

**Kwantlen First Nation  
Consolidated Financial Statements**  
*March 31, 2021*

**Kwantlen First Nation**  
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*For the Year Ended March 31, 2021*

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## **Management's Responsibility**

To the Members of Kwantlen First Nation

The accompanying consolidated financial statements of Kwantlen First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Kwantlen First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the consolidated financial information prepared by management and discussing relevant matters with management and external auditors. The Directors are also responsible for recommending the appointment of the Nation's external auditor.

Stoltz Chartered Professional Accountant Inc. is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditor has full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

February 8, 2022

  
\_\_\_\_\_  
Chief

  
\_\_\_\_\_  
Councillor

## Independent Auditor's Report

To the Members of Kwantlen First Nation

### Opinion

We have audited the consolidated financial statements of Kwantlen First Nation ("the Nation"), which comprise the consolidated statement of financial position as at March 31, 2021 and the consolidated statements of operations and accumulated surplus, changes 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 financial position of Kwantlen First Nation as at March 31, 2021 and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

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

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

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

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

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

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

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

*continued on next page*

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued from previous page)**

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 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 Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Chartered Professional Accountant

February 22, 2022  
Abbotsford, British Columbia

**Kwantlen First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2021*

	2021	2020 (Restated)
<b>Financial assets</b>		
Cash	5,090,245	3,164,235
Short-term investments	3,605,241	3,724,250
Accounts receivable (Note 3)	3,380,929	1,417,632
Inventory for resale	82,205	67,203
Portfolio investments (Note 4)	20,163,172	17,313,838
Investments in business enterprises (Note 5)	3,625,556	3,632,302
	<b>35,947,348</b>	29,319,460
<b>Restricted assets</b>		
Trust funds (Note 6)	167,509	158,208
Replacement reserve (Note 7)	88,323	81,610
	<b>255,832</b>	239,818
	<b>36,203,180</b>	29,559,278
<b>Liabilities</b>		
Bank indebtedness (Note 8)	693,655	766,558
Accounts payable and accrued liabilities	2,115,552	1,203,700
Deferred revenue (Note 9)	2,838,553	3,583,276
Long-term debt (Note 10)	16,310,547	16,242,530
Derivative instruments (Note 11)	259,429	399,462
	<b>22,217,736</b>	22,195,526
<b>Net financial assets</b>	<b>13,985,444</b>	7,363,752
<b>Non-financial assets</b>		
Tangible capital assets (Note 12)	25,622,473	25,894,472
Property under development	2,444,812	2,444,812
Other inventories (Note 13)	76,712	315,662
Prepaid expenses	25,900	30,180
	<b>28,169,897</b>	28,685,126
<b>Accumulated surplus (Note 14)</b>	<b>42,155,341</b>	36,048,878
<b>Accumulated surplus is comprised of:</b>		
Accumulated operating surplus	41,296,534	38,179,439
Accumulated remeasurement gains (losses)	858,807	(2,130,561)
	<b>42,155,341</b>	36,048,878

Approved on behalf of Chief and Council



The accompanying notes are an integral part of these financial statements

**Kwantlen First Nation**  
**Consolidated Statement of Operations and Accumulated Operating Surplus**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020 (Restated)</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	1,809,733	<b>2,793,241</b>	3,993,368
ISC recovery	-	-	(2,130)
ISC reimbursement	390,411	<b>390,854</b>	-
ISC revenue deferred	(259,520)	<b>544,847</b>	(2,186,796)
First Nations Health Authority (FNHA)	565,465	<b>565,465</b>	640,007
FNHA revenue deferred	77,466	<b>77,466</b>	(90,934)
Contracting services	-	<b>5,935,861</b>	3,086,373
Grants and other government funding	2,538,997	<b>4,780,422</b>	804,205
Commercial lease income	230,000	<b>1,640,546</b>	1,566,320
Other income	210,431	<b>1,379,995</b>	144,449
Land management and development	-	<b>626,240</b>	(5,281)
Interest income	356,350	<b>358,271</b>	546,320
Merchandise sales	-	<b>194,996</b>	1,552,454
Taxation	130,000	<b>129,159</b>	124,096
Rental income	91,000	<b>92,494</b>	145,326
Donations	11,000	<b>10,670</b>	26,455
Partnership loss	-	<b>(6,746)</b>	(904)
Loss on disposal of tangible capital assets	-	<b>(7,284)</b>	(12,938)
Forestry revenue	-	-	701,495
	6,151,333	<b>19,506,497</b>	11,031,885
<b>Expenses</b>			
Administration	2,227,301	<b>2,247,823</b>	1,525,024
Capital	900,000	<b>914,214</b>	923,070
Member and Community Services	528,400	<b>531,518</b>	750,999
Infrastructure	1,372,050	<b>999,300</b>	983,611
Housing	298,000	<b>301,970</b>	187,393
Health and Social Services	1,106,981	<b>1,108,189</b>	982,074
Education	577,200	<b>583,511</b>	448,450
Economic Development	-	<b>5,538,371</b>	6,968,528
Lands and Resources	25,650	<b>4,164,506</b>	1,359,334
	7,035,582	<b>16,389,402</b>	14,128,483
<b>Annual operating surplus (deficit)</b>	(884,249)	<b>3,117,095</b>	(3,096,598)
<b>Accumulated operating surplus, beginning of year, as previously stated</b>	38,163,731	<b>38,163,731</b>	41,276,037
<b>Prior period adjustment (Note 15)</b>	-	<b>15,711</b>	-
<b>Accumulated operating surplus, beginning of year, as restated</b>	38,163,731	<b>38,179,439</b>	41,276,037
<b>Accumulated operating surplus, end of year</b>	37,279,482	<b>41,296,534</b>	38,179,439

