

**SHXW'OWHAMEL FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2021**

SHXW'OWHAMEL FIRST NATION
Index to Consolidated Financial Statements
Year Ended March 31, 2021

	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 4
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	5
Consolidated Statement of Operations	6
Consolidated Statement of Changes in Accumulated Surplus	7
Consolidated Statement of Changes in Net Financial Assets (Debt)	8
Consolidated Statement of Cash Flows	9
Notes to Consolidated Financial Statements	10 - 19
Consolidated Consolidated Expenses by object (<i>Schedule 1</i>)	20
Segment - Administration (<i>Schedule 2</i>)	21
Segment - Public Works and Maintenance (<i>Schedule 3</i>)	22
Segment - Housing and Infrastructure (<i>Schedule 4</i>)	23
Segment - Social Development (<i>Schedule 5</i>)	24
Segment - Education and Culture (<i>Schedule 6</i>)	25
Segment - Capital Projects (<i>Schedule 7</i>)	26
Segment - Economic Development (<i>Schedule 8</i>)	27
Segment -Siyam Council (<i>Schedule 9</i>)	28
Segment -Lands & Resources (<i>Schedule 10</i>)	29
Segment - Own Source Revenue (<i>Schedule 11</i>)	30
Segment - Health & Well Being (<i>Schedule 12</i>)	31

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Shxw'owhamel First Nation have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Shxw'owhamel First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Siyam Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility principally 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.

The consolidated financial statements have been audited on behalf of the members by Morine & Schindler CPAs LLP, in accordance with Canadian public sector accounting standards (PSAS).



D. H. Hays
Councillor



Jocille Casimir
Councillor

Hope, BC
December 10, 2020

Morine & Schindler

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Shxw'owhamel First Nation

Report on the Consolidated Financial Statements

Opinion

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

Basis for Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 Nation or to cease operations, or has no realistic alternative but to do so.

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

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Morine & Schindler

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Independent Auditor's Report to the Members of Shxw'owhamel First Nation *(continued)*

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

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

(continues)

Morine & Schindler

CHARTERED PROFESSIONAL ACCOUNTANTS LLP

Independent Auditor's Report to the Members of Shxw'owhamel First Nation *(continued)*

Nanaimo, British Columbia
May 11, 2022

CHARTERED PROFESSIONAL ACCOUNTANTS

SHXW'OWHAMEL FIRST NATION
Consolidated Statement of Financial Position
March 31, 2021

	2021	2020	
FINANCIAL ASSETS			
Cash	\$ 1,195,789	\$ 2,683,681	
Marketable securities (<i>Note 5</i>)	15,896,987	18,000,000	
Accounts receivable	1,087,950	689,079	
CMHC subsidy receivable	8,929	6,967	
Rent receivable	23,116	16,091	
Goods and services tax recoverable	85,290	35,701	
Restricted cash (<i>Note 3</i>)	82,009	81,759	
Funds held in trust (<i>Note 4</i>)	86,421	86,077	
Investment in joint venture (<i>Note 5</i>)	<u>1,535,563</u>	<u>84,027</u>	
	<u>20,002,054</u>	<u>21,683,382</u>	
LIABILITIES			
Accounts payable	1,340,020	1,157,620	
Interest payable	4,818	4,973	
Wages payable	46,482	15,620	
Damage deposits	7,480	7,080	
Employee deductions payable	20,594	21,306	
Long term debt (<i>Note 8</i>)	<u>23,232,037</u>	<u>11,298,649</u>	
	<u>24,651,431</u>	<u>12,505,248</u>	
NET FINANCIAL ASSETS (DEBT)	<u>(4,649,377)</u>	<u>9,178,134</u>	
NON-FINANCIAL ASSETS			
Prepaid expenses	152,696	55,425	
Tangible capital assets (<i>Note 7</i>)	<u>26,329,281</u>	<u>12,900,637</u>	
	<u>26,481,977</u>	<u>12,956,062</u>	
ACCUMULATED SURPLUS	<u>\$ 21,832,600</u>	<u>\$ 22,134,196</u>	
CONTINGENT LIABILITY (<i>Note 9</i>)			
ON BEHALF OF COUNCIL			
_____	<i>Councillor</i>	_____	<i>Councillor</i>
_____	<i>Councillor</i>	_____	<i>Councillor</i>

SHXW'OWHAMEL FIRST NATION
Consolidated Statement of Operations
Year Ended March 31, 2021

