

**TSLEIL-WAUTUTH NATION**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**March 31, 2020**

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

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# Tsleil-Waututh Nation

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## TSLEIL-WAUTUTH NATION

### MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

**March 31, 2020**

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The accompanying consolidated financial statements of Tsleil-Waututh Nation and all the information in this annual report for the year ended March 31, 2020 are the responsibility of management and have been approved by the Chief and Council.

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

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

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Chief and Council review the Nation's financial statements and recommend their approval. The Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report. The Chief and Council take this information into consideration when approving the consolidated financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.

The consolidated financial statements have been audited by Reid Hurst Nagy Inc. in accordance with Canadian generally accepted auditing standards on behalf of their members. Reid Hurst Nagy Inc. has full access to the books and records of the Nation. Reid Hurst Nagy Inc. have full and free access to the council for information purposes.



Chief

AUG 06 2020

Date



Chief Administrative Officer

AUG 06 2020

Date

## Independent Auditors' Report

To the Members of  
**Tsleil-Waututh Nation**

*Opinion*

We have audited the consolidated financial statements of Tsleil-Waututh Nation, which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated consolidated statements of operations, accumulated surplus, remeasurement gains and losses, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the results of its consolidated operations, its remeasurement gains and losses, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

*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 Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Matter*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of First Nation taken as a whole. The supplementary information included on the schedules on pages 26 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

*Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

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

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.



REID HURST NAGY INC.  
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, BC  
AUGUST 7, 2020

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash	\$ 15,603,304	\$ 20,414,551
Restricted cash (Note 5)	536,985	517,211
Accounts receivable (Note 6)	1,480,541	2,525,199
Loans receivable (Note 7)	49,390,828	50,544,036
Rents receivable	540,169	528,153
Funds held in trust - Olympic Legacy Trust (Note 8)	24,330,805	25,595,154
Investments in First Nation controlled entities (Note 9)	53,670,547	49,961,744
Deferred Treaty Commission expenses	-	8,044,028
Trust funds	467,184	267,643
	<b>146,020,363</b>	<b>158,397,719</b>
<b>LIABILITIES</b>		
Accounts payable (Note 11)	2,866,880	3,310,816
Damage deposits	23,135	23,603
Trust liability to band members	467,184	267,643
Deferred revenue (Note 12)	162,766	218,924
Long-term debt (Note 13)	22,597	21,576,898
Replacement Reserve Fund (Note 14)	364,132	345,205
CMHC Mortgages (Note 15)	4,188,755	4,400,104
	<b>8,095,449</b>	<b>30,143,193</b>
<b>NET FINANCIAL ASSETS</b>	<b>137,924,914</b>	<b>128,254,526</b>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	80,277	53
Tangible capital assets (Note 16)	41,242,699	43,003,629
	<b>41,322,976</b>	<b>43,003,682</b>
<b>ACCUMULATED SURPLUS (Note 17)</b>	<b>\$ 179,247,880</b>	<b>\$ 171,258,208</b>
<b>ACCUMULATED SURPLUS CONSISTS OF</b>		
Accumulated operating surplus	180,039,401	169,802,572
Accumulated remeasurement gains and (losses) at end of year	(791,521)	1,455,636
<b>ACCUMULATED SURPLUS</b>	<b>179,247,880</b>	<b>171,258,208</b>

### APPROVED ON BEHALF OF THE TSLEIL-WAUTUTH NATION

Chief, Chief  
Chief Administrative Officer, Chief Administrative Officer

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES

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For the year ended March 31	2020	2019
<b>ACCUMULATED REMEASUREMENT GAINS AT BEGINNING OF YEAR</b>	<b>\$ 1,455,636</b>	<b>\$ 2,146,453</b>
<b>UNREALIZED LOSSES ATTRIBUTABLE TO:</b>		
Change in market value of portfolio investments	(2,247,157)	(690,817)
<b>NET REMEASUREMENT LOSSES</b>	<b>(2,247,157)</b>	<b>(690,817)</b>
<b>ACCUMULATED REMEASUREMENT GAINS AND (LOSSES) AT END OF YEAR</b>	<b>\$ (791,521)</b>	<b>\$ 1,455,636</b>

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

<u>For the year ended March 31</u>	<u>2020</u>	<u>2019</u>
<b>ANNUAL SURPLUS</b>	<b>\$ 7,989,671</b>	\$ 37,102,329
Acquisition of tangible capital assets	(1,323,446)	(9,354,192)
Amortization of tangible capital assets	3,084,376	1,109,898
	<b>1,760,930</b>	(8,244,294)
Acquisition of prepaid asset	(80,266)	(53)
Use of prepaid asset	53	163,048
	<b>(80,213)</b>	162,995
Acquisition of inventory	-	(23,037)
Use of inventory	-	23,037
	-	-
<b>INCREASE IN NET FINANCIAL ASSETS</b>	<b>9,670,388</b>	29,021,030
<b>NET FINANCIAL ASSETS AT BEGINNING OF YEAR</b>	<b>128,254,526</b>	99,233,496
<b>NET FINANCIAL ASSETS AT END OF YEAR</b>	<b>\$ 137,924,914</b>	\$ 128,254,526