*The accompanying notes are an integral part of these financial statements*

**Kwantlen First Nation**  
**Consolidated Statement of Changes in Net Financial Assets**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020 (Restated)</i>
<b>Annual operating surplus (deficit)</b>	(884,249)	<b>3,117,095</b>	(3,096,598)
<b>Tangible capital assets</b>			
Acquisition of tangible capital assets	-	<b>(670,145)</b>	(594,741)
Disposal of tangible capital assets	-	<b>27,932</b>	12,938
Amortization	900,000	<b>914,214</b>	923,070
	900,000	<b>272,001</b>	341,267
<b>Other inventories</b>			
Change in other inventories	-	<b>238,950</b>	(173,007)
<b>Prepaid expenses</b>			
Acquisition of prepaid expenses	(18,000)	<b>(25,900)</b>	(30,180)
Use of prepaid expenses	20,277	<b>30,180</b>	52,346
	2,277	<b>4,280</b>	22,166
<b>Net remeasurement losses</b>			
Change in net remeasurement losses	-	<b>2,989,366</b>	(1,850,351)
<b>Change in net financial assets</b>	18,028	<b>6,621,692</b>	(4,756,523)
<b>Net financial assets (net debt), beginning of year</b>	7,363,752	<b>7,363,752</b>	12,120,275
<b>Net financial assets, end of year</b>	7,381,780	<b>13,985,444</b>	7,363,752

*The accompanying notes are an integral part of these financial statements*

**Kwantlen First Nation**  
**Consolidated Statement of Cash Flows**  
*For the Year Ended March 31, 2021*

	2021	2020 (Restated)
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	3,117,095	(3,096,598)
Non-cash items		
Amortization	914,214	923,070
Revenue earned in trust and reserve funds	(2,671)	(5,437)
	4,028,638	(2,178,965)
Changes in working capital accounts		
Accounts receivable	(1,963,297)	476,140
Accounts payable and accrued liabilities	911,853	(358,800)
Deferred revenue	(744,721)	2,428,908
Inventory for resale	(15,002)	6,850
Prepaid expenses	4,279	22,165
Other inventories	238,951	(173,007)
	2,460,701	223,291
<b>Financing activities</b>		
Advances of long-term debt	690,655	503,732
Repayment of long-term debt	(622,639)	(555,118)
Increase (decrease) in bank indebtedness	(72,903)	1,842
	(4,887)	(49,544)
<b>Capital activities</b>		
Acquisition of tangible capital assets	(670,145)	(594,741)
Disposal of tangible capital assets	27,932	12,938
	(642,213)	(581,803)
<b>Investing activities</b>		
Change in short-term investments	119,009	(107,719)
Deposits in reserve accounts	(17,245)	(15,220)
Withdrawal of reserve accounts	10,684	7,344
Deposits in trust funds	(8,650)	-
Withdrawal of trust funds	1,865	3,730
Change in investments	6,746	(19,319,137)
	112,409	(19,431,002)
<b>Increase (decrease) in cash resources</b>	1,926,010	(19,839,058)
<b>Cash resources, beginning of year</b>	3,164,235	23,003,293
<b>Cash resources, end of year</b>	5,090,245	3,164,235
<b>Supplementary cash flow information:</b>		
Interest received	358,271	546,320
Interest paid	483,432	855,394

*The accompanying notes are an integral part of these financial statements*

**Kwantlen First Nation**  
**Consolidated Statement of Remeasurement Gains (Losses)**  
*For the Year Ended March 31, 2021*

	2021	2020
Accumulated remeasurement losses, beginning of year	(2,130,565)	(280,215)
<b>Unrealized gains (losses) attributable to:</b>		
Derivative instruments	140,034	(119,247)
Portfolio investments	2,849,338	(1,731,099)
	<b>2,989,372</b>	<b>(1,850,346)</b>
Accumulated remeasurement gains (losses), end of year	858,807	(2,130,561)

# Kwantlen First Nation

## Notes to the Consolidated Financial Statements

*For the Year Ended March 31, 2021*

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### 1. Operations

Kwantlen First Nation (the "Nation") is a First Nation band located in the province of British Columbia that provides various services to its members. Kwantlen First Nation includes the Nation's government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

### 2. Significant accounting policies

These consolidated financial statements of Kwantlen First Nation are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

#### ***Principles of consolidation***

All controlled entities are fully consolidated on a line-by-line basis. Inter-entity balances and transactions have been eliminated on consolidation.

Organizations consolidated in Kwantlen First Nation's financial statements include:

- Seyem' Qwantlen Business Management Ltd.
- Seyem' Qwantlen Construction Ltd.
- Seyem' Qwantlen Construction Limited Partnership
- Seyem' Qwantlen Development Ltd.
- Seyem' Qwantlen Development Limited Partnership
- Seyem' Qwantlen Land Development Ltd.
- Seyem' Qwantlen Land Development Limited Partnership
- Seyem' Qwantlen Resources Ltd.
- Seyem' Qwantlen Resources Limited Partnership
- Seyem' Qwantlen Ventures Limited Partnership
- Seyem' Qwantlen Ventures Ltd.
- Lelem Hospitality Limited Partnership
- Lelem Hospitality Ltd.
- Seyem' Qwantlen Harbour Authority
- Kwantlen Lands, Resources and Stewardship Ltd.

In addition, the Nation has made investments in government partnerships, which are accounted for using the proportionate consolidation method:

- Seyem' Qwantlen Construction / Milestone Environmental Contracting West (A Joint Venture) owned 51% by the Nation
- The Jackson Ridge Project (A Joint Venture) owned 50% by the Nation
- Seyem' Qwantlen / Matcon Civil Joint Ventures owned 51% by the Nation

#### ***Asset classification***

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

#### ***Net financial assets (net debt)***

Kwantlen First Nation's financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) combined with non-financial assets comprise a second indicator of financial position, accumulated surplus (deficit).

