

Squia First Nation
Financial Statements
March 31, 2022

Squiala First Nation Contents

For the year ended March 31, 2022

	Page
Management's Responsibility	
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations and Accumulated Surplus.....	2
Statement of Change in Net Financial Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	5
Schedule 1 - Schedule of Tangible Capital Assets.....	13
Schedule 2 - Segmented Information.....	14

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.



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, 2022, 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, 2022, 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.

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.

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.

(continues)

INDEPENDENT AUDITORS' REPORT

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.

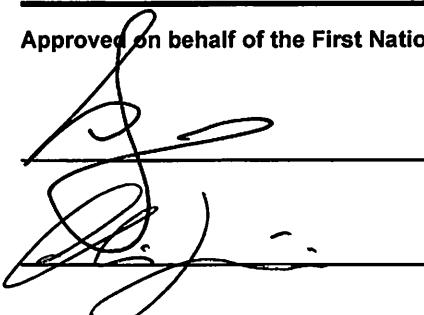
Manning Elliott LLP

MANNING ELLIOTT LLP
Chartered Professional Accountants
Abbotsford, British Columbia
July 26, 2022

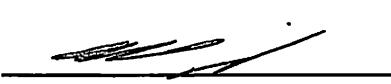
Squiala First Nation
Statement of Financial Position
As at March 31, 2022

	2022	2021
Financial assets		
Cash and cash equivalents	2,775,426	1,772,031
Accounts receivable	395,149	228,067
Restricted cash (Note 3)	1,300,045	1,244,658
Portfolio investments (Note 4)	110	110
Investments in Nation partnerships and business entities (Note 5)	19,780,897	18,273,081
Funds held in trust (Note 6)	566	12,617
Total of assets	24,252,193	21,530,564
Liabilities		
Accounts payable and accruals	1,200,625	1,199,616
Deferred revenue (Note 7)	15,176,776	14,921,213
Long-term debt	-	113,907
Total of financial liabilities	16,377,401	16,234,736
Net financial assets	7,874,792	5,295,828
Non-financial assets		
Tangible capital assets (Schedule 1)	10,203,965	10,529,454
Prepaid expenses	67,052	59,606
Total non-financial assets	10,271,017	10,589,060
Accumulated surplus (Note 8)	18,145,809	15,884,888

Approved on behalf of the First Nation



Chief



Councilor



Councilor

Squiala First Nation
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2022

	2022 Budget	2022	2021
Revenue			
Indigenous Services Canada	2,778,799	3,629,128	2,583,524
Economic activity and other revenue	9,995,106	2,723,792	1,647,070
Earnings from investment in Nation partnerships and business entities	310,000	725,699	586,400
Rental and lease income	310,000	356,480	373,837
First Nation Education Steering Committee	242,000	379,176	301,518
Seabird Island Band	42,000	170,665	142,517
Canada Mortgage and Housing Corporation	26,000	24,646	183,782
Sto:lo Nation	-	3,000	6,314
Investment income	184,157	188,453	316,635
Ottawa Trust income	-	566	638
	13,888,062	8,201,605	6,142,235
Expenditures			
Band Government	2,750,463	684,955	656,848
Education & Training	1,464,191	1,398,196	1,115,975
Social Programs	619,951	372,018	522,365
Social Development	427,659	374,374	467,838
Community Infrastructure	430,758	1,082,201	460,199
Capital Projects	1,486,681	392,789	379,293
Economic Development	1,058,539	1,155,222	820,045
Investments	305,000	263,731	208,063
Social Housing	166,000	217,198	448,415
Total expenditures	8,709,242	5,940,684	5,079,041
Annual surplus	5,178,820	2,260,921	1,063,194
Accumulated surplus, beginning of year	15,884,888	15,884,888	14,821,694
Accumulated surplus, end of year	21,063,708	18,145,809	15,884,888

