

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

Soowahlie First Nation Contents

For the year ended March 31, 2021

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Management's Responsibility

To the Members of Soowahlie First Nation:

The accompanying consolidated financial statements of Soowahlie 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 Soowahlie 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 financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

January 5, 2023

Signed by: Brenda Wallace

Chief

Signed by: Tanya Commodore

Councillor

To the Members of Soowahlie First Nation:

Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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 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.

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.

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 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 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 First Nation 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.

Chilliwack, British Columbia

January 5, 2023

MNP LLP

Chartered Professional Accountants

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

	2021	2020
Financial Assets		
Cash and cash equivalents	968,952	935,079
Restricted cash <i>(Note 3)</i>	123,620	25,429
Accounts receivable <i>(Note 4)</i>	236,492	300,260
Portfolio investments <i>(Note 5)</i>	110	110
CMHC subsidy receivable	2,635	19,572
Rent receivable <i>(Note 6)</i>	30,839	3,906
Investments in partnerships and government business entities <i>(Note 7)</i>	2,360,789	2,181,381
Funds held in trust <i>(Note 8)</i>	15,826	15,888
	3,739,263	3,481,625
Liabilities		
Accounts payable and accruals <i>(Note 9)</i>	414,772	325,912
Deferred revenue <i>(Note 10)</i>	339,118	461,352
Long-term debt <i>(Note 11)</i>	3,281,480	3,465,913
	4,035,370	4,253,177
Net debt	(296,107)	(771,552)
Non-financial assets		
Tangible capital assets <i>(Schedule 1)</i>	6,076,961	6,211,890
Accumulated surplus <i>(Note 12)</i>	5,780,854	5,440,338

Approved on behalf of the Council

Signed by: Brenda Wallace

Chief

Signed by: Tanya Commodore

Councillor

Soowahlie First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2021

	2021 Budget	2021	2020
Revenue			
Indigenous Services Canada	373,676	2,863,787	1,601,781
First Nations Health Authority	436,752	823,061	614,574
Canada Mortgage and Housing Corporation	-	31,624	32,851
Other revenue	333,000	514,049	599,733
Taxation	-	13,941	13,941
Rental income	-	146,794	150,085
Investment income	3,000	356,628	332,056
BC special distribution	-	865	862
Earnings from investment in Nation business entities	160,000	179,408	157,872
Gravel royalties	160,000	287,437	243,662
New Relationship Trust	-	-	21,000
Sto:lo Aboriginal Skills and Employment Training	35,000	35,069	70,911
Fish sales	60,000	118,323	56,989
First Nations Education Steering Committee Society	-	34,239	5,124
	1,561,428	5,405,225	3,901,441
Program expenses			
Administration	443,470	1,974,020	1,333,171
Capital Fund	-	206,723	226,217
Education and Employment	624,400	807,311	663,428
Health	320,880	514,917	690,861
Non-Profit Housing	-	73,175	85,169
Maintenance	278,000	1,143,146	665,889
Social Development	-	345,417	309,547
Total expenditures	1,666,750	5,064,709	3,974,282
Annual surplus (deficit)	(105,322)	340,516	(72,841)
Accumulated surplus, beginning of year	5,440,338	5,440,338	5,513,179
Accumulated surplus, end of year (Note 12)	5,335,016	5,780,854	5,440,338

Soowahlie First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2021

	2021 Budget	2021	2020
Annual surplus (deficit)	(105,322)	340,516	(72,841)
Purchases of tangible capital assets	-	(71,794)	-
Amortization of tangible capital assets	-	206,723	226,217
	-	134,929	226,217
Increase in net financial assets	(105,322)	475,445	153,376
Net debt, beginning of year	(771,552)	(771,552)	(924,928)
Net debt, end of year	(876,874)	(296,107)	(771,552)