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**2. Significant accounting policies (continued from previous page)**

***Inventories***

Inventories are stated at the lower of average cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

***Short-term investments***

Short-term investments consists of term deposits or guaranteed investment certificates and are recorded at cost. Accrued interest is recorded when earned.

***Liability for contaminated sites***

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- i) an environmental standard exists;
- ii) contamination exceeds the environmental standard;
- iii) the Nation is directly responsible; or accepts responsibility; and
- iv) a reasonable estimate of the amount can be made.

Management has determined that no such liability exists at March 31, 2021.

***Tangible capital assets***

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

***Amortization***

Tangible capital assets are amortized annually on a straight-line or declining balance basis over their estimated useful lives as follows:

<b>Asset</b>	<b>Basis</b>	<b>Useful life</b>
Land improvements	Straight-line	15 - 20 years
Buildings	Declining balance / straight-line	4% / 40 years
Infrastructure	straight-line	50 years
Equipment	Declining balance / straight-line	20 - 55% / 5 - 20 years
Automotive	Declining balance / straight-line	30% / 5 - 10 years
Art collection	Straight-line	25 years
Leasehold improvements	Straight-line	6 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the 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 tangible capital assets are recorded at their fair value at the date of contribution.

Assets under construction are not amortized until the asset is available to be put into service.

***Long-lived assets and discontinued operations***

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the assets' carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus (deficit) for the year.

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**2. Significant accounting policies (continued from previous page)**

***Funds held in Ottawa Trust fund***

Funds held in trust on behalf of the Nation's members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus.

***Revenue recognition***

***Government transfers***

Kwantlen First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

***Contracting revenue***

Contracting revenue is recognized on the accrual basis according to the terms of the contractual agreements.

***Housing rental income***

Rental revenue is recorded in the year it is earned. At the end of each year, management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

***First Nation capital and revenue trust funds***

Kwantlen First Nation recognizes revenues at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

***Other revenue***

Other revenue is recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

***Investments in business enterprises***

The Nation uses the modified equity method to account for its investments in partnerships whereby the acquisition cost is increased or decreased by the Nation's proportionate share of earnings or loss.

***Government subsidies***

Government subsidies are recognized when there is reasonable assurance that the Group has complied and will continue to comply with all conditions of the assistance.

***Measurement uncertainty (use of estimates)***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets.

***Segments***

Kwantlen First Nation conducts its operations through various segments as described in Note 20. These operating segments are established by management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements.

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**2. Significant accounting policies (continued from previous page)**

***Financial instruments***

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Nation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Nation determines if there is a significant adverse change in the expected amount of timing of future cash flows, the carrying value of the financial asset is reduced to the highest present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Nation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

Derivative instruments are financial contracts whose value changes in response to a change in a specified interest rate, exchange rate or other variable, provided in the case of a non-financial variable, the variable is not specific to a party to the contract. Derivative contracts usually have no initial net investment, or a net investment which would be smaller than a non-derivative contract, and are settled at a future date.

Derivatives are initially recognized at fair value on the date which a derivative contract is entered into. They are subsequently re-measured at their fair value and reported as assets where they have a positive fair value or as liabilities where they have a negative fair value.

**3. Accounts receivable**

	<b>2021</b>	<b>2020</b> (Restated)
Trade receivables	2,126,457	1,201,203
Member loans	199,311	177,069
Other receivables	1,047,879	33,269
CMHC subsidy receivable	7,281	6,091
	<hr/> <b>3,380,928</b>	<hr/> <b>1,417,632</b>

**4. Portfolio investments**

	<b>2021</b>	<b>2020</b>
Investments recorded at fair value:		
Securities held with RBC Dominion Securities	9,841,577	11,841,480
Investments recorded at amortized cost:		
Fixed income held with RBC Dominion Securities	8,400,882	5,210,368
High interest savings accounts held with RBC Dominion Securities	1,920,713	261,990
	<hr/> <b>10,321,595</b>	<hr/> <b>5,472,358</b>
	<hr/> <b>20,163,172</b>	<hr/> <b>17,313,838</b>

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**5. Investments**

The Nation has a 25% investment in Weave Development Limited Partnership. Summary financial information for the partnership, accounted for using the modified equity method, as at March 31, 2021 is as follows:

	<b>2021</b>	2020
<b>Assets</b>		
Cash	43,319	272,451
Accounts receivable	-	44,037
Property held for development	11,499,749	11,301,520
	<b>11,543,068</b>	11,618,008
<b>Liabilities and Partners' Capital</b>		
Accounts payable	16,543	90,596
Partners' capital	11,526,525	11,527,412
	<b>11,543,068</b>	11,618,008
	<b>2021</b>	2020
Total revenues	-	-
Total expenses	886	4,526
<b>Net loss</b>	<b>(886)</b>	(4,526)

The Nation has a 50% investment in K & K Forestry Operations Limited Partnership. Summary financial information for the partnership, accounted for using the modified equity method, as at March 31, 2021 is as follows:

	<b>2021</b>	2020
<b>Assets</b>		
Cash	64,323	83,588
	<b>64,323</b>	83,588
<b>Liabilities and Partners' Capital</b>		
Accounts payable	2,501	2,500
Deferred revenue	-	19,526
Partners' capital	61,822	61,562
	<b>64,323</b>	83,588
	<b>2021</b>	2020
Total revenues	21,726	84,676
Total expenses	34,776	84,219
<b>Net income</b>	<b>(13,050)</b>	457

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**6. Trust funds**

	<b>2021</b>	2020
<b>Capital fund</b>		
Balance, beginning of year	156,343	156,343
Housing loan repayments	8,651	-
Balance, end of year	<b>164,994</b>	156,343
<b>Revenue fund</b>		
Balance, beginning of year	1,865	665
Interest income	1,842	4,261
BC special distribution	673	669
Withdrawals	(1,865)	(3,730)
Balance, end of year	<b>2,515</b>	1,865
	<b>167,509</b>	158,208

**7. Replacement reserve**

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$17,245 annually as stated in Schedule "B" of the Operating Agreement. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may other be approved by CMHC.