Squiala First Nation
Statement of Change in Net Financial Assets
For the year ended March 31, 2022

	2022 Budget	2022	2021
Annual surplus	5,178,820	2,260,921	1,063,194
Purchases of tangible capital assets	(150,000)	(162,116)	(117,266)
Amortization of tangible capital assets	350,000	487,607	413,510
	200,000	325,491	296,244
Acquisition of prepaid expenses	(59,606)	(67,054)	(59,606)
Use of prepaid expenses	59,606	59,606	47,096
	-	(7,448)	(12,510)
Increase in net financial assets	5,378,820	2,578,964	1,346,928
Net financial assets, beginning of year	5,295,828	5,295,828	3,948,900
Net financial assets, end of year	10,674,648	7,874,792	5,295,828

Squiala First Nation
Statement of Cash Flows
For the year ended March 31, 2022

	2022	2021
Cash provided by (used for) the following activities		
Operating activities		
Cash receipts from contributors	8,101,633	5,844,434
Cash paid to suppliers	(3,733,508)	(3,501,291)
Cash paid to employees for salaries, wages and benefits	(1,726,009)	(1,422,803)
Investment income	188,453	316,635
	2,830,569	1,236,975
Financing activities		
Repayment of long-term debt	(113,907)	(52,317)
Capital activities		
Purchases of tangible capital assets	(162,116)	(117,266)
Investing activities		
Net change in investments in Nation partnerships and business entities	(1,507,814)	(599,370)
Net change in restricted cash	(55,387)	(64,734)
Net change in Ottawa Trust Fund	12,050	(44)
	(1,551,151)	(664,148)
Increase in cash resources	1,003,395	403,244
Cash resources, beginning of year	1,772,031	1,368,787
Cash resources, end of year	2,775,426	1,772,031

Squiala First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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'elxweyeqw 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, 2022

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, 2022

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, 2022.

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, 2022.

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, 2022

3. Restricted cash

	2022	2021
Replacement Reserve Fund	296,853	268,338
Operating Reserve Fund	53,911	53,911
Children's Trust Fund	<u>949,281</u>	<u>922,409</u>
Total	<u>1,300,045</u>	<u>1,244,658</u>

Notes to restricted assets

Replacement Reserve

Under agreements with Canada Mortgage and Housing Corporation ("CMHC") the Nation maintains a replacement reserve, established by a prorated annual allocation of \$15,287, to ensure replacement of buildings financed by CMHC. At March 31, 2022, \$296,853 (2021 - \$268,338) has been set aside to fund this reserve. The reserve was fully funded as of March 31, 2022.

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, 2022, \$53,911 (2021 - \$53,911) has been set aside to fund this reserve. This reserve was fully funded at March 31, 2022.

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

	2022	2021
Measured at cost:		
BC First Nations Gaming Revenue Sharing LP	100	100
BC First Nations Gaming Sharing General Partner Ltd.	<u>10</u>	<u>10</u>
	110	110

Squiala First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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>	2022
First Nation Business Entities - Modified Equity					
Chi-ihl-kway-uhk Tribe Society - 11.1%	11	-	83,959	83,970	
Squiala Holdings GP Inc. - 100%	100	-	-	100	
	111	-	83,959	84,070	
First Nation Business Partnerships - Modified Equity:					
Chi-ihl-kway-uhk Forestry Limited Partnership - 12.4%	12	-	191,837	191,849	
Ts'elxweyeqw Tribe Limited Partnership - 14.3%	14	-	2,835,044	2,835,058	
Centre Creek Limited Partnership - 11%	11	-	170,573	170,584	
Squiala Holdings Limited Partnership - 100%	100	7,735,198	8,764,038	16,499,336	
	137	7,735,198	11,961,492	19,696,827	
	248	7,735,198	12,045,451	19,780,897	
	<i>Investment cost</i>	<i>Loans / advances</i>	<i>Cumulative share of earnings (loss)</i>	<i>Total investment</i>	2021
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	