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31	2020 Budget	2020 Actual	2019 Actual
<b>REVENUE</b>			
Indigenous Services Canada	\$ 2,975,694	\$ 3,197,865	\$ 3,668,075
ACCESS	594,291	584,368	475,879
Administration fee	450,683	237,500	288,553
BC Hydro	143,400	16,378	36,378
BCFN Gaming	-	381,039	-
Canada Mortgage and Housing Corporation	194,868	213,445	193,673
Daycare	223,370	122,217	188,255
Department of Fisheries and Oceans	281,312	293,019	437,900
Environment Canada	210,000	-	110,000
First Nations Education Steering Committee	151,500	188,353	186,164
First Nations Goods and Services Tax	2,265,000	2,569,614	2,316,463
First Nations Health Authority	1,591,109	3,212,904	2,011,268
Government of Canada	200,000	8,813,607	22,807,714
Interest	251,020	434,222	881,450
Investment revenue (loss) (net of unrealized gains and losses)	-	(838,551)	1,246,392
New Relationship Trust	10,000	2,900	231,500
Other	30,622,527	11,848,855	4,992,944
Permits and land registration fees	200,000	80,551	632,983
Property tax assessed	4,000,000	4,881,738	5,010,627
Province of BC	3,507,772	3,952,513	6,467,428
Rental	428,670	509,837	604,655
Share of income (loss) from First Nation controlled entities	-	1,227,202	1,992,989
Vancouver Coastal Health	-	-	39,940
	48,301,216	<b>41,929,576</b>	54,821,230
<b>EXPENSES</b>			
Administration	4,509,720	4,565,427	4,893,257
Community Development - Education	3,993,411	3,532,087	2,857,861
Community Development - Health	84,164	80,478	65,794
Community Development - General	1,313,188	1,209,814	1,115,728
Community Development - Social Development	543,787	695,386	582,383
Treaty, Lands and Resources	4,044,917	4,318,770	2,308,991
Public Works	12,130,773	8,513,912	4,558,280
Economic Development	737,852	737,223	563,010
Social Housing Fund	509,837	188,351	151,979
Capital Fund	-	1,756,696	928,973
Trust Funds	-	125,798	122,883
Enterprise Fund	-	(40,578)	(729,438)
Negotiation Support Agreement Fund	-	8,045,193	1,192
	27,867,649	<b>33,728,557</b>	17,420,893
<b>ANNUAL SURPLUS</b>	\$ 20,475,649	\$ 7,989,671	\$ 37,102,329

The accompanying notes are an integral part of the financial statements

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS

<u>For the year ended March 31</u>	<u>2020</u>	<u>2019</u>
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	\$ 171,258,209	\$ 134,155,880
ANNUAL SURPLUS	7,989,671	37,102,329
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$ 179,247,880</b>	<b>\$ 171,258,209</b>

# TSLEIL-WAUTUTH NATION

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2020	2020	2019
<b>OPERATING ACTIVITIES</b>		
ANNUAL SURPLUS	\$ 7,989,671	\$ 37,102,329
Items not affecting cash		
Amortization, net of disposal	3,084,376	1,109,898
Share of income (loss) of First Nation controlled entities - Enterprise Fund	(1,227,202)	(1,992,989)
	<b>9,846,845</b>	36,219,238
Change in non-cash operating working capital		
Accounts receivable	1,044,658	1,400,794
Prepaid expenses	(80,223)	162,994
Accounts payable	(443,895)	(359,066)
Deferred revenue	(56,158)	91,734
Rents receivable	(12,016)	(210,904)
Loans receivable	1,153,208	(34,720,299)
Damage deposits	(462)	525
Replacement Reserve Fund	18,927	50,554
	<b>11,470,884</b>	2,635,570
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets in the Capital Fund	(1,755,749)	(9,393,153)
Disposal of tangible capital assets in the Capital Fund	432,303	38,960
	<b>(1,323,446)</b>	(9,354,193)
<b>FINANCING ACTIVITIES</b>		
Treaty loan forgiveness	8,044,028	-
Repayment of long-term debt	(21,554,301)	(11,154,777)
Repayment of Social Housing long-term debt	(211,349)	(219,885)
	<b>(13,721,622)</b>	(11,374,662)
<b>INVESTING ACTIVITIES</b>		
Net investment in Enterprise Fund investments	(2,481,639)	35,741,558
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(6,055,823)</b>	17,648,273
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>46,526,916</b>	28,878,643
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 40,471,093</b>	\$ 46,526,916
<b>CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:</b>		
Cash	\$ 15,603,304	\$ 20,414,551
Restricted cash	536,985	517,211
Funds held in trust - Olympic Legacy Trust	24,330,804	25,595,154
	<b>\$ 40,471,093</b>	\$ 46,526,916

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the CPA Canada.

#### (a) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible assets, prepaid expenses and inventory of supplies.

#### (b) Reporting Entity

The Tsleil-Waututh Nation reporting entity includes the Tsleil-Waututh Nation government and all related entities that are controlled by the First Nation.

#### (c) Fund Accounting

The Tsleil-Waututh Nation maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the tangible capital assets of the First Nation not included in other funds, together with their related activities.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.
- Tsleil-Waututh Nation Negotiation Support/Agreement Fund which reports the First Nation's treatynegotiation and support activities.

#### (d) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave 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.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources 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 is performed is deferred and recognized when the fee is earned or service performed.

#### (e) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (f) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government businesses, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances are eliminated upon consolidation.

Under the modified equity method of accounting, only Tsleil-Waututh Nation's investment in the government businesses and the businesses' net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprises that are different from those of Tsleil-Waututh Nation.