As at March 31, 2021, \$88,323 (2020 - \$81,610) has been set aside to fund this reserve.

**8. Bank indebtedness**

The Nation carries operating lines of credit with BMO Bank of Montreal that are secured by general security agreements. The operating lines entitle the Nation to borrow a combined maximum amount of \$2,615,000 that bears interest at a variable rate of bank prime plus 0.5% (2020 - 0.5%). As of March 31, 2021, \$693,655 (2020 - \$766,558) of the operating lines of credit were utilized and the bank's prime rate was 2.45% (2020 - 2.45%).

The Nation also carries an operating line of credit with Royal Bank of Canada. The line of credit entitles the Nation to borrow a maximum of \$200,000 that bears interest at 2.95%. As of March 31, 2021, \$0 (2020 - \$10,000) of the operating line of credit was utilized.

**9. Deferred revenue**

	<i>Balance, beginning of year (Restated)</i>	<i>Funds received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	2,441,917	2,031,784	(2,441,917)	2,031,784
Other government funding	7,726	38,634	(7,726)	38,634
Resource projects	368,754	-	(368,754)	-
Construction projects	38,680	50,002	(38,680)	50,002
Land development projects	568,368	635,891	(568,368)	635,891
Customer deposits	2,452	1,395	-	3,847
First Nations Health Authority	90,934	13,468	(90,934)	13,468
Province of British Columbia	50,000	-	-	50,000
Gift certificates	14,445	482	-	14,927
	<b>3,583,276</b>	<b>2,771,656</b>	<b>(3,516,379)</b>	<b>2,838,553</b>

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**10. Long-term debt**

	<b>2021</b>	2020
BMO Bank of Montreal loan, payments of \$29,806 per month including interest at 4.97% per annum, matures December 1, 2023 (secured - see below).	3,949,059	4,117,705
BMO Bank of Montreal loan, interest-only payments due monthly, interest at prime rate plus 0.75% per annum, prime rate at March 31, 2021 was 2.45%, due on demand. The loan was obtained for the purposes of investment in the Weave Development Limited Partnership.	3,800,000	3,800,000
BMO Bank of Montreal fixed term loan, interest only at 2.27% until April 20, 2021, thereafter, payments of \$28,972 per month including interest at 2.00% per annum, maturing April 1, 2022.	3,796,903	-
BMO Bank of Montreal loan, payments of \$13,149 per month including variable interest at bank prime plus 0.50% per annum, due on demand (secured - see below).	1,579,583	1,622,083
BMO Bank of Montreal loan, payments of \$5,099 per month including interest at 4.08% per annum, matures February 11, 2024 (secured - see below).	725,000	756,000
CMHC Phase 4 - All Nations Trust Company mortgage, payments of \$2,215 per month including interest at 0.68% per annum, renewal October 1, 2025, matures October 1, 2045.	601,671	-
CMHC Phase 1 - All Nations Trust Company mortgage, payments of \$3,139 per month including interest at 2.49% per annum, renewal May 1, 2023, matures May 1, 2038.	526,353	550,687
CMHC Phase 3 - All Nations Trust Company mortgage, payments of \$2,336 per month including interest at 1.05% per annum, renewal August 1, 2021, matures August 1, 2041	514,922	537,446
CMHC Phase 2 - All Nations Trust Company mortgage, payments of \$2,487 per month including interest at 2.14% per annum, renewal March 1, 2024, matures March 1, 2039.	445,884	466,018
Tale'awtxw Aboriginal Capital Corporation loan, payments of \$4,853 per month including interest at 8.00% per annum, matures August 15, 2027 (secured - see below)	291,172	324,685
Canada Emergency Business Account loans, initial balance of \$110,000, interest rate at 0% during initial term to December 31, 2022, thereafter 5.00% from January 1, 2023. Loans are due December 31, 2025, with \$30,000 of the loans forgivable when all criteria has been met.	80,000	-
BMO Bank of Montreal loan	-	4,067,906
	<b>16,310,547</b>	16,242,530

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**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**10. Long-term debt (continued from previous page)**

Principal repayments on long-term debt in each of the next five years are estimated as follows:

2022	775,511
2023	4,124,686
2024	4,383,279
2025	257,223
2026	265,678
	<hr/>
	9,806,377
	<hr/>

The BMO Bank of Montreal loans are secured by a mortgage over land and buildings and an assignment of rents.

Long-term debt for CMHC housing projects are secured by Ministerial guarantees of the Ministry of Indigenous Services Canada.

The Tale'awtxw Aboriginal Capital Corporation loan is secured by a general security agreement, assignment of insurance, and a mortgage over land and buildings.

**11. Derivative instruments**

In the ordinary course of business, the Nation enters into derivative contracts, specifically interest rate swaps. Derivative financial instruments may be undertaken to manage price risk from the Nation's exposure to fixed interest rates related to its long-term debt.

***Notional amounts of derivatives used to manage interest rate risk***

	<i>Maturity of derivatives in 1 to 5 Years</i>	<i>Total 2021</i>	<i>Total 2020</i>
Receive fixed/pay floating swaps	4,681,757	4,681,757	8,941,611

***Fair values of derivatives used to manage interest rate risk***

	<i>2021</i>	<i>2020</i>
Receive fixed/pay floating swaps	(259,429)	(399,462)

The above interest rate swaps are amortizing swaps that reduce over time as the associated debt is repaid.