Squiala First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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	2022	2021
Balance Sheet					
Assets	932,464	536	16,427,332	17,360,332	16,107,643
Liabilities	176,730	810	7,662,859	7,840,399	7,085,087
Equity	755,734	(274)	8,764,473	9,519,933	9,022,556
Total Liabilities and Equity	932,464	536	16,427,332	17,360,332	16,107,643
Income Statement					
Revenue	132,852	39	395,676	528,567	479,937
Expenses	28,891	-	2,300	31,191	26,549
Net Income	103,961	39	393,376	497,376	453,388

	Chi-ihl-kway-uhk Forestry LP	Ts'elxweyeqw Tribe LP	Centre Creek LP	2022	2021
Balance Sheet					
Assets	1,684,262	22,438,956	2,340,894	26,464,112	21,690,521
Liabilities	88,207	2,990,632	867,083	3,945,922	1,510,465
Equity	1,596,055	19,448,324	1,473,811	22,518,190	20,180,056
Total Liabilities and Equity	1,684,262	22,438,956	2,340,894	26,464,112	21,690,521
Income Statement					
Revenue	1,374,996	2,507,648	126,000	4,008,644	2,002,356
Expenses	762,545	817,617	90,350	1,670,512	845,472
Net Income	612,451	1,690,031	35,650	2,338,132	1,156,884

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 have been included in the consolidated financial information above.

Squiala First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

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.

	2022	2021
Capital Trust		
Balance, beginning of year	11,978	11,978
Less: Transfers to Nation	11,978	-
Balance, end of year	-	11,978
Revenue Trust		
Balance, beginning of year	639	595
Interest	77	143
BC special distribution	489	495
	1,205	1,233
Less: Transfers to Nation	639	594
Balance, end of year	566	639
	566	12,617

7. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Amortization</i>	<i>Balance, end of year</i>
Eagle Landing Development LP land lease	14,915,995	-	169,180	14,746,815
Deferred ISC Renovation Funding (Q3XK-001)	-	424,335	-	424,335
Deferred housing rents	3,400	3,808	3,400	3,808
Other deferred income	1,818	-	-	1,818
	14,921,213	428,143	172,580	15,176,776

8. Accumulated surplus

Accumulated surplus consists of the following:

	2022	2021
Operating Surplus	7,590,514	5,134,475
Equity in Tangible Capital Assets	10,203,965	10,415,547
Equity in Ottawa Trust Fund	566	12,617
CMHC Section 95 Housing Reserves	350,764	322,249
	18,145,809	15,884,888

Squiala First Nation
Notes to the Financial Statements
For the year ended March 31, 2022

9. 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, 2022

	<i>Office and Computer Equipment</i>	<i>Infrastructure Assets</i>	<i>Automotive Equipment</i>	<i>Buildings</i>	<i>Social Housing</i>	2022	2021
Cost							
Balance, beginning of year	548,638	2,708,529	332,366	10,505,802	1,420,541	15,515,876	15,398,610
Acquisition of tangible capital assets	37,634	124,482	-	-	-	162,116	117,266
Transfer of matured CMHC housing units	-	-	-	459,911	-	459,911	-
Disposal of tangible capital assets	-	-	-	-	(1,420,541)	(1,420,541)	-
Balance, end of year	586,272	2,833,011	332,366	10,965,713	-	14,717,362	15,515,876
Accumulated amortization							
Balance, beginning of year	507,920	1,242,165	166,730	2,222,882	846,725	4,986,422	4,572,912
Annual amortization	19,028	70,453	26,960	257,259	113,907	487,607	413,510
Transfer of matured CMHC housing units	-	-	-	-	(960,632)	(960,632)	-
Balance, end of year	526,948	1,312,618	193,690	2,480,141	-	4,513,397	4,986,422
Net book value of tangible capital assets	59,324	1,520,393	138,676	8,485,572	-	10,203,965	10,529,454
Net book value of tangible capital assets (2021)	40,718	1,466,364	165,636	8,282,920	573,816	10,529,454	

