

Squiala First Nation
Financial Statements

March 31, 2021

Squiala First Nation Contents

For the year ended March 31, 2021

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Management's Responsibility

To the Members of Squiala First Nation:

Management is responsible for the preparation and presentation of the accompanying 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 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 financial statements.

The Squiala First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. 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 First Nation's external auditors.

Manning Elliott LLP is appointed by the members to audit the 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.

Original signed by Laureen Wilde

Administrator

INDEPENDENT AUDITORS' REPORT

To the Members of Squiala First Nation

Report on the Financial Statements

Opinion

We have audited the financial statements of Squiala First Nation (the First Nation), which comprise the statement of financial position as at March 31, 2021, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2021, and the results of its operations and 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the First Nation in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 10 of the financial statements, which describes the effects of a prior period adjustment. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements for the year ended March 31, 2020 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 22, 2020.

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

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

In preparing the financial statements, management is responsible for assessing the 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.

(continues)

INDEPENDENT AUDITORS' REPORT

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Manning Elliott LLP

MANNING ELLIOTT LLP
Chartered Professional Accountants
Abbotsford, British Columbia

July 26, 2021

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

	2021	2020 (Restated)
Financial assets		
Cash and cash equivalents	1,772,031	1,368,787
Accounts receivable	228,067	428,597
Restricted cash (Note 3)	1,244,658	1,179,924
Portfolio investments (Note 4)	110	110
Investments in Nation partnerships and business entities (Note 5)	18,273,081	17,673,711
Funds held in trust (Note 6)	12,617	12,573
Total of assets	21,530,564	20,663,702
Liabilities		
Accounts payable and accruals	1,199,616	1,445,669
Deferred revenue (Note 7)	14,921,213	15,102,909
Long-term debt (Note 8)	113,907	166,224
Total of financial liabilities	16,234,736	16,714,802
Net financial assets	5,295,828	3,948,900
Non-financial assets		
Tangible capital assets (Schedule 1)	10,529,454	10,825,698
Prepaid expenses	59,606	47,096
Total non-financial assets	10,589,060	10,872,794
Accumulated surplus (Note 9)	15,884,888	14,821,694

Approved on behalf of the First Nation

Original signed by Dave Jimmie

Chief

Original signed by Allen Jimmie

Councilor

Original signed by Alvin Jimmie

Councilor

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

	<i>Schedules</i>	<i>2021 Budget</i>	<i>2021</i>	<i>2020 (Restated)</i>
Revenue				
Indigenous Services Canada		1,824,320	2,583,524	2,308,322
Economic activity and other revenue		1,652,206	1,647,070	2,359,436
Earnings from investment in Nation partnerships and business entities		103,000	586,400	613,382
Rental and lease income		334,815	373,837	340,579
First Nation Education Steering Committee		135,000	301,518	230,342
Seabird Island Band		42,000	142,517	107,717
Canada Mortgage and Housing Corporation		26,000	183,782	25,723
Sto:lo Nation		-	6,314	7,080
Investment income		318,530	316,635	331,232
Ottawa Trust income		-	638	702
		4,435,871	6,142,235	6,324,515
Expenditures				
Band Government	3	778,263	656,848	605,627
Education & Training	4	1,332,582	1,115,975	1,106,008
Social Programs	5	616,339	522,365	422,198
Social Development	6	362,855	467,838	320,802
Community Infrastructure	7	520,974	460,199	450,004
Capital Projects	8	333,431	379,293	359,729
Economic Development	9	1,070,598	820,045	946,638
Investments	10	150,000	208,063	195,881
Social Housing	11	131,000	448,415	95,671
Total expenditures		5,296,042	5,079,041	4,502,558
Annual surplus (deficit)		(860,171)	1,063,194	1,821,957
Accumulated surplus, beginning of year		14,821,694	14,821,694	28,540,637
Prior period adjustment (Note 10)		-	-	(15,540,900)
Accumulated surplus, beginning of year, as restated		14,821,694	14,821,694	12,999,737
Accumulated surplus, end of year		13,961,523	15,884,888	14,821,694

Squiala First Nation
Statement of Change in Net Financial Assets
For the year ended March 31, 2021