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**12. Tangible capital assets**

<b>Cost</b>	<b>Beginning of year</b>	<b>Acquisitions</b>	<b>Disposals and adjustments</b>	<b>End of year</b>
Land	4,340,001	-	-	4,340,001
Land improvements	753,641	-	-	753,641
Buildings	16,148,267	-	700,169	16,848,436
Buildings under construction	400,184	299,985	(700,169)	-
Infrastructure	9,159,460	266,483	-	9,425,943
Equipment	1,693,963	92,531	(114,791)	1,671,703
Automotive	68,591	11,146	(5,098)	74,639
Art collection	149,544	-	-	149,544
Leasehold improvements	547,846	-	-	547,846
	33,261,497	670,145	(119,889)	33,811,753
<hr/>				
<b>Accumulated amortization</b>	<b>Beginning of year</b>	<b>Amortization</b>	<b>Disposals</b>	<b>End of year</b>
Land improvements	372,027	48,546	-	420,573
Buildings	3,434,709	483,112	-	3,917,821
Infrastructure	1,899,051	182,958	-	2,082,009
Equipment	982,215	179,985	(88,984)	1,073,216
Automotive	52,819	7,581	(2,975)	57,425
Art collection	92,731	5,982	-	98,713
Leasehold improvements	533,473	6,050	-	539,523
	7,367,025	914,214	(91,959)	8,189,280
<hr/>				
<b>Net book value</b>			<b>2021</b>	<b>2020</b>
Land			4,340,001	4,340,001
Land improvements			333,068	381,614
Buildings			12,930,615	12,713,558
Buildings under construction			-	400,184
Infrastructure			7,343,934	7,260,409
Equipment			598,487	711,748
Automotive			17,214	15,772
Art collection			50,831	56,813
Leasehold improvements			8,323	14,373
			25,622,473	25,894,472
<hr/>				

Amortization expense of \$914,214 (2020 - \$923,070) was recorded in the Capital Fund.

**13. Other inventories**

Other inventories consist of work in progress of \$76,712 (2020 - \$315,662) for costs in excess of billings on projects in progress at year end.

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**14. Accumulated surplus**

	<b>2021</b>	<b>2020</b> (Restated)
Unrestricted surplus	23,715,353	17,121,659
Equity in replacement reserve	88,323	81,610
Equity in tangible capital assets	15,636,732	15,896,747
Equity in other non-financial assets	2,547,424	2,790,654
Equity in trust funds	167,509	158,208
	<b>42,155,341</b>	36,048,878

**15. Correction of an error**

During the year, the Nation determined that activity incurred in the Seyem' Qwantlen/Matcon Civil Joint Venture should have been recorded on the proportionate consolidation method at March 31, 2020. The retroactive application of this correction of an error resulted in an increase in total assets of \$124,569, an increase in total liabilities of \$108,857, and an increase in accumulated surplus of \$15,711.

**16. Budget figures**

The budget figures presented in these financial statements are based upon the operating and capital budgets prepared by management.

**17. Contingent liability**

Kwantlen First Nation may be contingently liable for ten guaranteed housing mortgages. As at March 31, 2021, there are six outstanding housing mortgages under the Ministerial Loan Guarantees program totaling \$2,067,530 and four outstanding housing mortgages with Royal Bank of Canada totaling \$379,303, for which the Nation is guarantor.

**18. Comparative figures**

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

**Kwantlen First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the Year Ended March 31, 2021*

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**19. Financial instruments**

As part of its operations, Kwantlen First Nation carries a number of financial instruments. It is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through interest rate swaps, which modify the maturity characteristics of financial assets and liabilities.

Kwantlen First Nation is exposed to interest rate cash flow risk with respect to its operating lines of credit, two BMO loans and derivative instruments, which are subject to variable interest rates. Changes in the bank prime variable lending rates can cause fluctuations in interest payments and cash flows.

Kwantlen First Nation is exposed to interest rate price risk on its long-term debt with BMO Bank of Montreal, All Nations Trust Company and Tale'awtxw Aboriginal Capital Corporation as they are at fixed interest rates.

**20. Segmented information**

Kwantlen First Nation operates a number of programs and receives funding from various sources. For the management of and for reporting purposes, the Nation groups revenues, expenses, and accumulated surplus or deficit by segment based on major functional classification of activities as outlined below:

1. Administration includes general operation, support, and financial management of the Nation, property taxation, and Ottawa Trust Fund.
2. Capital includes activities related to the Nation's tangible capital assets.
3. Member and Community Services includes support programs and cultural activities for Nation members.
4. Infrastructure includes the repairs, maintenance, and replacement of infrastructure assets such as roads, grounds, buildings, and utilities systems.
5. Housing includes repairs and maintenance of homes and provision of housing to Nation members.
6. Health and Social Services includes the provision of health-related and social assistance services and programs to improve the quality of life for Nation members
7. Education includes provision of support and programs to Nation students registered in pre-school, elementary, secondary, and post-secondary education programs.
8. Economic Development includes activities related to generating additional revenues for the Nation and employment opportunities for Nation members.
9. Lands and Resources includes activities related to the development of Indian Reserve lands and natural resources.