Organizations consolidated in Tsleil-Waututh Nation's financial statements include:

1. Tsleil-Waututh Nation Operating Fund
2. Tsleil-Waututh Nation Social Housing Fund
3. Tsleil-Waututh Nation Capital Fund
4. Tsleil-Waututh Nation Trust Funds
5. Tsleil-Waututh Nation Enterprise Fund
6. Tsleil-Waututh Nation Negotiation Support Fund

Organizations accounted for on a modified equity basis include:

7. Blue Eagle Limited Partnership (99.9%)
8. Blue Eagle GP Ltd. (100%)
9. Inlailawatash Limited Partnership (99.9%)
10. Inlailawatash GP Ltd. (100%)
11. Inlailawatash Holding Company Ltd. (100%)
12. MST Development Corporation Ltd (33.33%)
13. Qwi:quelstom Development GP Corporation (100%)
14. Qwi:quelstom Development Limited Partnership (99.9%)
15. Red Eagle Limited Partnership (99.9%)
16. Red Eagle GP Corporation Ltd. (100%)
17. SPAL General Constructors Corporation (owned 100% by Tsleil-Waututh Nation Development Company Ltd.)
18. SPAL General Constructors Limited Partnership (99.9%)
19. Spirit Drum GP Ltd. (100%)
20. Spirit Drum Limited Partnership (99%)
21. Takaya Developments Ltd. (owned 60% by Wolf Clan Development Company Ltd.)
22. Takaya Developments Limited Partnership (60%)
23. Takaya Developments (Destiny) Ltd. (100% owned by Wolf Clan Development Company Ltd.)
24. Takaya Developments (Destiny) Limited Partnership (99.9%)
25. Takaya Holdings Ltd. (100%) (Bare trustee for Takaya Developments)
26. Takaya Tours Inc. (100%)
27. Takaya Ventures Ltd. (100%)
28. Tsleil-Waututh Land Corp (100%)
29. Tsleil-Waututh Land Limited Partnership (99.9%)
30. Tsleil-Waututh Nation Development Company Ltd. (100%)
31. TWN Renewable Energy Holdings Ltd. (100%)
32. Urban Eagle Limited Partnership (99.9%)
33. Urban Eagle GP Ltd. (100%)
34. Wolf Clan Development Company Ltd. (100%)
35. 0931702 B.C. Ltd. (100%)
36. White Eagle Limited Partnership (99%)
37. White Eagle GP Ltd. (100%)
38. TWN Community Society (100%)
39. Takaya Development (AQ/TWN) Limited Partnership (60%)

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (g) Cash

Cash and cash equivalents include cash on hand and short-term investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

#### (h) Loans Receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

#### (i) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Tsleil-Waututh Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Automotive equipment	4-10 years Straight line
Buildings*	20-40 years Straight line
Enterprise	4-10 years Straight line
Equipment	4-20 years Straight line
Infrastructure	25 years Straight line
Roads	20-80 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Tsleil-Waututh Nation'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 net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

#### (j) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

#### (k) Budget

The budget reported in the financial statements was provided by management.

#### (l) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES, continued

#### (m) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) Tsleil-Waututh is directly responsible or accepts responsibility
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at March 31, 2019 and 2020, no liability for contaminated sites has been recorded.

#### (n) Financial Instruments

##### (i) Measurement of Financial instruments

The First Nation initially measures its financial assets and liabilities at fair value.

The First Nation subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value are not recognized in the statement of operations in the period incurred in accordance with PSAS.

Financial assets measured at amortized cost include cash, accounts receivables, funds held in trust.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

The First Nation has not designated any financial asset or financial liability to be measured at fair value.

##### (ii) Impairment

For financial assets measured at cost or amortized cost, the First Nation Corporation determines whether there are indications of possible impairment. When there is an indication of impairment, and the First Nation determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in the statement of operations. A previously recognized impairment loss may be reversed to the extent of the improvement. The carrying amount of the financial asset may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

#### (o) Measurement Uncertainty

In preparing the consolidated financial statements for the First Nation, management is required 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 revenue and expenses during the period. Items requiring the use of significant estimates include collectability of accounts receivable, useful life of tangible assets and accounts payable and accruals. Actual results could differ from these estimates.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 2. ADOPTION OF NEW ACCOUNTING STANDARDS

The Nation adopted the new accounting standard PS3450, Financial instruments, on a prospective basis, effective April 1, 2019. The adoption of this accounting standard requires portfolio investments to be recognized at fair value with changes in fair value in those investments reported in the Statement of Remeasurement Gains and Losses as well as disclosures surrounding financial instrument risk factors.

### 3. FINANCIAL INSTRUMENTS

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

#### a) Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the First Nation is a going concern and thus expects to fully repay the outstanding amounts.

#### b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market.

### 4. ECONOMIC DEPENDENCE

Tsleil-Waututh Nation receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by Tsleil-Waututh Nation and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The First Nation also receives major funding pursuant to an arrangement with the First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 5. RESTRICTED CASH

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

Ottawa Trust Funds:

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2020	2019
Replacement Reserve Fund - restricted cash	\$ 364,132	\$ 345,205
Operating Reserve Fund - restricted cash	60,463	60,463
Ottawa Trust Funds - restricted cash - Capital	110,200	110,200
Ottawa Trust Funds - restricted cash - Revenue	2,190	1,343
	<hr/> <b>\$ 536,985</b>	<hr/> <b>\$ 517,211</b>

### 6. ACCOUNTS RECEIVABLE

	2020	2019
Accounts receivable - general	\$ 1,214,691	\$ 2,320,061
Indigenous Services Canada	48,808	34,601
CMHC	16,745	16,745
GST/HST receivable	93,210	131,523
Property taxes	174,211	221,399
	<hr/> <b>1,547,665</b>	<hr/> <b>2,724,329</b>
Allowance for doubtful accounts	(67,124)	(199,130)
	<hr/> <b>\$ 1,480,541</b>	<hr/> <b>\$ 2,525,199</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