	2021 Budget	2021	2020 (Restated)
Annual surplus (deficit)	(860,171)	1,063,194	1,821,957
Purchases of tangible capital assets	130,000	(117,266)	(1,554,821)
Amortization of tangible capital assets	315,000	413,510	377,048
	445,000	296,244	(1,177,773)
Acquisition of prepaid expenses	(59,606)	(59,606)	(47,096)
Use of prepaid expenses	47,096	47,096	46,899
	(12,510)	(12,510)	(197)
Increase (decrease) in net financial assets	(427,681)	1,346,928	643,987
Net financial assets, beginning of year	3,948,900	3,948,900	3,304,913
Net financial assets, end of year	3,521,219	5,295,828	3,948,900

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

	2021	2020
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	5,844,434	6,019,019
Cash paid to suppliers	(3,501,291)	(2,819,053)
Cash paid to employees for salaries, wages and benefits	(1,422,803)	(1,371,944)
Investment income	316,635	331,232
	1,236,975	2,159,254
Financing activities		
Repayment of long-term debt	(52,317)	(51,366)
Capital activities		
Purchases of tangible capital assets	(117,266)	(1,554,821)
Investing activities		
Net change in investments in Nation partnerships and business entities	(599,370)	(395,315)
Net change in restricted cash	(64,734)	(77,718)
Net change in Ottawa Trust Fund	(44)	185
Net change in portfolio investments	-	(110)
	(664,148)	(472,958)
Increase in cash resources	403,244	80,109
Cash resources, beginning of year	1,368,787	1,288,678
Cash resources, end of year	1,772,031	1,368,787

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

1. Operations

Squiala First Nation (the "First Nation") is located in the province of British Columbia, and provides various services to its members. Squiala First Nation includes the First Nation's members, government and all related entities that are accountable to the 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 communities through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The First Nation's operations were not materially impacted by COVID-19.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation's operations 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 quarantine/ isolation 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 First Nation's operations.

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

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.

Squiala First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- Squiala Holdings Limited Partnership
- Squiala Holdings GP Inc.
- Ch-ihl-kway-uhk Forestry Limited Partnership
- Ch-ihl-kway-uhk Tribe Society
- Ts'elxwyeqw Tribe Limited Partnership
- Centre Creek Limited Partnership

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.

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

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

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 and prepaid expenses.

Portfolio investments

Long-term investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Net financial assets

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

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.

Tangible capital assets

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

Amortization

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

	Method	Rate
Office	straight-line	5 years
Computer Equipment	straight-line	5 years
Infrastructure Assets	straight-line	40 years
Automotive Equipment	straight-line	10 years
Buildings	straight-line	40 years

Funds held in Ottawa Trust Fund

Funds held in trust on behalf of First Nation 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. Trust moneys consist of:

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

Revenue recognition

Own Source Revenue

Own source revenue derived from such sources as resource based revenues, 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.

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

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

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.

Investments

The First Nation uses the modified equity method to account for its investment listed under the reporting entity accounting policy, whereby the First Nation records its proportionate share of annual earnings or loss as revenue.

Funds held in Ottawa Trust Fund

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

Long-lived assets and discontinued operations

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

The First 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 asset's carrying amount exceeds its fair value. Fair value is measured using discounted future cash flows. Any impairment is included in surplus for the year.

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

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported 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 expenses during the reporting period.

Segments

The First Nation conducts its business through nine reportable segments: Band Government, Education & Training, Social Programs, Social Development, Community Infrastructure, Capital Projects, Economic Development, Investments and Social Housing. 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 financial statements.

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

3. Restricted cash

	2021	2020
Replacement Reserve Fund	268,338	280,713
Operating Reserve Fund	53,911	53,902
Children's Trust Fund	<u>922,409</u>	<u>845,309</u>
Total	<u>1,244,658</u>	<u>1,179,924</u>

Notes to restricted assets

Replacement Reserve

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the First Nation maintains a replacement reserve, established by an annual allocation of \$17,235, to ensure replacement of buildings financed by CMHC. In addition to the annual allocation, the First Nation was required to allocate a supplemental amount totalling \$53,559. At March 31, 2021, \$268,338 (2020 - \$280,713) has been set aside to fund this reserve. The reserve was fully funded as of March 31, 2021.

In accordance with terms of the agreements, CMHC reserve moneys 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.