**Kwantlen First Nation**  
**Schedule 1 - Consolidated Statement of Expenses by Object**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Expenses by object</b>			
Administration	101,000	<b>102,125</b>	19,872
Advertising	-	3,691	20,174
Amortization	900,000	<b>914,214</b>	923,070
Bad debts	1,000	1,857	1,500
Contracted services	749,200	<b>560,889</b>	715,701
Cost of sales	-	<b>1,351,661</b>	841,885
Education programs	379,500	<b>380,744</b>	342,121
Forestry expenses	-	101	240,471
Health programs	143,265	<b>144,707</b>	156,045
Home owner grants	52,000	<b>51,669</b>	45,057
Honoraria	76,950	<b>94,274</b>	164,156
Inspection fees	3,000	3,000	2,200
Insurance	94,100	<b>127,239</b>	105,124
Interest and bank charges	7,175	<b>162,208</b>	228,458
Interest on long-term debt	30,000	<b>321,224</b>	626,936
Management expenses	-	<b>158,070</b>	227,082
Materials and supplies	282,148	<b>409,059</b>	804,107
Meetings and events	142,100	<b>148,214</b>	414,718
Member support	193,700	<b>202,610</b>	60,066
Office and other	297,600	<b>552,311</b>	372,886
Operational costs	2,700	2,121	2,016
Professional fees	532,800	<b>3,746,067</b>	1,364,116
Project expenses	-	<b>626,396</b>	133,515
Property taxes	-	20,193	20,923
Rent	-	78,717	71,865
Repairs and maintenance	339,000	<b>389,009</b>	150,958
Salaries, wages, and benefits	1,973,432	<b>4,937,781</b>	5,469,796
Service contracts	94,000	93,939	51,584
Social services programs	174,656	<b>174,051</b>	162,171
Telephone and communications	30,500	61,217	59,081
Training	-	40,278	39,434
Travel	53,750	<b>68,074</b>	121,705
Utilities and security	348,756	<b>419,827</b>	137,870
Vehicle Lease	-	11,806	12,967
Workshops	33,250	<b>30,059</b>	18,853
	7,035,582	<b>16,389,402</b>	14,128,483

**Kwantlen First Nation**  
**Segmented Information - Administration**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	739,327	<b>739,282</b>	313,084
ISC revenue deferred	(24,178)	<b>(42,456)</b>	(822)
Province of British Columbia	1,568,000	<b>1,584,473</b>	34,164
Interest income	356,000	<b>356,245</b>	541,880
BCFN Gaming Revenue Sharing	327,669	<b>327,668</b>	305,589
Commercial lease income	230,000	<b>232,940</b>	279,820
Grants	200,000	<b>199,016</b>	7,500
Taxation	130,000	<b>129,159</b>	124,096
Other income	4,000	<b>799,302</b>	12,942
Rental income	-	<b>600</b>	200
BC Hydro	-	<b>-</b>	215,000
	3,530,818	<b>4,326,229</b>	1,833,453
<b>Expenses</b>			
Administration	101,000	<b>101,718</b>	14,037
Bad debts	1,000	<b>630</b>	-
Contracted services	135,000	<b>136,360</b>	258,544
Home owner grants	52,000	<b>51,669</b>	45,057
Honoraria	38,000	<b>36,903</b>	35,240
Insurance	6,500	<b>6,710</b>	6,329
Interest and bank charges	7,045	<b>5,926</b>	24,468
Materials and supplies	82,000	<b>98,549</b>	69,293
Meetings and events	11,500	<b>10,577</b>	15,117
Office and other	295,500	<b>299,163</b>	53,431
Professional fees	211,000	<b>207,132</b>	215,144
Repairs and maintenance	166,000	<b>166,029</b>	14,615
Salaries, wages and benefits	668,000	<b>671,208</b>	668,687
Service contracts	94,000	<b>93,939</b>	51,584
Telephone and communications	15,000	<b>16,299</b>	15,724
Travel	43,000	<b>42,907</b>	13,369
Tuition fees	-	<b>-</b>	2,943
Utilities and security	300,756	<b>302,104</b>	13,799
Workshops	-	<b>-</b>	7,643
	2,227,301	<b>2,247,823</b>	1,525,024
<b>Operating surplus before transfers</b>	1,303,517	<b>2,078,406</b>	308,429
<b>Transfers</b>	-	<b>(1,150,746)</b>	(1,698,978)
<b>Operating surplus (deficit)</b>	1,303,517	<b>927,660</b>	(1,390,549)
<b>Accumulated operating surplus, beginning of year</b>	24,714,935	<b>24,714,935</b>	26,105,484
<b>Accumulated operating surplus, end of year</b>	26,018,452	<b>25,642,595</b>	24,714,935

**Kwantlen First Nation**  
**Segmented Information - Capital**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Loss on disposal of tangible capital assets	-	<b>(7,284)</b>	(12,938)
<b>Expenses</b>			
Amortization	900,000	<b>914,214</b>	923,070
<b>Deficit before transfers</b>	(900,000)	<b>(921,498)</b>	(936,008)
<b>Transfers</b>	-	<b>661,483</b>	646,127
<b>Operating deficit</b>	(900,000)	<b>(260,015)</b>	(289,881)
<b>Accumulated operating surplus, beginning of year</b>	15,896,747	<b>15,896,747</b>	16,186,628
<b>Accumulated operating surplus, end of year</b>	14,996,747	<b>15,636,732</b>	15,896,747

**Kwantlen First Nation**  
**Segmented Information - Member and Community Services**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Sto:lo HRD	20,171	<b>20,717</b>	12,446
Donations	5,000	<b>5,100</b>	26,305
Grants	-	-	44,347
Other income	-	-	1,000
	<b>25,171</b>	<b>25,817</b>	84,098
<b>Expenses</b>			
Administration	-	-	4,875
Contracted services	-	<b>250</b>	1,100
Honoraria	6,500	<b>3,340</b>	35,858
Materials and supplies	31,400	<b>27,651</b>	99,510
Meetings and events	118,500	<b>124,166</b>	337,018
Member support	132,500	<b>135,816</b>	57,498
Professional fees	-	-	3,628
Repairs and maintenance	2,000	<b>4,885</b>	-
Salaries, wages and benefits	225,000	<b>225,453</b>	175,066
Telephone and communications	5,000	<b>4,180</b>	1,756
Travel	4,000	<b>2,643</b>	31,611
Workshops	3,500	<b>3,134</b>	3,079
	<b>528,400</b>	<b>531,518</b>	750,999
<b>Operating deficit before transfers</b>	<b>(503,229)</b>	<b>(505,701)</b>	(666,901)
<b>Transfers</b>	<b>-</b>	<b>505,701</b>	666,901
<b>Operating surplus (deficit)</b>	<b>(503,229)</b>	<b>-</b>	-

