March 31, 2025 Balance	Amortization	Accumulated Amortization on Disposals	**March 31, 2026 Balance**
Art collection	$ -	$ 195	$ -	**$ 195**
Buildings	-	141	-	**141**
Computer equipment	832	93	665	**260**
Computer software	61	-	61	**-**
Furniture and equipment	442	3	200	**245**
Leasehold improvements	781	18	790	**9**
	$ 2,116	$ 450	$ 1,716	**$ 850**

(In Thousands of Dollars)

Net Book Value	**March 31, 2026 Balance**	March 31, 2025 Balance
Art Collection	$ **-**	**$** 195
Building	**2,251**	-
Computer equipment	**64**	107
Computer software	**-**	-
Furniture and equipment	**10**	1
Leasehold improvements	**141**	11
	$ **2,466**	**$** 314

7. DEFERRED CAPITAL CONTRIBUTIONS

(In Thousands of Dollars)

	March 31, 2025 Balance	Additions/ Transfers	Amortized	**March 31, 2026 Balance**
First Peoples' Cultural Foundation	$ -	$ 2,392	$ 141	**$ 2,252**
	$ -	$ 2,392	$ 141	**$ 2,252**

8. DEFERRED REVENUE

Deferred revenue consists of funding under contribution agreements and other restricted contributions. Contributions are recognized as revenue in the fiscal year the related expenses are incurred or services are performed. Deferred contributions consists of the following:

(In Thousands of Dollars)

	April 1, 2025 Balance	Receipts during year	Transferred to revenue	**March 31, 2026 Balance**
BC Arts Council	$ 507	$ 1,735	$ 2,071	**$ 171**
Creative BC	163	750	849	**64**
Department of Canadian Heritage	22,276	25,446	25,167	**22,555**
First Peoples' Cultural Foundation	1,923	832	2,332	**423**
Heritage Branch	6	-	6	**-**
Margaret A. Cargill Foundation	522	609	617	**514**
Advanced Education, Sport, Tourism	-	-	-	**-**
RSF Social Finance	687	686	562	**811**
	$ 26,084	$ 30,058	$ 31,604	**$ 24,538**

(In Thousands of Dollars)

	April 1, 2024 Balance	Receipts during year	Transferred to revenue	**March 31, 2025 Balance**
BC Arts Council	$ 250	$ 1,725	$ 1,468	**$ 507**
Creative BC	46	770	653	**163**
Department of Canadian Heritage	11,632	25,765	15,121	**22,276**
First Peoples' Cultural Foundation	2,017	1,493	1,587	**1,923**
Heritage Branch	6	-	-	**6**
Margaret A. Cargill Foundation	580	313	371	**522**
Advanced Education, Sport, Tourism	1,771	-	1,771	**-**
RSF Social Finance	128	670	111	**687**
	$ 16,429	$ 30,736	$ 21,082	**$ 26,084**

9. EXPENSES BY OBJECT

The following is a summary of expenditures by object:

(In Thousands of Dollars)

Expenses	2026	2025
Grants	**$ 45,306**	$ 30,148
Salaries and Benefits	**6,440**	5,951
Purchased services	**867**	1,277
Office Overhead	**1,027**	747
Community Resources	**396**	728
Professional Fees	**83**	63
Amortization	**450**	197
Facilities Rent	**284**	166
Board and Advisory	**58**	88
	$ 54,911	$ 39,365

10. CAPITAL STOCK

The capital of the Council is one share (2025: one share) with a par value of $100 (2025: $100). The share is issued to and held by His Majesty the King in right of the Province of British Columbia.

11. LEASE COMMITMENTS

The Council leases premises under a long term lease that expires on July 31, 2035. Under the lease, the Council is required to pay a base rent of $120,000 plus annual inflation. In addition to the above base rent, the Council must pay for its proportionate share of utilities and other related costs for the leased premises.

The minimum annual lease payments for the next five years relating to the long term lease are as follows:

2027	$ 120,800
2028	121,908
2029	123,228
2030	124,460
2031	125,704
	$ 616,100

In addition, the Council has two one-year leases for additional premises at separate locations. These leases require rent in the amount of $24,600 per annum with the Council paying additional utilities and $3,800 per annum. The current signed lease is for the period November 15, 2025 to November 14, 2026 and April 1, 2022 to March 31, 2025 respectively (one lease is month to month during renewal process).

12. PUBLIC SERVICE PENSION PLAN

The Council and its employees contribute to the BC Public Service Pension Plan. The plan is a multi-employer defined benefit plan administered by the British Columbia Pension Corporation in accordance with the *Public Sector Pension Plans Act*.

The plan is accounted for as a defined contribution plan. For the year ended March 31, 2026 the council paid $486,144 (2025: $463,182) for employer contributions to the plan.

The plan provides defined pension benefits to employees based on their length of service and rates of pay. The risks and rewards associated with the Plan's unfunded liability or surplus are shared between the employers and the Plan's members and may be reflected in their future contributions. No pension liability for this type of plan is included in the financial statements. Based on the most recent actuarial (March 31, 2023 Actuarial Valuation Report), the financial position of this plan is in a surplus position.

13. FINANCIAL RISK MANAGEMENT

Management's assessment of the Council's exposure to financial instrument risk is as follows:

It is management's opinion that the Council is not exposed to significant liquidity or credit risks arising from these financial instruments.

Liquidity Risk: Cash and cash equivalents are held with financially sound institutions and as such liquidity risk is not significant.

Credit Risk: Accounts receivable balances consist primarily of grants receivable. At the financial statement date, none of the accounts receivable balance is past due and none is considered to be impaired. As such the Council is not exposed to significant credit risk.

Interest Rate Risk: The Council is exposed to interest rate risk through its cash equivalents. It is management's opinion that the Corporation is not exposed to significant interest rate risk as it invests solely in term deposits that have a maturity date of no more than 91 days.

14. ECONOMIC DEPENDENCE

The language programming and grant funding is economically dependent on funding received from the Department of Canadian Heritage (DCH) to continue to deliver programs at the current capacity. The Council received 65% (2025: 82%) of its total annual language program revenues from the DCH. Language funding from DCH is provided through federal legislation.

15. BUDGET FIGURES

Budget figures have been provided for comparative purposes and are from the Council's Fiscal 2025/26 budget approved by the Board of Directors as published in the Council's service plan. The budget is reflected in the statement of operations and accumulated surplus and the statement of changes in net financial debt.

16. COMPARATIVE FIGURES

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

FIRST PEOPLES' HERITAGE, LANGUAGE AND CULTURE COUNCIL

Schedule of Grant Revenue
as of March 31, 2026
(In Thousands of Dollars)

	Budget	**2026**	2025
Revenue			
BC Ministry of Indigenous Relations & Reconciliation	$ 22,371	**$ 22,067**	$ 6,951
BC Arts Council	1,725	**2,071**	1,468
BC Ministry of Advanced Education, Skills and Learning	-	**-**	1,771
Grants from BC Provincial Ministries	24,096	**24,138**	10,190
Department of Canadian Heritage	34,322	**25,168**	15,120
Grants from Federal Ministries	34,322	**25,168**	15,120
Creative BC	750	**849**	654
First Peoples' Cultural Foundation	-	**2,945**	12,080
Margaret A. Cargill Foundation	-	**617**	371
Tamalpais Trust	-	**562**	111
Grants from Non-Governmental Organizations	750	**4,973**	13,216
	$ 59,168	**$ 54,279**	$ 38,526