Squiala First Nation
Schedule 2 - Segmented Information
For the year ended March 31, 2022

	Band Government	Economic Development	Education & Training	Social Programs	Social Development	Community Infrastructure	Capital Projects	Investments	Social Housing	2022
Revenue										
Indigenous Services Canada	\$ 576,797	\$ 359,008	\$ 1,056,194	\$ 186,440	\$ 519,469	\$ 931,220	\$ -	\$ -	\$ -	\$ 3,629,128
Other government	311,215	675	903,475	153,595	-	14,269	-	5,000	24,646	1,412,876
Economic activities and other	603,700	1,496,325	-	-	-	87,505	-	895,445	76,626	3,159,601
	1,491,712	1,856,008	1,959,669	340,035	519,469	1,032,994	-	900,445	101,272	8,201,605
Expenses										
Amortization	-	-	-	-	-	-	373,700	-	113,907	487,607
Operating expenses	372,301	959,707	160,677	66,686	53,783	893,991	19,089	152,573	97,791	2,776,597
Salaries, wages and benefits	210,512	195,350	993,740	-	30,999	184,250	-	111,158	-	1,726,009
Program and services delivery expenses	102,142	165	243,779	305,331	289,593	3,961	-	-	5,500	950,471
	684,955	1,155,222	1,398,196	372,018	374,374	1,082,201	392,789	263,731	217,198	5,940,684
Surplus (deficit) before transfers	806,757	700,786	561,473	(31,982)	145,095	(49,208)	(392,789)	636,714	(115,925)	2,260,921
Transfers between programs	50,852	(662,482)	9,118	217,996	-	852,739	181,205	8,022	(657,449)	-
Annual surplus (deficit)	\$ 857,610	\$ 38,304	\$ 570,590	\$ 186,013	\$ 145,095	\$ 803,532	\$ (211,584)	\$ 644,736	\$ (773,374)	\$ 2,260,921

	Band Government	Economic Development	Education & Training	Social Programs	Social Development	Community Infrastructure	Capital Projects	Investments	Social Housing	2021
Revenue										
Indigenous Services Canada	\$ 428,561	\$ 319,730	\$ 913,672	\$ 214,998	\$ 530,835	\$ 157,478	\$ 18,250	\$ -	\$ -	\$ 2,583,524
Other government	90,326	25,000	663,832	126,175	-	5,653	-	-	183,782	1,094,767
Economic activities and other	663,561	886,869	-	-	-	81,939	-	756,218	75,356	2,463,945
	1,182,448	1,231,599	1,577,504	341,172	530,835	245,070	18,250	756,218	259,138	6,142,235
Expenses										
Amortization	-	-	-	-	-	-	361,194	-	52,317	413,511
Operating expenses	357,825	753,449	122,636	80,123	52,855	271,957	18,099	87,419	264,344	2,008,707
Salaries, wages and benefits	193,482	66,596	772,412	-	84,418	185,250	-	120,644	-	1,422,803
Program and services delivery expenses	105,541	-	220,928	442,242	330,564	2,992	-	-	131,754	1,234,021
	656,848	820,045	1,115,975	522,365	467,838	460,199	379,293	208,063	448,415	5,079,041
Surplus (deficit) before transfers	525,600	411,554	461,528	(181,193)	62,997	(215,129)	(361,043)	548,155	(189,277)	1,063,194
Transfers between programs	(388,385)	(258,028)	(17,219)	303,408	-	183,143	93,643	-	83,438	-
Annual surplus (deficit)	\$ 137,215	\$ 153,526	\$ 444,309	\$ 122,215	\$ 62,997	\$ (31,986)	\$ (267,400)	\$ 548,155	\$ (105,839)	\$ 1,063,194