**Kwantlen First Nation**  
**Segmented Information - Infrastructure**  
*For the Year Ended March 31, 2021*

	<b>Budget</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	99,640	<b>99,640</b>	167,732
ISC reimbursement	390,411	<b>390,411</b>	-
ISC revenue deferred	105,836	<b>67,574</b>	155,680
Other income	17,300	<b>17,690</b>	10,256
Rental income	3,000	<b>5,190</b>	51,780
	<b>616,187</b>	<b>580,505</b>	385,448
<b>Expenses</b>			
Administration	-	-	960
Contracted services	572,000	<b>298,197</b>	186,494
Honoraria	450	80	13,270
Insurance	25,300	<b>25,390</b>	21,540
Materials and supplies	21,500	<b>17,929</b>	34,531
Meetings and events	500	100	28,846
Office and other	-	221	63
Professional fees	318,000	<b>240,035</b>	207,182
Repairs and maintenance	103,700	<b>95,995</b>	83,991
Salaries, wages and benefits	282,800	<b>282,355</b>	348,088
Telephone and communications	4,800	<b>4,791</b>	4,719
Travel	1,000	<b>1,054</b>	556
Utilities and security	41,250	<b>33,153</b>	53,110
Workshops	750	-	261
	<b>1,372,050</b>	<b>999,300</b>	983,611
<b>Operating deficit before transfers</b>	<b>(755,863)</b>	<b>(418,795)</b>	(598,163)
<b>Transfers</b>	<b>-</b>	<b>181,137</b>	247,386
<b>Operating deficit</b>	<b>(755,863)</b>	<b>(237,658)</b>	(350,777)
<b>Accumulated operating surplus (deficit), beginning of year</b>	<b>-</b>	<b>(350,777)</b>	-
<b>Accumulated operating deficit, end of year</b>	<b>(755,863)</b>	<b>(588,435)</b>	(350,777)

**Kwantlen First Nation**  
**Segmented Information - Housing**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	325,800	<b>325,800</b>	-
ISC revenue deferred	(325,800)	<b>(325,800)</b>	-
Rental income	88,000	<b>87,459</b>	74,480
Canada Mortgage and Housing Corporation	80,233	<b>80,233</b>	78,092
Other income	-	<b>681</b>	520
Interest income	200	<b>156</b>	507
	<b>168,433</b>	<b>168,529</b>	153,599
<b>Expenses</b>			
Administration	-	<b>407</b>	-
Bad debts	-	<b>1,228</b>	1,500
Contracted services	40,000	<b>47,761</b>	48,196
Honoraria	-	<b>-</b>	40
Inspection fees	3,000	<b>3,000</b>	2,200
Insurance	52,000	<b>50,309</b>	39,419
Interest and bank charges	100	<b>111</b>	88
Interest on long-term debt	30,000	<b>30,511</b>	29,834
Materials and supplies	13,500	<b>14,242</b>	8,084
Meetings and events	-	<b>-</b>	240
Office and other	100	<b>90</b>	-
Professional fees	3,800	<b>3,800</b>	3,302
Repairs and maintenance	45,000	<b>45,467</b>	29,978
Salaries, wages and benefits	108,000	<b>102,735</b>	18,556
Travel	-	<b>-</b>	2,894
Utilities and security	2,500	<b>2,309</b>	2,413
Workshops	-	<b>-</b>	649
	<b>298,000</b>	<b>301,970</b>	187,393
<b>Operating deficit before transfers</b>	<b>(129,567)</b>	<b>(133,441)</b>	(33,794)
<b>Transfers</b>	<b>-</b>	<b>159,903</b>	14,432
<b>Operating surplus (deficit)</b>	<b>(129,567)</b>	<b>26,462</b>	(19,362)
<b>Accumulated operating surplus, beginning of year</b>	<b>43,249</b>	<b>43,249</b>	62,611
<b>Accumulated operating surplus (deficit), end of year</b>	<b>(86,318)</b>	<b>69,711</b>	43,249

**Kwantlen First Nation**  
**Segmented Information - Health and Social Services**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	309,131	<b>304,509</b>	254,878
ISC recovery	-	-	(2,130)
ISC reimbursement (reversal)	-	<b>443</b>	-
ISC revenue deferred	(15,378)	<b>(58,441)</b>	(4,622)
First Nations Health Authority (FNHA)	565,465	<b>565,465</b>	640,007
FNHA revenue deferred	77,466	<b>77,466</b>	(90,934)
Other income	178,281	<b>178,145</b>	10,618
Ministry of Children and Family Development (MCFD)	43,000	<b>43,000</b>	-
MCFD revenue deferred	(20,909)	<b>(20,909)</b>	-
Grants	38,333	<b>38,333</b>	4,880
First Nations Education Steering Committee	1,500	<b>1,500</b>	-
Rental income	-	-	1,700
	<b>1,176,889</b>	<b>1,129,511</b>	814,397
<b>Expenses</b>			
Contracted services	1,000	<b>1,450</b>	15,908
Interest and bank charges	30	<b>33</b>	41
Health programs	173,265	<b>178,481</b>	156,045
Honoraria	18,000	<b>18,130</b>	8,990
Insurance	10,300	<b>8,470</b>	3,229
Materials and supplies	72,948	<b>75,312</b>	90,188
Meetings and events	5,500	<b>5,229</b>	15,485
Office and other	2,000	<b>1,973</b>	-
Repairs and maintenance	25,000	<b>25,183</b>	20,870
Salaries, wages and benefits	589,632	<b>586,717</b>	488,413
Social services programs	190,856	<b>192,071</b>	164,739
Telephone and communications	5,700	<b>5,525</b>	4,388
Travel	4,500	<b>3,545</b>	6,585
Utilities and security	4,250	<b>4,086</b>	4,637
Workshops	4,000	<b>1,984</b>	2,556
	<b>1,106,981</b>	<b>1,108,189</b>	982,074
<b>Operating surplus (deficit) before transfers</b>	69,908	<b>21,322</b>	(167,677)
<b>Transfers</b>	-	<b>114,116</b>	167,677
<b>Operating surplus (deficit)</b>	69,908	<b>135,438</b>	-