	Budget 2021	Total 2021	Total 2020
REVENUES			
Indigenous Services Canada	\$ 2,363,672	\$ 2,255,474	\$ 2,392,593
First Nations Health Authority	-	112,454	293,153
Province of BC	65,000	282,524	178,810
CMHC housing subsidies	-	107,150	122,284
Rental income	170,000	202,217	229,334
Investment income	150,000	44,901	55,200
Taxation	200,000	106,748	23,575
Sto:lo Aboriginal Skills and Employment Training	41,479	41,479	63,161
Brighter Futures	-	-	7,000
Lease revenue	-	65,340	94,063
Fundraising	-	-	22,620
Earnings from equity investments	-	1,175,639	(483,822)
Government of Canada	236,471	145,615	21,429,286
FNESC	28,310	120,587	1,544
BCFN Gaming	-	299,819	280,780
Other revenue	233,855	214,894	151,133
Trans Mountain	-	4,255,467	3,865,127
CMHC - other	21,098	6,500	282,712
RRF allocation	-	22,800	22,800
	<u>3,509,885</u>	<u>9,459,608</u>	<u>29,031,353</u>
EXPENSES			
Segment - Administration (<i>Schedule 2</i>)	1,265,051	5,886,877	6,702,447
Segment - Public Works and Maintenance (<i>Schedule 3</i>)	93,120	181,582	107,195
Segment - Housing and Infrastructure (<i>Schedule 4</i>)	68,300	356,811	361,565
Segment - Social Development (<i>Schedule 5</i>)	419,265	578,938	321,651
Segment - Education and Culture (<i>Schedule 6</i>)	999,648	270,140	633,479
Segment - Capital Projects (<i>Schedule 7</i>)	-	1,016,403	144,666
Segment - Economic Development (<i>Schedule 8</i>)	291,471	273,800	522,110
Segment - Siyam Council (<i>Schedule 9</i>)	-	180,761	192,990
Segment - Lands & Resources (<i>Schedule 10</i>)	373,030	503,385	275,830
Segment - Own Source Revenue (<i>Schedule 11</i>)	-	408,855	4,126,748
Segment - Health & Well Being (<i>Schedule 12</i>)	-	103,653	85,135
	<u>3,509,885</u>	<u>9,761,205</u>	<u>13,473,816</u>
	<u>-</u>	<u>(301,597)</u>	<u>15,557,537</u>
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (301,597)	\$ 15,557,537

SHXW'OWHAMEL FIRST NATION
Consolidated Statement of Changes in Accumulated Surplus
Year Ended March 31, 2021

	2021	2020
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 22,134,197	\$ 6,576,659
ANNUAL SURPLUS (DEFICIT)	<u>(301,597)</u>	<u>15,557,537</u>
ACCUMULATED SURPLUS - END OF YEAR	<u><u>\$ 21,832,600</u></u>	<u><u>\$ 22,134,196</u></u>

SHXW'OWHAMEL FIRST NATION
Consolidated Statement of Changes in Net Financial Assets (Debt)
Year Ended March 31, 2021

	Budget 2021	2021	2020
ANNUAL SURPLUS (DEFICIT)	\$ -	\$ (301,597)	\$ 15,557,537
Amortization of tangible capital assets	-	290,956	239,174
Purchase of tangible capital assets	-	(13,719,601)	(5,128,486)
Decrease (increase) in prepaid expenses	-	(97,271)	(37,402)
	<hr/>	<hr/>	<hr/>
	- (13,525,916)	(4,926,714)	
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	<hr/>	<hr/>	<hr/>
	- (13,827,513)	10,630,823	
NET FINANCIAL ASSETS (DEBT) - BEGINNING OF YEAR	<hr/>	<hr/>	<hr/>
	9,178,137	9,178,137	(1,452,686)
NET FINANCIAL ASSETS (DEBT) - END OF YEAR	<hr/>	<hr/>	<hr/>
	\$ 9,178,137	\$ (4,649,376)	\$ 9,178,137