Soowahlie First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Annual Surplus (deficit)	340,516	(72,841)
Non-cash items		
Amortization	206,723	226,217
Bad debts	16,036	400
Equity earnings from investments	(179,408)	(157,872)
Increase in funds held in trust	62	(73)
	383,929	(4,169)
Changes in working capital accounts		
Accounts receivable	47,732	(111,424)
CMHC subsidy receivable	16,937	(8,181)
Rent receivable	(26,933)	43,339
Accounts payable and accruals	88,860	147,207
Deferred revenue	(122,234)	461,352
	388,291	528,124
Financing activities		
Repayment of long-term debt	(184,433)	(189,514)
Repayment of capital lease obligations	-	(28,778)
	(184,433)	(218,292)
Capital activities		
Purchases of tangible capital assets	(71,794)	-
Investing activities		
Purchase of Investments	-	(110)
Withdrawal from Investment in Nation Partnership	-	218,067
	-	217,957
Increase in cash resources	132,064	527,789
Cash resources, beginning of year	960,618	432,829
Cash resources, end of year	1,092,682	960,618
Cash resources are composed of:		
Cash	968,952	935,079
Restricted Cash	123,730	25,539
	1,092,682	960,618
Supplementary cash flow information		
Interest paid	99,847	146,124

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

1. Operations

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

Impact of COVID-19 on operations

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation / quarantine orders.

The Nation's operations were not significantly impacted by COVID-19 during the 2021 fiscal year.

At this time, it is unknown the extent of the impact of COVID-19 outbreak may have on the Nation as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and isolation / quarantine measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may cause reduced customer demand, supply chain disruptions, staff shortages, and increased government regulations, all of which may negatively impact the Company's business and financial condition.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian Public Sector Accounting Standards and include the following significant accounting policies:

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Net debt

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

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.

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Revenue recognition

Government transfers

The 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 First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Externally restricted revenue

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purposes specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

Funds held in Ottawa Trust

Due to measurement uncertainty, revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received.

Own source revenues

Own source revenues derived from such sources as housing rents, resource based revenues, campsite revenue, fish sales, interest income and other revenue are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Tax revenue

The First Nation recognizes taxes as assets and revenue when they meet the definition of an asset; are authorized by a legislature, council, or legislative convention; and the taxable event has occurred.

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. The related tax receivable is initially recognized at its realizable value at the date of acquisition. At each financial statement date, the First Nation evaluates the tax receivable for collectibility and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in Ottawa Trust Fund

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

- Capital trust funds derived from non-renewable resource transactions on the sale of land or other First Nation tangible capital assets; and
- Revenue trust funds generated primarily through land leasing transactions or interest earned on deposits held in trust.

Investments

The First Nation uses the modified equity method to account for its investments in various business partnerships and corporations whereby the acquisition cost is increased by the First Nation's proportionate share of earnings.

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records for all tangible capital assets. Contributed tangible assets are recorded at their fair value at the date of contribution.

Amortization

Tangible capital assets are amortized annually using the following method at terms intended to amortize the cost of assets over their estimated useful lives:

	Method	Term
Buildings	straight-line	40 years
Housing	straight-line	25 years
Equipment	straight-line	10 years
Roads	straight-line	60 years
Water system infrastructure	straight-line	75 years
Water system buildings and reservoirs	straight-line	45 years
Bridges	straight-line	40 years
Computers	straight-line	5 years
Vehicles	straight-line	13 years
Gate	straight-line	10 years
Capital lease - equipment	straight-line	5 years

Measurement uncertainty

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable, rent receivable and amounts due from related parties, are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Tax receivable

Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. Tax receivables are evaluated as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Reporting entity

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities.

Segments

The First Nation conducts its business through a number of reportable segments as described in Note 14. These operating segments are established by senior management to facilitate the achievement of the First 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 consolidated financial statements.

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2021.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2021, management has determined no liability is required to be recorded.

3. Restricted cash

Restricted cash consists of the following:

	2021	2020
Replacement reserve	123,620	25,429

Under agreements with Canada Mortgage and Housing Corporation (CMHC), the First Nation established the following replacement reserve, funded by an annual allocation of \$12,824 (2020 - \$13,921), to ensure replacement of buildings financed by CMHC. At March 31, 2021, \$123,620 (2020 - \$25,429) has been set aside to fund this reserve. The replacement reserve is fully funded at March 31, 2021 (2020 - underfunded by \$34,863).

In accordance with terms of the agreements, CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal.

4. Accounts receivable

Accounts receivable includes loans to Band members in the amount of \$26,059 (2020 - \$31,590). The loans do not have specific terms of repayment. Loans to Band members are presented net of allowance for doubtful accounts of \$24,799 (2020 - \$23,749).