**Kwantlen First Nation**  
**Segmented Information - Education**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	335,835	<b>335,835</b>	312,845
Province of British Columbia	182,000	<b>181,746</b>	-
First Nations Education Steering Committee	54,000	<b>54,352</b>	7,612
BC Hydro	45,000	<b>45,000</b>	-
Other income	15,000	<b>15,396</b>	-
	<b>631,835</b>	<b>632,329</b>	320,457
<b>Expenses</b>			
Contracted services	1,200	<b>1,170</b>	-
Education programs	379,500	<b>380,744</b>	339,178
Honoraria	14,000	<b>14,313</b>	16,400
Materials and supplies	35,500	<b>38,234</b>	25,491
Meetings and events	6,000	<b>6,334</b>	4,863
Member support	15,000	<b>15,000</b>	-
Salaries, wages and benefits	100,000	<b>102,651</b>	53,613
Travel	1,000	<b>124</b>	4,241
Workshops	25,000	<b>24,941</b>	4,664
	<b>577,200</b>	<b>583,511</b>	448,450
<b>Operating surplus (deficit) before transfers</b>	54,635	<b>48,818</b>	(127,993)
<b>Transfers</b>	-	<b>132,569</b>	127,993
<b>Operating surplus (deficit)</b>	54,635	<b>181,387</b>	-

**Kwantlen First Nation**  
**Segmented Information - Economic Development**  
*Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020 (Restated)</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	-	45,000	15,000
Contracting services	-	5,764,830	3,082,873
Commercial lease income	-	1,407,606	1,286,500
Merchandise sales	-	194,996	1,552,454
Other income	-	189,317	74,157
Interest income	-	1,856	3,754
Forestry revenue	-	-	701,495
Rental income	-	(755)	17,166
Partnership Income	-	(6,746)	(904)
		<b>7,596,104</b>	6,732,495
<b>Expenses</b>			
Advertising	-	3,669	19,677
Cost of sales	-	1,351,661	841,885
Forestry expenses	-	101	240,471
Honoraria	-	2,509	33,915
Insurance	-	32,940	34,607
Interest and bank charges	-	127,359	201,095
Interest on long-term debt	-	290,713	597,102
Management expenses	-	120,525	227,082
Materials and supplies	-	97,283	451,568
Meetings and events	-	237	6,097
Office and other	-	182,409	306,046
Professional fees	-	314,485	430,609
Project expenses	-	626,396	132,040
Property taxes	-	7,806	10,390
Rent	-	78,717	71,865
Repairs and maintenance	-	53,571	3,520
Salaries, wages and benefits	-	2,137,109	3,167,000
Telephone and communications	-	18,656	27,449
Training	-	18,177	35,976
Travel	-	13,804	53,426
Utilities and security	-	48,438	63,741
Vehicle Lease	-	11,806	12,967
		<b>5,538,371</b>	6,968,528
<b>Operating surplus (deficit) before transfers</b>	-	<b>2,057,733</b>	(236,033)

*Continued on next page*

**Kwantlen First Nation**  
**Segmented Information - Economic Development**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020 (Restated)</i>
<i>Continued from previous page</i>			
<b>Operating surplus (deficit) before transfers</b>	-	2,057,733	(236,033)
<b>Transfers</b>	-	(562,418)	(211,418)
<b>Operating surplus (deficit)</b>	-	1,495,315	(447,451)
<b>Accumulated operating deficit, beginning of year, as previously stated</b>	(1,536,502)	(1,552,213)	(1,089,051)
<b>Prior period adjustment (Note 15)</b>	-	15,711	-
<b>Accumulated operating deficit, beginning of year, as restated</b>	(1,536,502)	(1,536,502)	(1,089,051)
<b>Accumulated operating deficit, end of year</b>	(1,536,502)	(41,187)	(1,536,502)

**Kwantlen First Nation**  
**Segmented Information - Lands and Resources**  
*For the Year Ended March 31, 2021*

	<i>Budget</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
Indigenous Services Canada (ISC)	-	943,175	2,929,829
ISC revenue deferred	-	903,970	(2,337,032)
Province of British Columbia	-	2,225,293	94,574
Land management and development	-	626,240	(5,281)
Other income	-	183,128	35,136
Contracting services	-	171,031	3,500
Donations	2,000	1,920	150
	2,000	<b>5,054,757</b>	720,876
<b>Expenses</b>			
Advertising	-	22	498
Contracted services	-	75,701	205,458
Honoraria	-	19,000	20,444
Insurance	-	3,420	-
Interest and bank charges	-	28,779	2,767
Management expenses	-	37,545	-
Materials and supplies	25,300	39,857	25,438
Meetings and events	100	1,570	7,053
Office and other	-	68,456	13,346
Professional fees	-	2,980,614	504,251
Project expenses	-	-	1,475
Property taxes	-	12,387	10,533
Training	-	22,102	3,459
Salaries, wages and benefits	-	829,554	550,373
Telephone and communications	-	11,765	5,046
Travel	250	3,997	9,023
Utilities and security	-	29,737	170
	25,650	<b>4,164,506</b>	1,359,334
<b>Operating surplus (deficit) before transfers</b>	(23,650)	<b>890,251</b>	(638,458)
<b>Transfers</b>	-	<b>(41,746)</b>	39,880
<b>Operating surplus (deficit)</b>	(23,650)	<b>848,505</b>	(598,578)
<b>Accumulated operating surplus (deficit), beginning of year</b>	(588,213)	<b>(588,213)</b>	10,365
<b>Accumulated operating surplus (deficit), end of year</b>	(611,863)	<b>260,292</b>	(588,213)