Operating reserve

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") 1997 On-Reserve Program requirements, the First Nation has established an operating reserve resulting from annual surplus after the payment of all costs and expenses including allocation to the replacement reserve. 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 otherwise mutually agreed to by the First Nation and CMHC.

These funds may only be used for the ongoing operating costs of the housing projects committed under the 1997 On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. At March 31, 2021, \$53,911 (2020 - \$53,902) has been set aside to fund this reserve. This reserve was fully funded at March 31, 2021 (2020 - underfunded \$20,737).

Children's Trust Fund

The First Nation maintains an internally restricted trust fund for members of the First Nation who are entitled to a member distribution, but are not yet 18 years of age. These distributions are invested in short-term investments and can be withdrawn by the members when they reach the age of 18. All investment income earned is attributed to the members.

4. 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

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

5. Investments in First Nation partnerships and business entities

The First Nation has investments in the following business entities:

	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>
First Nation Business Entities - Modified Equity				
Chi-ihl-kway-uhk Tribe Society - 11.1%	11	-	72,408	72,419
Squiala Holdings GP Inc. - 100%	100	-	-	100
	111	-	72,408	72,519
First Nation Business Partnerships - Modified Equity:				
Chi-ihl-kway-uhk Forestry Limited Partnership - 12.4%	12	-	116,138	116,150
Ts'elxweyeqw Tribe Limited Partnership - 14.3%	14	-	2,593,852	2,593,866
Centre Creek Limited Partnership - 11%	11	-	166,652	166,663
Squiala Holdings Limited Partnership - 100%	100	6,952,882	8,370,901	15,323,883
	137	6,952,882	11,247,543	18,200,562
	248	6,952,882	11,319,951	18,273,081
	<i>Investment cost (Restated)</i>	<i>Loans / advances (Restated)</i>	<i>Cumulative share of earnings (loss) (Restated)</i>	<i>Total investment (Restated)</i>
First Nation Business Entities - Modified Equity				
Chi-ihl-kway-uhk Tribe Society - 11.1%	11	-	69,919	69,930
Squiala Holdings GP Inc. - 100%	100	-	-	100
Squiala Investment Holdings Inc. - 100%	100	(100)	-	-
	211	(100)	69,919	70,030
First Nation Business Partnerships - Modified Equity:				
Squiala Investment Holdings Limited Partnership - 100%	100	-	-	100
Chi-ihl-kway-uhk Forestry Limited Partnership - 12.4%	12	-	126,780	126,792
Ts'elxweyeqw Tribe Limited Partnership - 14.3%	14	-	2,418,657	2,418,671
Centre Creek Limited Partnership - 11%	11	-	164,957	164,968
Squiala Holdings Limited Partnership - 100%	100	6,952,882	7,940,168	14,893,150
	237	6,952,882	10,650,562	17,603,681
	448	6,952,782	10,720,481	17,673,711

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

5. Investment in First Nation partnerships and business entities *(Continued from previous page)*

Financial information for the investments in First Nation partnerships and business entities is as follows:

	Chi-ihl-kway-uhk Tribe Society	Squiala Holdings GP Inc.	Squiala Holdings LP	2021	2020
Balance Sheet					
Assets	783,067	497	15,324,079	16,107,643	16,251,642
Liabilities	131,295	810	6,952,982	7,085,087	82,698
Equity	651,772	(313)	8,371,097	9,022,556	16,168,944
Total Liabilities and Equity	783,067	497	15,324,079	16,107,643	16,251,642
Income Statement					
Revenue	49,058	43	430,836	479,937	69,452
Expenses	26,388	-	161	26,549	24,302
Net Income	22,670	43	430,675	453,388	45,150

	Chi-ihl-kway-uhk Forestry LP	Ts'elxweyeqw Tribe LP	Centre Creek LP	2021	2020
Balance Sheet					
Assets	1,056,448	18,273,643	2,360,430	21,690,521	35,313,659
Liabilities	72,844	515,353	922,268	1,510,465	8,350,077
Equity	983,604	17,758,290	1,438,162	20,180,056	26,963,582
Total Liabilities and Equity	1,056,448	18,273,643	2,360,430	21,690,521	35,313,659
Income Statement					
Revenue	11,708	1,905,148	85,500	2,002,356	3,174,292
Expenses	97,815	677,558	70,099	845,472	1,379,769
Net Income	(86,107)	1,227,590	15,401	1,156,884	1,794,523

Squiala First Nation holds investments in Ts'elxweyeqw Tribe Management Ltd., Centre Creek Management Ltd., and Chi-Ihl-Kway-Uhk Forest Ltd. which were established as the general partner corporations of Ts'elxweyeqw Tribe LP, Centre Creek LP and Chi-ihl-kway-uhk Forestry LP. The financial activity of these entities has been included in the consolidated financial information above.