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### 7. LOANS RECEIVABLE

	<b>2020</b>	<b>2019</b>
Due from Blue Eagle GP Ltd.	\$ 5,427	\$ 5,427
Due from Blue Eagle Limited Partnership	8,887,095	7,797,431
Due from Inlailawatash Holding Company Ltd.	430,329	393,262
Due from other controlled entities	326,817	245,769
Due from Red Eagle Limited Partnership	219,381	199,685
Due from Qwi:qwelstom Developments Limited Partnership	488,337	486,122
Due from MST Development Corporation	1,070,973	1,033,778
Due from Spirit Drum Limited Partnership	505,721	251,072
Due from Spal General Constructors Limited Partnership	5,945	5,319
Due from Takaya Holding Ltd.	37,396	22,296
Due from (to) Takaya Tours Inc.	(90,847)	(82,148)
Due from Tsleil Waututh Land Limited Partnership	34,363,112	34,348,807
Due from TWN Development Company	13,970	12,805
Due from TWN Renewable Energy Ltd.	3,117,852	5,816,699
Due from Wolf Clan Development Company Ltd.	9,320	7,712
	<hr/> <b>\$ 49,390,828</b>	<hr/> <b>\$ 50,544,036</b>

Loans have no specific terms of repayment and bear no interest.

### 8. OLYMPIC LEGACY TRUST AGREEMENT

Per the Release Agreement dated July 2, 2008, the Government of Canada agreed to release contributions in the amount of \$17,000,000 to Tsleil-Waututh First Nation for the purpose of establishing the Tsleil-Waututh Olympic Legacy Trust.

Article 3 of the Agreement specifies the purpose under which the funds are to be utilized: no more than \$15,000,000 for the purpose of purchasing land; and no more than \$2,000,000 for the purpose of band development. Additional authorized purposes include purchases of investments and other authorized expenses as identified in Article 3.2 (d).

The funds have been invested through RBC Dominion Securities and TD WaterHouse brokerages and are invested in various financial investments as agreed to between the trustees and the investment advisors.

The investments are recorded at their fair value equivalent at year end, with changes in fair value being recognized as remeasurement gains or losses during the year. The carrying cost as at March 31, 2020 of the investments was \$24,995,328 (\$24,139,518 at March 31, 2019), and the market values were as follow:

	<b>2020</b>	<b>2019</b>
RBC Dominion Securities	\$ 1,733,278	\$ 1,684,485
TD Waterhouse	22,597,527	23,910,669
	<hr/> <b>\$ 24,330,805</b>	<hr/> <b>\$ 25,595,154</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

### 9. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES

	2020	2019
Investment in government partnerships		
BC First Nations Gaming Revenue Sharing Limited Partnership	\$ 110	\$ -
	110	-
Investment in government business partnerships		
Qwi:quelstom Development Limited Partnership	11,957,045	12,427,232
Inlailawatash Limited Partnership	1,720,905	1,638,749
SPAL General Constructors Limited Partnership	1,392,048	1,005,817
Takaya Developments (Destiny) Limited Partnership	-	263,900
Tsleil-Waututh Land Limited Partnership	(4,247,466)	(3,980,165)
Spirit Drum Limited Partnership	1,554,725	1,804,149
Red Eagle Limited Partnership	350,087	413,339
Blue Eagle Limited Partnership	291,527	(9,307)
Urban Eagle Limited Partnership	23,779,424	27,335,963
White Eagle Limited Partnership	(291,397)	(1,181,588)
Salish Seas Fisheries Limited Partnership	1,426,287	1,090,815
Takaya Developments (AQ/TWN) Limited Partnership	15,569,120	10,672,595
	53,502,305	51,481,499
Investment in Entities subject to significant influence		
MST Development Corporation	(1,634)	5,406
	(1,634)	5,406
Investment in government business enterprises		
Qwi:quelstom Development GP Ltd.	2,700,012	-
Inlailawatash GP Ltd.	(13,471)	(12,416)
Inlailawatash Holding Company Ltd.	713,891	754,824
Qwi:quelstom Development GP Ltd.	(4,392)	(4,010)
TWN Development Company Ltd.	(24,407)	(22,945)
Takaya Holdings Ltd.	(356)	(357)
Takaya Ventures Ltd.	(1,587)	(1,252)
Takaya Tours Inc.	365,402	319,272
TWN Renewable Energy Ltd.	(3,698,852)	(2,700,206)
Wolf Clan Development Company Ltd.	(15,676)	(15,613)
0931702 B.C. Ltd.	(4,570)	(3,840)
Spirit Drum Ltd.	(4,767)	(4,014)
Tsleil-Waututh Land Corporation Ltd.	(3,978)	(3,192)
Red Eagle GP Ltd.	(8,817)	(6,625)
TWN Community Society	186,892	188,293
Urban Eagle GP Ltd.	(4,898)	(3,766)
Blue Eagle GP Ltd.	(7,357)	(6,628)
White Eagle GP Ltd.	(3,303)	(2,686)
	169,766	(1,525,161)
	<hr/>	<hr/>
	\$ 53,670,547	\$ 49,961,744

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

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### 10. GOVERNMENT BUSINESSES

Commercial enterprises are those organizations that meet the definition of government businesses as described by the Public Sector Accounting Board of CPA Canada. Government businesses have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

Condensed financial information for the First Nation's government business enterprises and government business partnerships is as follows:

	Real Estate Development	Energy and Natural Resources	2020 Total	2019 Total
Cash	\$ 9,322,319	\$ 1,563,369	\$ 10,885,688	\$ 71,060,519
Accounts receivable	99,483	1,343,571	1,443,054	34,773,534
Inventory	-	107	107	31,807
Prepaid	-	69,363	69,363	1,655,048
Tangible capital assets	36,571,864	2,331,772	38,903,636	2,387,505
Due from related parties	3,219,436	2,117,734	5,337,170	2,753,939
Investments	39,430,256	-	39,430,256	47,556,005
Intangible and other assets	35,384,507	3,580,429	38,964,936	2,766,874
<b>Total assets</b>	<b>\$ 124,027,865</b>	<b>\$ 11,006,345</b>	<b>\$ 135,034,210</b>	<b>\$ 162,985,231</b>
Accounts payable	\$ 4,708,428	\$ 671,554	\$ 5,379,982	\$ 7,771,637
Long-term debt	22,058,569	564,961	22,623,530	30,488,767
Deferred revenue	1,293,395	-	1,293,395	13,522,290
Due to related parties	49,389,798	3,366,583	52,756,381	42,945,662
<b>Total liabilities</b>	<b>77,450,190</b>	<b>4,603,098</b>	<b>82,053,288</b>	<b>94,728,356</b>
<b>Accumulated surplus (deficit)</b>	<b>46,577,675</b>	<b>6,403,247</b>	<b>52,980,922</b>	<b>68,256,875</b>
<b>Total equity</b>	<b>46,577,675</b>	<b>6,403,247</b>	<b>52,980,922</b>	<b>68,256,875</b>
<b>Total liabilities and equity</b>	<b>\$ 124,027,865</b>	<b>\$ 11,006,345</b>	<b>\$ 135,034,210</b>	<b>\$ 162,985,231</b>
	Real Estate Development	Energy and Natural Resources	2020 Total	2019 Total
Revenue	\$ 68,124,899	\$ 7,458,961	\$ 75,583,860	\$ 18,851,796
Expenses	\$ 48,907,751	\$ 7,430,813	\$ 56,338,564	\$ 9,915,294

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**March 31, 2020**

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### 11. ACCOUNTS PAYABLE

	<b>2020</b>	<b>2019</b>
Accounts payable - general	\$ 2,246,141	\$ 3,310,816
Wages payable	620,739	-
	<b>\$ 2,866,880</b>	<b>\$ 3,310,816</b>

### 12. DEFERRED REVENUE

	<b>March 31, 2019</b>	<b>Funding received, 2020</b>	<b>Revenue recognized, 2020</b>	<b>March 31, 2020</b>
<b>Federal government</b>				
First Nation Health Authority	\$ 25,189	\$ 40,000	\$ (25,189)	\$ 40,000
Government of Canada	25,000	-	(25,000)	-
	50,189	40,000	(50,189)	40,000
<b>Provincial Government</b>				
Province of British Columbia	80,000	12,500	(80,000)	12,500
<b>Other</b>				
Property tax prepayment	73,135	94,666	(73,135)	94,666
Land rent	15,600	15,600	(15,600)	15,600
	88,735	110,266	(88,735)	110,266
	<b>\$ 218,924</b>	<b>\$ 162,766</b>	<b>\$ (218,924)</b>	<b>\$ 162,766</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

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### 13. LONG-TERM DEBT

	2020	2019
Negotiation Support Fund - signed promissory notes and First Nation Negotiation Support Agreements, representing advances made by Canada for negotiations. Repayment provisions are outlined in Section 13.0 and 14.0 of the First Nation Support Agreement. Repayment is due and payable at the later of the date a treaty signed by the parties takes effect or the expiry of the agreement per the agreement dated October 6, 2016.*	\$ -	\$ 7,868,607
BMO credit facility bearing interest at 3.45%. Callable by the issuer.	-	13,676,010
CMHC loan to be forgiven over 5 years at the rate of \$807.03 monthly including interest at 3.3750% per annum; on the condition that the Nation continue to own and occupy the 3073 Dollarton Highway Property during this period.	<u>22,597</u>	32,281
Callable portion	22,597	21,576,898
Long-term portion	<u>\$ 22,597</u>	13,676,010
	<u>\$ 22,597</u>	<u>\$ 7,900,888</u>

\*The loan was forgiven effective March 31, 2020 and a loan forgiveness of \$7,868,607 was recognized in the Negotiation Support Agreement Fund.

### 14. REPLACEMENT RESERVE FUND

The Replacement Reserve is established in accordance with the Operating Agreements with CMHC for on-reserve housing. Funds are required to be set aside annually and held for future replacements of capital items related to the homes.

	2020	2019
Balance, beginning of year	\$ 345,205	\$ 294,631
Contributions, required during the year	49,290	50,574
Transfer of matured unity equity	(30,363)	-
	<u>\$ 364,132</u>	<u>\$ 345,205</u>

### 15. CMHC MORTGAGES

	Phase number	Maturity date	Interest rate	Monthly payment	2020	2019
					2020	2019
22-501-670	1	9/1/2035	0.94	\$ 5,890	\$ 1,019,276	\$ 1,080,064
22-501-670	5	7/1/2036	1.14	2,464	440,634	465,034
22-501-670	3	1/1/2037	1.48	4,744	848,030	892,060
22-501-670	4	7/1/2037	1.50	2,661	487,301	511,729
22-501-670	5	11/1/2039	1.77	2,963	590,624	615,403
22-501-670	6	11/4/2041	1.03	3,449	802,890	835,814
					<u>\$ 4,188,755</u>	<u>\$ 4,400,104</u>

The mortgages are secured by a Ministerial Guarantee and are guaranteed by the First Nation