5. Portfolio investments

	2021	2020
Measured at cost:		
BC First Nations Gaming Revenue Sharing LP	100	100
BC First Nations Gaming Sharing General Partner Ltd.	10	10
	110	110

6. Rent Receivable

Rent receivable is presented net of allowance for doubtful accounts of \$131,922 (2020 - \$131,922).

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Investments in partnerships and government business entities

The First Nation has investments in the following entities:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings</i>	2021
				Total investment
First Nation Government Business Enterprises - Modified Equity:				
Centre Creek Management Ltd. - 11%				
Centre Creek Management Ltd. - 11%	10	-	-	10
Ts'elxweyeqw Tribe Management Ltd. - 14%	1	-	-	1
Ch-ihl-kway-uhk Tribe Society - 11%	-	-	72,419	72,419
	11	-	72,419	72,430
First Nation Business Partnerships – Modified Equity:				
Centre Creek Limited Partnership - 11%				
Centre Creek Limited Partnership - 11%	11	-	110,402	110,413
Ts'elxweyeqw Tribe Limited Partnership - 14%	14	-	2,177,932	2,177,946
	25	-	2,288,334	2,288,359
	36	-	2,360,753	2,360,789
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings</i>	2020
				Total investment
First Nation Government Business Enterprises - Modified Equity:				
Centre Creek Management Ltd. - 11%				
Centre Creek Management Ltd. - 11%	10	-	-	10
Ts'elxweyeqw Tribe Management Ltd. - 14%	1	-	-	1
Ch-ihl-kway-uhk Tribe Society - 11%	-	-	69,900	69,900
	11	-	69,900	69,911
First Nation Business Partnerships – Modified Equity:				
Centre Creek Limited Partnership - 11%				
Centre Creek Limited Partnership - 11%	11	-	108,707	108,718
Ts'elxweyeqw Tribe Limited Partnership - 14%	14	(218,067)	2,220,805	2,002,752
	25	(218,067)	2,329,512	2,111,470
	36	(218,067)	2,399,412	2,181,381

Continued on next page

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

7. Investments (Continued from previous page)

Summary financial information for each First Nation Government Business Enterprises, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Centre Creek Management Ltd.</i>	<i>Ts'elxweyeqw Tribe Management Ltd.</i>	<i>Ch-ihl-kway-uhk Tribe Society</i>
	<i>As at December 31, 2020</i>	<i>As at December 31, 2020</i>	<i>As at December 31, 2020</i>
Balance Sheet			
Assets	(5,636)	402,015	783,067
Liabilities	-	810,702	131,295
Equity (deficit)	(5,636)	(408,687)	651,772
Total Liabilities and Equity (Deficit)	(5,636)	402,015	783,067
Income Statement			
Revenue	75	663,507	49,058
Expenses	-	771,447	26,388
Net Income (Loss)	75	(107,940)	22,670

Summary financial information for each First Nation Business Partnerships, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>Centre Creek Limited Partnership</i>	<i>Ts'elxweyeqw Tribe Limited Partnership</i>
	<i>As at December 31, 2020</i>	<i>As at December 31, 2020</i>
Balance Sheet		
Assets	2,360,430	18,273,643
Liabilities	922,268	515,353
Partners' Capital	1,438,162	17,758,290
Total Liabilities and Partners' Capital	2,360,430	18,273,643
Income Statement		
Revenue	85,500	1,905,148
Expenses	70,099	677,558
Net Income (Loss)	15,401	1,227,590

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

8. Funds held in trust

Capital and revenue trust funds are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2021	2020
Capital Trust		
Balance, beginning of year	14,783	14,783
Revenue Trust		
Balance, beginning of year	1,105	1,032
Interest	178	244
BC Special Distribution	865	862
Semi-annual interest transfer	(1,105)	(1,180)
Balance, end of year	1,043	1,105
	15,826	15,888

9. Accounts payable and accruals

Included in accounts payable and accruals are government remittances payable of \$45,171 (2020 - \$22,160).

10. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each funding source:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada (Q38M-001)	37,657	-	37,657	-
Indigenous Services Canada (Q3AB-001)	159,900	40,000	159,900	40,000
Indigenous Services Canada (Q3AB-002)	223,795	409,250	369,110	263,935
Indigenous Services Canada (Q3AB-003)	40,000	-	40,000	-
Indigenous Services Canada (Q3AA-001)	-	35,183	-	35,183
	461,352	484,433	606,667	339,118

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

11. Long-term debt

	2021	2020
Project IX - All Nations Trust Company mortgage - payments of \$2,054 per month, including interest at 0.82% per annum; secured by Ministerial Guarantee of the Minister of Indigenous Services Canada; maturing July 1, 2024.	81,002	104,728
Project I - All Nations Trust Company mortgage - payments of \$3,584 per month, including interest at 2.22% per annum; secured by Ministerial Guarantee of the Minister of Indigenous Services Canada; maturing date of January 1, 2044.	770,477	796,185
Royal Bank of Canada loan bearing interest at 2.95% payable in blended monthly instalments of \$11,250; maturing April 1, 2039.	2,430,001	2,565,000
	3,281,480	3,465,913

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed at similar rates and terms, are estimated as follows:

2022	114,415
2023	117,119
2024	119,895
2025	106,266
2026	100,798

The Royal Bank of Canada loan is secured by the following:

- General security agreement on the first ranking security interest in all personal property of the borrower;
- Certificate of insurance coverage on the assets of the borrower showing the bank as loss payee as its interests may appear.

12. Accumulated surplus

Accumulated surplus consists of the following:

	2021	2020
Equity in Ottawa Trust Funds	15,826	15,888
Equity in CMHC replacement reserve	73,117	60,293
Equity in tangible capital assets	2,795,481	2,745,976
Equity in investments in business entities and partnerships	2,360,789	2,181,381
Accumulated operating surplus	535,641	436,800
	5,780,854	5,440,338

13. Economic dependence

The First Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC) as a result of funding agreements entered into with the Government of Canada. These funding agreements are administered by ISC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these funding agreements.

Soowahlie First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

14. Segments

The First Nation receives revenues and incurs expenses from many different projects and sources. For management and reporting purposes, the revenues, expenses and surplus or deficit are organized by segments. Schedule 2 discloses the First Nation's revenues and expenses in the following segments:

Administration

Includes general operations, support, and financial management of the First Nation.

Capital Projects

Includes revenue and expenditures related to capital projects.

Education and employment

Includes revenues and expenses related to various levels of education programs and growth and revenue producing projects for the members of the First Nation.

Health

Includes activities related to the provision of health services within the First Nation.

Housing

Includes rent collection and maintenance related to the mortgaged and non-mortgaged homes owned by the First Nation.

Maintenance

Includes revenues and expenditures related to conservation and stewardship of the First Nation's land and resources.

Ottawa Trust

Includes funds held in trust by the Government of Canada on behalf of the First Nation.

Social Development

Includes revenues and expenses relating to the social assistance of the members of the First Nation.

15. Comparative figures

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

Soowahlie First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Buildings</i>	<i>Housing</i>	<i>Equipment</i>	<i>Roads</i>	<i>Water System Infrastructure</i>	<i>Water System Buildings and Reservoirs</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	1,786,852	3,627,529	62,919	778,866	1,392,639	178,887	7,827,692
Acquisition of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	1,786,852	3,627,529	62,919	778,866	1,392,639	178,887	7,827,692
Accumulated amortization							
Balance, beginning of year	902,765	2,609,616	50,819	416,492	480,638	107,642	4,567,972
Annual amortization	40,581	64,176	3,347	13,007	18,522	3,971	143,604
Balance, end of year	943,346	2,673,792	54,166	429,499	499,160	111,613	4,711,576
Net book value of tangible capital assets	843,506	953,737	8,753	349,367	893,479	67,274	3,116,116
Net book value of tangible capital assets 2020	884,087	1,017,913	12,100	362,374	912,001	71,245	3,259,720

Soowahlie First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Bridges</i>	<i>Computers</i>	<i>Vehicles</i>	<i>Gate</i>	<i>Capital Lease - Equipment</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	7,827,692	437,273	14,729	126,317	75,168	129,500	8,610,679
Acquisition of tangible capital assets	-	-	9,945	-	61,849	-	71,794
Balance, end of year	7,827,692	437,273	24,674	126,317	137,017	129,500	8,682,473
Accumulated amortization							
Balance, beginning of year	4,567,972	338,887	13,847	46,013	28,470	103,600	5,098,789
Annual amortization	143,604	10,932	2,871	9,714	13,702	25,900	206,723
Balance, end of year	4,711,576	349,819	16,718	55,727	42,172	129,500	5,305,512
Net book value of tangible capital assets	3,116,116	87,454	7,956	70,590	94,845	-	3,376,961
Net book value of tangible capital assets 2020	3,259,720	98,386	882	80,304	46,698	25,900	3,511,890