SHXW'OWHAMEL FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Annual surplus (deficit)	\$ (301,597)	\$ 15,557,537
Items not affecting cash:		
Amortization of tangible capital assets	290,956	239,174
Earnings from equity investments	<u>(1,175,639)</u>	<u>483,822</u>
	<u>(1,186,280)</u>	<u>16,280,533</u>
Changes in non-cash working capital:		
Accounts receivable	(398,871)	725,148
CMHC subsidy receivable	(1,962)	3,866
Rent receivable	(7,025)	20,873
Accounts payable	182,404	(403,819)
Deferred income	-	(540,324)
Prepaid expenses	(97,271)	(37,402)
Goods and services tax payable	(49,589)	(34,710)
Restricted cash	(250)	(53,386)
Funds held in trust	(344)	(654)
Loans receivable	-	202,722
Interest payable	(155)	(257)
Wages payable	30,862	1,254
Damage deposits	400	-
Employee deductions payable	<u>(712)</u>	<u>10,893</u>
	<u>(342,513)</u>	<u>(105,796)</u>
Cash flow from (used by) operating activities	<u>(1,528,793)</u>	<u>16,174,737</u>
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(13,719,601)	(5,128,486)
Marketable securities	2,103,013	(18,000,000)
Investment in SVLP	<u>(275,897)</u>	<u>(84,027)</u>
Cash flow used by investing activities	<u>(11,892,485)</u>	<u>(23,212,513)</u>
FINANCING ACTIVITIES		
Proceeds from long term financing	12,518,033	8,916,976
Repayment of long term debt	<u>(584,647)</u>	<u>(189,809)</u>
Cash flow from financing activities	<u>11,933,386</u>	<u>8,727,167</u>
INCREASE (DECREASE) IN CASH FLOW		
Cash - beginning of year	<u>(1,487,892)</u>	<u>1,689,391</u>
CASH - END OF YEAR	<u>\$ 1,195,789</u>	<u>\$ 2,683,681</u>

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

1. OPERATIONS

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards (GAAP).

Basis of consolidation

The consolidated financial statements include the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation Business Entities. As a result, figures as at March 31, 2021 or for the years then ended include the operating fund, social housing fund and the capital fund. All inter-entity balances have been eliminated, however, in the respective schedules transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Shxw'owhamel First Nation business entities owned or controlled by the Nation's Council but not dependent on the Nation for their continuing operations, are included in the consolidated 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 Nation. Thus, the 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:

Shxw'owhamel Ventures Limited Partnership (SVLP).

Shxw'owhamel Ventures GP Ltd. (SVGP)

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents include 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.

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 amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Funds Held in Trust

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position and consist of:

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

Asset Classification

Assets are classified as 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.

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 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, 2020.

At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revision required to the amount previously recognized is accounted for in the period revisions are made. The Band 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, no liability for contaminated site exists.

Net Financial Assets (Net Debt)

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

Segments

The Nation conducts its business through a number of reportable segments as described in Note 11. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

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

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

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SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	25 years	straight-line method
Water and sewer	50 years	straight-line method
Motor vehicles	10 years	straight-line method
Land improvements	20 years	straight-line method
Computer equipment	4 years	straight-line method
Band housing	40 years	straight-line method
Furniture and fixtures	5 years	straight-line method

The Nation regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

All intangible assets and items inherited by the right of the Nation, such as reserve lands, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements.

CMHC housing units are amortized at an annual amount equal to the principal reduction in related debt as per the Nation's agreement with CMHC.

The Nation performs impairment testing on tangible capital assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized when an asset's service potential is reduced and they are charged to surplus in the year.

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SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The Nation recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Government transfers

The 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.

First Nation Capital and Revenue Trust Funds

The Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Canada Mortgage and Housing Corporation ("CMHC")

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

Housing rental income

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

Own source and other revenue

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

Investment income

Investment income is recognized by the Nation when investment income is earned.

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

3. Restricted cash

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited by an amount annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were fully funded.

4. Funds held in trust

	2021	2020
Capital		
Balance beginning and end of year	\$ 84,980	\$ 84,980
Subtotal	84,980	84,980
Revenue		
Balance beginning of year	1,097	443
Net additions	344	654
Balance end of year	1,441	1,097
	\$ 86,421	\$ 86,077

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

5. Investments and loans receivable

	2021	2020
Investment in Shxw'owhamel Ventures Limited Partnership (SVLP) - at modified equity method - 99.9% ownership	\$ 1,535,563	\$ 84,027
Investment in Shxw'owhamel Ventures GP Ltd. (SVGP) - at modified equity method - 100% ownership	1	1
Marketable securities	15,896,987	18,000,000
	\$ 17,432,551	\$ 18,084,028

Marketable securities are accounted for at the lower of cost and fair market value.