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 16. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization				2020 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	
Buildings	\$ 44,881,418	\$ 1,551,926	\$ -	\$ 46,433,344	\$ 10,398,029	\$ 3,087,776	\$ -	\$ 32,947,539
Automotive equipment	453,557	-	-	453,557	400,548	44,563	-	8,446
Furniture and equipment	1,335,156	203,823	-	1,538,979	1,011,397	102,529	-	425,053
Roads	3,631,875	-	-	3,631,875	1,443,353	70,462	-	2,118,060
Social Housing	6,891,434	-	(432,303)	6,459,131	1,675,243	211,349	(432,303)	5,004,842
Assets under construction	738,759	-	-	738,759	-	-	-	738,759
	<b>\$ 57,932,199</b>	<b>\$ 1,755,749</b>	<b>\$ (432,303)</b>	<b>\$ 59,255,645</b>	<b>\$ 14,928,570</b>	<b>\$ 3,516,679</b>	<b>\$ (432,303)</b>	<b>\$ 41,242,699</b>

	Cost			Accumulated amortization				2019 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	
Buildings	\$ 14,217,865	\$ 30,663,553	\$ -	\$ 44,881,418	\$ 9,833,397	\$ 564,632	\$ -	\$ 34,483,389
Automotive equipment	254,637	237,880	(38,960)	453,557	209,463	230,046	(38,960)	53,009
Furniture and equipment	1,079,535	255,621	-	1,335,156	947,565	63,832	-	323,759
Roads	3,631,875	-	-	3,631,875	1,372,890	70,463	-	2,188,522
Social Housing	6,891,434	-	-	6,891,434	1,455,358	219,885	-	5,216,191
Assets under construction	22,502,661	(21,763,902)	-	738,759	-	-	-	738,759
	<b>\$ 48,578,007</b>	<b>\$ 9,393,152</b>	<b>\$ (38,960)</b>	<b>\$ 57,932,199</b>	<b>\$ 13,818,673</b>	<b>\$ 1,148,858</b>	<b>\$ (38,960)</b>	<b>\$ 43,003,629</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2020

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### 17. ACCUMULATED SURPLUS

	<b>2020</b>	<b>2019</b>
Restricted		
Social Housing Fund	\$ 875,340	\$ (1,163,546)
Trust Funds	24,443,194	25,706,696
Enterprise Fund	51,226,611	49,961,746
Negotiation Support Agreement Fund	(177,323)	(974)
	<b>76,367,822</b>	74,503,922
Unrestricted - Operating Fund		
Administration	61,532,651	75,533,085
Community Development - Education	424,278	222,576
Community Development - General	563,758	269,716
Community Development - Social Development	100,330	65,501
Treaty, Lands and Resources	-	528,017
Public Works	3,390,641	(18,980,796)
Economic Development	663,836	1,328,750
	<b>66,675,494</b>	58,966,849
Unrestricted - Capital Fund		
Capital Fund	<b>36,204,564</b>	37,787,438
	<b>\$ 179,247,880</b>	\$ 171,258,209

### 18. CONTINGENT LIABILITIES

#### a) Indigenous Services Canada

Under the terms of the contribution agreements with Indigenous Services Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the First Nation.

### 19. RELATED PARTY TRANSACTIONS

The First Nation is related to TWN Renewable Energy Holdings Ltd. and Takaya Holdings Ltd. because of their ability to control or significantly influence the entities. Transactions with these related parties include management fees of \$15,000 to Takaya Holdings Ltd. in 2020 (\$69,000 to TWN Renewable Energy Holdings Ltd. and \$15,000 to Takaya Holdings Ltd. in 2019).

These transactions are in the normal course of operations and have been valued at the exchange amount which is the amount of consideration established and agreed to by the related parties..

### 20. COMPARATIVE AMOUNTS

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION

As indicated in note 1 (d) the First Nation conducts its business through reportable segments as follows:

**Administration:**

The Administration department provides operational and program support to the First Nation. It also manages the Nation's financial records to ensure that the government's operations are fiscally responsible and accurate financial results of government programming are being reported.

**Public Works:**

The Public Works department oversees the operation and maintenance of community lands and infrastructure. It is responsible for the care of the First Nation's reserve lands, resources and environment, which include the operation and maintenance of the Nation's buildings, grounds and infrastructure as well as the provision of safe affordable housing and facilities and other ongoing public works projects.

**Treaty, Lands and Resources:**

The Treaty, Lands and Resources department is to advance the interests of the First Nation with respect to the treaty process as well as to the lands and natural resources that come as part and parcel of the traditional territory. The department's projects range from treaty negotiations, aboriginal rights and title issues to forest and marine stewardship programs, Nation to Nation cooperation and collaboration, and capacity building.

**Community Development:**

The Community Development department supports the members in their efforts to enhance their self-awareness, health and wellness, education and employment. Various programs are being offered in this department.

**Education:**

It offers aboriginal employment and training programs to assist members to attain employment, provides kindergarten to grade 12 courses, and provides post secondary education support.

**Health:**

It provides holistic healthcare that incorporates both traditional and modern medicine and practice.

**Social Development:**

It provides assistance to community members unable to provide for themselves and their dependents. The services include, but are not limited to, income assistance, child and family services, and assisted living.

**Economic Development:**

The Economic Development department is responsible for creating and sustaining businesses and partnerships that provide economic growth and stability for the First Nation. It is responsible for fiscal policy-making and reporting, making applications for government grants and applications, developing and managing initiatives for the community and maintaining annual budgets.