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

6. Funds held in trust

Capital and revenue trust monies 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 and end of year	11,978	11,978
Revenue Trust		
Balance, beginning of year	595	780
Interest	143	204
BC special distribution	495	498
	1,233	1,482
Less: Transfers to Nation	594	887
	639	595
	12,617	12,573

7. Deferred revenue

	2021	2020
Eagle Landing Development Limited Partnership lease	14,915,995	15,085,175
Deferred board room rents	1,779	15,000
Hall rental security deposits	39	39
Deferred band housing rents	2,300	600
Deferred social housing rents	1,100	2,095
	14,921,213	15,102,909

8. Long-term debt

	2021	2020
ANTCO mortgage payable with interest at 2.22%, maturing December 1, 2023, with monthly payments of \$1,620, secured by real property and a ministerial guarantee.	51,813	69,892
ANTCO mortgage payable with interest at 1.86%, maturing April 1, 2024, with monthly payments of \$1,187, secured by real property and a ministerial guarantee.	42,657	55,978
ANTCO mortgage payable with interest at 1.43%, maturing February 1, 2022, with monthly payments of \$1,780, secured by real property and a ministerial guarantee.	19,437	40,354
		113,907
		166,224

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

2022	51,476
2023	32,712
2024	28,531
2025	1,188

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

9. Accumulated surplus

Accumulated surplus consists of the following:

	2021	2020 <i>(Restated)</i>
Operating Surplus	5,134,475	3,815,030
Equity in Tangible Capital Assets	10,415,547	10,659,476
Equity in Ottawa Trust Fund	12,617	12,573
CMHC Section 95 Housing Reserves	322,249	334,615
	15,884,888	14,821,694

10. Prior period adjustment

During the year, the First Nation determined that the value of an investment in Nation partnership was overstated, and should have been written down in a previous year. For 2021 and 2020 the impact of this correction has resulted in a decrease in investments in Nation partnerships and business entities and decrease in accumulated surplus in the amount of \$15,540,900. The comparative figures have been restated.

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

11. Segments

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

Band Government

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

Education & Training

Includes revenues and expenses related to various education, employment and training programs maintained by the First Nation.

Social Programs

Includes revenues and expenses for a variety of social programs provided to membership which are primarily funded by the First Nation's own sources revenue and centered around community needs.

Social Development

Includes services offered to community members in need of assistance for themselves and their dependents. Services include, but are not limited to, income assistance, child and family support, assisted living and early childhood development.

Community Infrastructure

Includes revenues and expenses for services related to general community infrastructure maintenance and public works.

Capital Projects

Includes large capital projects and contracts funded both internally and externally, and includes the First Nation's tangible capital assets.

Economic Development

Includes activities related to the growth of revenue producing projects within the First Nation.

Investments

Includes activities related to the growth of revenue producing projects of entities owned by the First Nation.

Social Housing

Includes the First Nation's CMHC Section 95 housing operation.

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

	<i>Office and Computer Equipment</i>	<i>Infrastructure Assets</i>	<i>Automotive Equipment</i>	<i>Buildings</i>	<i>Social Housing</i>	2021	2020
Cost							
Balance, beginning of year	532,542	2,708,529	255,341	10,481,657	1,420,541	15,398,610	13,843,789
Acquisition of tangible capital assets	16,096	-	77,025	24,145	-	117,266	1,554,821
Balance, end of year	548,638	2,708,529	332,366	10,505,802	1,420,541	15,515,876	15,398,610
Accumulated amortization							
Balance, beginning of year	492,837	1,174,452	145,230	1,965,985	794,408	4,572,912	4,195,864
Annual amortization	15,083	67,713	21,500	256,897	52,317	413,510	377,048
Balance, end of year	507,920	1,242,165	166,730	2,222,882	846,725	4,986,422	4,572,912
Net book value of tangible capital assets	40,718	1,466,364	165,636	8,282,920	573,816	10,529,454	10,825,698
Net book value of tangible capital assets (2020)	39,705	1,534,077	110,111	8,515,672	626,133	10,825,698	