Soowahlie First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

	<i>Subtotal</i>	<i>Land</i>	<i>2021</i>	<i>2020</i>
Cost				
Balance, beginning of year	8,610,679	2,700,000	11,310,679	11,310,679
Acquisition of tangible capital assets	71,794	-	71,794	-
Balance, end of year	8,682,473	2,700,000	11,382,473	11,310,679
Accumulated amortization				
Balance, beginning of year	5,098,789	-	5,098,789	4,872,572
Annual amortization	206,723	-	206,723	226,217
Balance, end of year	5,305,512	-	5,305,512	5,098,789
Net book value of tangible capital assets	3,376,961	2,700,000	6,076,961	6,211,890
 Net book value of tangible capital assets 2020	 3,511,890	 2,700,000	 6,211,890	

Soowahlie First Nation
Schedule 2 - Segmented Information
For the year ended March 31, 2021

	Administration	Capital	Employment	Health	Housing	Maintenance	Ottawa Trust	Social Development	2021
Revenue									
ISC	\$ 500,787	\$ -	\$ 694,390	\$ -	\$ 1,098,087	\$ -	\$ 570,523	\$ 2,863,787	
Other government	352,600	-	-	823,061	31,624	-	-	-	1,207,285
Economic activities and other	1,029,820	-	129,228	48,650	57,170	68,240	1,044	-	1,334,153
	1,883,207	-	823,618	871,712	88,794	1,166,327	1,044	570,523	5,405,225
Expenses									
Amortization	-	206,723	-	-	-	-	-	-	206,723
Operating expenses	812,433	-	845	108,639	50,575	49,695	-	16,240	1,038,426
Salaries, wages and benefits	564,410	-	118,170	325,197	-	255,931	-	48,332	1,312,039
Program and services expenses	597,178	-	688,296	81,081	22,599	837,521	-	280,846	2,507,521
	1,974,020	206,723	807,311	514,917	73,175	1,143,146	-	345,417	5,064,709
Surplus (deficit) before transfers	(90,813)	(206,723)	16,306	356,795	15,620	23,181	1,044	225,106	340,516
Transfers between programs	(98,561)	71,794	3,238	-	34,635	(10,000)	(1,106)	-	-
Annual surplus (deficit)	\$ (189,374)	\$ (134,928)	\$ 19,544	\$ 356,795	\$ 50,255	\$ 13,181	\$ (62)	\$ 225,106	\$ 340,516

	Administration	Capital	Employment	Health	Housing	Maintenance	Ottawa Trust	Social Development	2020
Revenue									
ISC	\$ 246,735	\$ -	\$ 614,011	\$ (3,417)	\$ 456,740	\$ -	\$ 287,712	\$ 1,601,781	
Other government	325,263	-	-	614,574	32,851	-	-	-	972,689
Economic activities and other	996,604	-	102,535	3,441	62,170	161,116	1,106	-	1,326,972
	1,568,602	-	716,546	614,598	95,021	617,856	1,106	287,712	3,901,441
Expenses									
Amortization	-	226,217	-	-	-	-	-	-	226,217
Operating expenses	641,821	-	21,048	176,387	43,369	42,481	-	33,880	958,988
Salaries, wages and benefits	420,135	-	160,410	318,842	-	211,804	-	14,361	1,125,551
Program and services expenses	271,215	-	481,970	195,632	41,799	411,603	-	261,306	1,663,526
	1,333,171	226,217	663,428	690,861	85,169	665,889	-	309,547	3,974,282
Surplus (deficit) before transfers	235,432	(226,217)	53,119	(76,263)	9,853	(48,033)	1,106	(21,835)	(72,841)
Transfers between programs	(301,815)	218,292	56,217	-	28,339	-	(1,033)	-	-
Annual surplus (deficit)	\$ (66,383)	\$ (7,925)	\$ 109,336	\$ (76,263)	\$ 38,192	\$ (48,033)	\$ 73	\$ (21,835)	\$ (72,841)