**Social Housing:**

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include the Capital Fund, Enterprise Fund, Trust Funds and Negotiation Support Agreement Fund.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION, continued

	2020 Budget	Administration 2020 Actual	2019 Actual	Community 2020 Budget	Development - 2020 Actual	Education 2019 Actual	Community 2020 Budget	Development - 2020 Actual	Health 2019 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 497,000	\$ 558,804	\$ 553,114	\$ 706,500	\$ 930,432	\$ 983,089	-	\$ 539	\$ -
Administration fee	310,000	90,100	135,000	-	-	-	-	-	-
First Nations Goods and Services	2,265,000	2,569,614	2,316,463	-	-	-	-	-	-
Tax									
First Nations Health Authority	-	-	-	67,690	71,064	84,671	3,181	9,666	4,884
Government of Canada	-	-	22,781,915	-	-	19,723	-	-	-
Property tax assessed	4,000,000	4,881,738	5,010,627	-	-	-	-	-	-
Province of BC	-	-	-	494,439	598,498	476,032	-	-	-
Rental	150,570	185,256	266,379	-	1,200	-	-	-	-
Other revenue	389,220	1,069,857	1,272,737	1,163,161	1,066,643	947,825	-	5,562	-
<b>Total revenue</b>	<b>7,611,790</b>	<b>9,355,369</b>	<b>32,336,235</b>	<b>2,431,790</b>	<b>2,667,837</b>	<b>2,511,340</b>	<b>3,181</b>	<b>15,767</b>	<b>4,884</b>
<b>Expenses</b>									
Administration fees	10,000	7,461	39,807	5,000	9,800	802	-	-	-
Contracted services and consultants	126,000	90,872	119,413	152,000	98,267	99,394	-	132	-
Honoraria	237,000	209,872	250,457	4,000	5,880	8,825	-	-	-
Materials and supplies	194,950	128,662	155,756	113,960	175,892	99,610	-	4,103	101
Professional fees	219,000	172,835	230,744	165,000	215,198	53,200	-	-	-
Travel	62,750	18,416	67,979	59,100	50,323	32,873	13,722	20,592	19,638
Wages and benefits	1,815,960	1,532,054	1,137,870	2,062,248	1,728,140	1,577,835	-	-	-
Other expenses	1,844,060	2,405,255	2,891,225	1,432,103	1,248,587	985,324	28,360	55,651	46,055
<b>Total expenses</b>	<b>4,509,720</b>	<b>4,565,427</b>	<b>4,893,251</b>	<b>3,993,411</b>	<b>3,532,087</b>	<b>2,857,863</b>	<b>42,082</b>	<b>80,478</b>	<b>65,794</b>
<b>Annual surplus (deficit)</b>	<b>\$ 3,102,070</b>	<b>\$ 4,789,942</b>	<b>\$ 27,442,984</b>	<b>\$ (1,561,621)</b>	<b>\$ (864,250)</b>	<b>\$ (346,523)</b>	<b>\$ (38,901)</b>	<b>\$ (64,711)</b>	<b>\$ (60,910)</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION, continued

	Community Development - General			Community Development - Social Development			Treaty, Lands and Resources		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 533,287	\$ 680,386	\$ 637,527	\$ 305,000	\$ 155,000	\$ 705,860
First Nations Health Authority	1,162,238	1,359,846	1,153,341	-	-	-	-	-	-
Government of Canada	-	25,000	-	-	-	-	200,000	920,000	6,076
Province of BC	-	-	-	-	30,000	-	130,000	360,682	324,729
Rental	-	-	-	-	-	-	-	-	12,500
Other revenue	44,000	59,510	122,205	-	14,453	-	1,855,039	2,415,248	1,933,827
<b>Total revenue</b>	<b>1,206,238</b>	<b>1,444,356</b>	<b>1,275,546</b>	<b>533,287</b>	<b>724,839</b>	<b>637,527</b>	<b>2,490,039</b>	<b>3,850,930</b>	<b>2,982,992</b>
<b>Expenses</b>									
Administration fees	34,599	66	722	-	-	-	100,000	-	-
Contracted services and consultants (recovery)	244,245	292,258	271,702	1,479	3,512	-	829,500	1,161,658	(313,266)
Honoraria	25,500	22,745	24,520	-	10,475	-	15,000	11,302	9,257
Materials and supplies	21,080	65,235	67,577	-	7,697	1,800	52,000	110,461	423,519
Professional fees	-	548	-	-	-	-	370,000	951,947	399,027
Travel	41,865	22,816	34,684	1,000	4,463	1,717	146,950	91,061	102,894
Wages and benefits	631,975	576,265	571,451	97,531	167,341	88,314	2,192,812	1,833,857	1,434,065
Other expenses	313,924	229,881	145,068	443,777	501,898	490,550	338,655	158,484	253,497
<b>Total expenses</b>	<b>1,313,188</b>	<b>1,209,814</b>	<b>1,115,724</b>	<b>543,787</b>	<b>695,386</b>	<b>582,381</b>	<b>4,044,917</b>	<b>4,318,770</b>	<b>2,308,993</b>
<b>Annual surplus (deficit)</b>	<b>\$ (106,950)</b>	<b>\$ 234,542</b>	<b>\$ 159,822</b>	<b>\$ (10,500)</b>	<b>\$ 29,453</b>	<b>\$ 55,146</b>	<b>\$ (1,554,878)</b>	<b>\$ (467,840)</b>	<b>\$ 673,999</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION, continued