Squiala First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

	2021	2020
Consolidated expenses by object		
Administration	(500)	3,529
Amortization	413,510	377,048
Bank charges and interest	4,440	5,595
Basic needs, shelter and social assistance	380,550	246,092
Community events	4,700	3,727
Consulting	27,000	-
Contracted services	602,942	546,146
Dental	25,568	19,973
Funeral	34,838	6,748
Honoraria	61,700	63,700
Insurance	86,871	74,729
Materials, supplies and equipment	145,342	134,585
Member support	476,545	413,653
Office expenses	20,450	25,496
Professional development	-	2,350
Professional fees	204,917	97,937
Property tax	557,999	691,038
Repairs and maintenance	105,905	7,357
Replacement reserve	126,254	13,509
Salaries and benefits	1,422,803	1,371,944
Special needs	209	2,131
Student expenses	83,471	68,987
Telephone and internet	22,943	27,496
Training	1,402	8,995
Transportation	12,647	23,143
Travel	3,661	15,356
Tuition	131,451	129,632
Utilities	121,423	121,662
	5,079,041	4,502,558

**Squiala First Nation
Band Government**
Schedule 3 - Schedule of Revenue and Expenses and Surplus
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	428,561	395,371
Economic activity and other revenue	385,464	567,513
Rental and lease income	46,345	28,705
Seabird Island Band	6,912	-
First Nation Education Steering Committee	-	560
Investment income	315,167	329,493
	1,182,449	1,321,642
Expenses		
Administration (recovery)	(5,500)	(4,645)
Bank charges and interest	1,181	1,019
Community events	4,700	3,727
Contracted services	53,586	69,676
Funeral	67	-
Honoraria	61,700	61,600
Insurance	13,438	9,626
Materials, supplies and equipment	36,480	36,179
Member support	94,074	97,877
Office expenses	16,650	21,091
Professional development	-	1,050
Professional fees	162,100	52,976
Repairs and maintenance	445	1,035
Salaries and benefits	193,482	216,534
Telephone and internet	21,643	24,413
Training	-	1,690
Transportation	298	528
Travel (recovery)	(361)	4,575
Tuition	-	7,500
Utilities (recovery)	2,865	(824)
	656,848	605,627
Surplus before transfers	525,601	716,015
Transfers between programs	(388,385)	(662,591)
Surplus	137,216	53,424

Squiala First Nation
Education & Training
Schedule 4 - Schedule of Revenue and Expenses and Surplus
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	913,672	901,926
Economic activity and other revenue	329,222	351,536
First Nation Education Steering Committee	301,518	229,782
Seabird Island Band	26,778	47,246
Sto:lo Nation	6,314	7,080
	1,577,504	1,537,570
Expenses		
Administration (recovery)	(500)	2,500
Contracted services	73,274	131,895
Insurance	-	2,047
Materials, supplies and equipment	41,075	30,577
Member support	124	1,180
Office expenses	4,533	6,357
Professional development	-	1,300
Salaries and benefits	772,412	717,530
Student expenses	83,471	68,387
Telephone and internet	-	110
Training	2,031	6,676
Transportation	6,687	7,792
Travel	194	5,311
Tuition	131,451	122,132
Utilities	1,223	2,214
	1,115,975	1,106,008
Surplus before transfers	461,529	431,562
Transfers between programs	(17,219)	7,982
Surplus	444,310	439,544

Squiala First Nation
Social Programs
Schedule 5 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	214,998	17,492
Seabird Island Band	103,175	54,818
Economic activity and other revenue	23,000	3,000
	341,173	75,310
Expenses		
Contracted services	48,709	30,100
Dental	25,568	19,973
Funeral	34,771	6,748
Honoraria	-	400
Materials, supplies and equipment	15,905	34,066
Member support	382,137	313,810
Office expenses	20	-
Student expenses	-	600
Telephone and internet	1,300	1,708
Transportation	-	1,280
Travel	3,827	5,471
Utilities	10,128	8,042
	522,365	422,198
Deficit before transfers	(181,192)	(346,888)
Transfers between programs	303,408	320,007
Surplus (deficit)	122,216	(26,881)