	Public Works		Economic Development			Social Housing Fund			
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
<b>Revenues</b>									
Indigenous Services Canada	\$ 907,403	\$ 846,200	\$ 761,981	\$ 26,504	\$ 26,504	\$ 26,504	\$ -	\$ -	\$ -
Administration fee	72,614	15,400	-	-	132,000	153,553	68,069	-	-
First Nations Health Authority	358,000	1,772,328	768,372	-	-	-	-	-	-
Province of BC	-	-	-	2,883,333	2,963,333	5,666,667	-	-	-
Rental	31,200	55,968	47,696	-	-	-	246,900	267,413	278,080
Other revenue	5,116,000	859,535	4,028,085	24,120,000	8,480,022	75,000	194,868	193,433	194,884
<b>Total revenue</b>	<b>6,485,217</b>	<b>3,549,431</b>	<b>5,606,134</b>	<b>27,029,837</b>	<b>11,601,859</b>	<b>5,921,724</b>	<b>509,837</b>	<b>460,846</b>	<b>472,964</b>
<b>Expenses</b>									
Administration fees (recovery)	121,001	-	-	-	28,650	-	48,984	495	(24,761)
Contracted services and consultants	3,389,000	2,038,446	1,395,913	133,000	84,006	36,146	-	-	-
Honoraria	2,500	9,095	4,167	3,950	700	800	-	100	-
Loan payments	-	-	-	-	-	-	266,227	54,668	56,855
Materials and supplies	35,250	70,260	134,899	2,900	30,364	10,169	-	-	-
Professional fees	90,000	14,573	1,696	233,200	107,013	18,002	4,320	5,514	4,300
Travel	4,400	6,320	5,956	4,500	2,540	4,139	-	-	-
Wages and benefits	708,454	768,665	687,833	237,173	450,732	455,153	-	-	-
Other expenses	7,780,168	5,606,553	2,327,811	123,129	33,218	38,603	190,306	338,922	333,604
<b>Total expenses</b>	<b>12,130,773</b>	<b>8,513,912</b>	<b>4,558,275</b>	<b>737,852</b>	<b>737,223</b>	<b>563,012</b>	<b>509,837</b>	<b>399,699</b>	<b>369,998</b>
<b>Annual surplus (deficit)</b>	<b>\$ (5,645,556)</b>	<b>\$ (4,964,481)</b>	<b>\$ 1,047,859</b>	<b>\$ 26,291,985</b>	<b>\$ 10,864,636</b>	<b>\$ 5,358,712</b>	<b>-</b>	<b>\$ 61,147</b>	<b>\$ 102,966</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION, continued

	Capital Fund		Trust Funds		Enterprise Fund				
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
<b>Revenues</b>									
Other revenue (loss)	\$ -	\$ -	\$ -	\$ -	\$ (837,704)	\$ 998,677	\$ -	\$ 1,227,202	\$ 1,992,989
<b>Total revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(837,704)</b>	<b>998,677</b>	<b>-</b>	<b>1,227,202</b>	<b>1,992,989</b>
<b>Expenses</b>									
Administration fees	-	-	-	-	132,118	91,905	-	-	-
Honoraria	-	-	-	-	6,300	6,300	-	-	-
Professional fees (recovery)	-	-	-	-	(12,620)	23,393	-	-	-
Other expenses	-	1,756,696	928,973	-	-	1,285	-	(40,578)	(729,438)
<b>Total expenses</b>	<b>-</b>	<b>1,756,696</b>	<b>928,973</b>	<b>-</b>	<b>125,798</b>	<b>122,883</b>	<b>-</b>	<b>(40,578)</b>	<b>(729,438)</b>
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (1,756,696)</b>	<b>\$ (928,973)</b>	<b>-</b>	<b>\$ (963,502)</b>	<b>\$ 875,794</b>	<b>-</b>	<b>\$ 1,267,780</b>	<b>\$ 2,722,427</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2020

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### 21. SEGMENTED INFORMATION, continued

	Negotiation Support Agreement Fund			Consolidated totals		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
<b>Revenues</b>						
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 2,975,694	\$ 3,197,865	\$ 3,668,075
Administration fee	-	-	-	450,683	237,500	288,553
First Nations Goods and Services Tax	-	-	-	2,265,000	2,569,614	2,316,463
First Nations Health Authority	-	-	-	1,591,109	3,212,904	2,011,268
Government of Canada	-	7,868,607	-	200,000	8,813,607	22,807,714
Property tax assessed	-	-	-	4,000,000	4,881,738	5,010,627
Province of BC	-	-	-	3,507,772	3,952,513	6,467,428
Rental	-	-	-	428,670	509,837	604,655
Other revenue	-	237	218	32,882,288	14,553,998	11,586,447
<b>Total revenue</b>	<b>-</b>	<b>7,868,844</b>	<b>218</b>	<b>48,301,216</b>	<b>41,929,576</b>	<b>54,761,230</b>
<b>Expenses</b>						
Administration fees	-	-	-	319,584	178,590	108,475
Contracted services and consultants	-	-	-	4,875,224	3,769,151	1,609,302
Honoraria	-	-	-	287,950	276,469	304,326
Loan payments	-	-	-	266,227	54,668	56,855
Materials and supplies	-	-	-	420,140	592,674	893,431
Professional fees	-	1,165	1,192	1,081,520	1,456,173	731,554
Travel	-	-	-	334,287	216,531	269,880
Wages and benefits	-	-	-	7,746,153	7,057,054	5,952,521
Other expenses	-	8,044,028	-	12,494,482	20,338,595	7,732,557
<b>Total expenses</b>	<b>-</b>	<b>8,045,193</b>	<b>1,192</b>	<b>27,825,567</b>	<b>33,939,905</b>	<b>17,658,901</b>
<b>Annual surplus (deficit)</b>	<b>\$ -</b>	<b>\$ (176,349)</b>	<b>\$ (974)</b>	<b>\$ 20,475,649</b>	<b>\$ 7,989,671</b>	<b>\$ 37,102,329</b>

# TSLEIL-WAUTUTH NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**March 31, 2020**

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### 22. SUBSEQUENT EVENT

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential effects on Tsleil-Waututh due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on Tsleil-Waututh's operations.

The extent of the impact of this outbreak and related containment measures on Tsleil-Waututh's operations cannot be reliably estimated at this time.