Squiala First Nation
Social Development
Schedule 6 - Schedule of Revenue and Expenses and Surplus
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	530,835	344,172
	530,835	344,172
 Expenses		
Administration	-	100
Basic needs, shelter and social assistance	380,550	246,092
Contracted services	2,661	25,759
Materials, supplies and equipment	-	1,084
Salaries and benefits	84,418	45,636
Special needs	209	2,131
	467,838	320,802
 Surplus before transfers	62,997	23,370
 Surplus	62,997	23,370

Squiala First Nation
Community Infrastructure
Schedule 7 - Schedule of Revenue and Expenses and Surplus
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	157,478	148,282
Rental and lease income	81,939	71,432
Seabird Island Band	5,653	5,653
	245,070	225,367
Expenses		
Bank charges and interest	16	35
Contracted services	61,638	91,498
Insurance	57,440	46,298
Materials, supplies and equipment	49,004	22,032
Member support	210	186
Repairs and maintenance	832	2,569
Salaries and benefits	185,250	176,953
Training	(629)	629
Transportation	5,662	13,543
Utilities	100,776	96,261
	460,199	450,004
Deficit before transfers	(215,129)	(224,637)
Transfers between programs	183,143	225,313
Surplus (deficit)	(31,986)	676

Squiala First Nation
Capital Projects
Schedule 8 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenue		
Indigenous Services Canada	18,250	211,098
Rental and lease income	-	900
	18,250	211,998
Expenses		
Amortization	361,194	325,681
Contracted services	10,894	9,453
Insurance	-	3,613
Materials, supplies and equipment	304	514
Professional fees	342	2,100
Repairs and maintenance	128	2,401
Utilities	6,431	15,967
	379,293	359,729
Deficit before transfers	(361,043)	(147,731)
Transfers between programs	93,643	806,053
Surplus (deficit)	(267,400)	658,322

**Squiala First Nation
Economic Development**
Schedule 9 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenue		
Economic activity and other revenue	909,384	1,437,387
Indigenous Services Canada	319,730	289,981
Rental and lease income	2,485	-
	1,231,599	1,727,368
Expenses		
Contracted services	137,480	109,090
Honoraria	-	1,700
Materials, supplies and equipment	2,575	7,713
Member support	-	600
Office expenses (recovery)	(752)	(1,952)
Professional fees	29,147	30,175
Property tax	557,999	691,038
Salaries and benefits	66,596	107,009
Telephone and internet	-	1,265
Consulting	27,000	-
	820,045	946,638
Surplus before transfers	411,554	780,730
Transfers between programs	(258,028)	(707,061)
Surplus	153,526	73,669

Squiala First Nation
Investments
Schedule 10 - Schedule of Revenue and Expenses and Surplus
For the year ended March 31, 2021

	2021	2020
Revenue		
Earnings from investment in Nation partnerships and business entities	586,400	613,382
Rental and lease income	169,180	169,180
Ottawa Trust income	638	702
	756,218	783,264
Expenses		
Contracted services	77,767	78,112
Professional fees	9,652	9,487
Salaries and benefits	120,644	108,282
	208,063	195,881
Surplus	548,155	587,383

Squiala First Nation
Social Housing
Schedule 11 - Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2021

	2021	2020
Revenue		
Canada Mortgage and Housing Corporation	183,782	25,723
Rental and lease income	73,888	70,362
Investment income	1,469	1,739
	259,139	97,824
Expenses		
Administration	5,500	5,575
Amortization	52,317	51,367
Bank charges and interest	3,242	4,541
Contracted services	136,933	562
Insurance	15,994	13,145
Materials, supplies and equipment	-	2,420
Professional fees	3,675	3,200
Repairs and maintenance	104,500	1,352
Replacement reserve	126,254	13,509
	448,415	95,671
Surplus (deficit) before transfers	(189,276)	2,153
Transfers between programs	83,438	10,298
Surplus (deficit)	(105,838)	12,451