6. Summary financial information for Government Business Entities

SVLP and SVGP both as at and for the year ended December 31, 2020.

	SVLP	SVGP
<u>Assets</u>		
Cash	\$ 136,509	\$ -
Accounts receivable	2,407,903	1

(continues)

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

6. Summary financial information for Government Business Entities (*continued*)

	<i>SVLP</i>	<i>SVGP</i>
Assets		
Prepaid expenses	21,889	-
Capital assets	5,044,273	-
Investments	<u>1,674,418</u>	-
Total assets	<u>\$ 9,284,992</u>	\$ 1
Liabilities		
Accounts payable	\$ 5,455,851	\$ -
Loans and long-term debt	2,141,360	-
Lease liabilities	<u>595,383</u>	-
Total liabilities	<u>\$ 8,192,594</u>	\$ -
Equity		
Share capital	\$ -	1
Partner equity	<u>1,092,398</u>	-
Total equity	<u>\$ 1,092,398</u>	\$ 1
Operations		
Total revenues	\$ 7,213,836	\$ -
Total expenses	<u>(6,038,079)</u>	-
Net income (loss)	<u>\$ 1,175,757</u>	\$ -

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

7. TANGIBLE CAPITAL ASSETS

<u>Cost</u>	2020	2021		
	Balance	Additions	Disposals	Balance
Land and improvements	\$ 93,452	\$ 1,620,290	\$ -	\$ 1,713,742
Buildings	191,889	-	-	191,889
Vehicles	249,663	104,817	-	354,480
Computer equipment	176,860	-	-	176,860
Water & Sewer	1,663,270	-	-	1,663,270
Band housing	2,001,726	-	-	2,001,726
CMHC units	3,555,195	-	-	3,555,195
Construction in progress	6,892,892	11,994,493	-	18,887,385
Furniture	400	-	-	400
	\$ 14,825,347	\$ 13,719,600	\$ -	\$ 28,544,947
<u>Accumulated Amortization</u>	2020	2021	Accumulated Amortization on Disposals	Balance
	Balance	Amortization		
Land and improvements	\$ 76,865	\$ 45,180	\$ -	\$ 122,045
Buildings	57,232	7,676	-	64,908
Vehicles	142,053	30,207	-	172,260
Computer equipment	59,101	35,985	-	95,086
Water & Sewer	361,757	33,265	-	395,022
Band housing	670,985	50,043	-	721,028
CMHC units	556,677	88,520	-	645,197
Construction in progress	-	-	-	-
Furniture	40	80	-	120
	\$ 1,924,710	\$ 290,956	\$ -	\$ 2,215,666
<u>Net book value</u>		2021		2020
Land and improvements		\$ 1,591,697	\$ 16,587	
Buildings		126,981	134,657	
Vehicles		182,220	107,610	
Computer equipment		81,774	117,759	
Water & Sewer		1,268,248	1,301,513	
Band housing		1,280,698	1,330,741	
CMHC units		2,909,998	2,998,518	
Construction in progress		18,887,385	6,892,892	
Furniture		280	360	
		\$ 26,329,281	\$ 12,900,637	

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

8. LONG TERM DEBT

	2021	2020
All Nations Trust loan bearing interest at 2.68% , repayable in monthly blended payments of \$4,919. The loan matures on October 1, 2043 and is secured by real property and a ministerial guarantee.	\$ 962,942	\$ 995,878
All Nations Trust loan bearing interest at 2.39% , repayable in monthly blended payments of \$4,451. The loan matures on February 1, 2043 and is secured by real property and a ministerial guarantee.	850,122	882,930
All Nations Trust loan bearing interest at 1.69% repayable in monthly blended payments of \$2,613. The loan matures on September 1, 2024 and is secured by real property and a ministerial guarantee.	498,012	520,787
Toyota Financial Services loan bearing interest at 4.49% per annum, repayable in monthly blended payments of \$1,279. The loan matures on February 17, 2022 and is secured by equipment.	13,760	29,316
RBC - 905-001 loan bearing interest at prime plus .5% , repayable on demand . The loan is secured by equipment.	11,486	19,593
RBC - 099 001 loan bearing interest at prime plus .5% , repayable on demand. The loan is secured by equipment.	-	368
RBC - demand loan loan bearing interest at 19.99% , repayable on demand.	-	3,430
BMO - 142 loan bearing interest at prime plus .5% , repayable on demand. The loan is secured by an assignment of insurance.	10,734,000	4,913,546
BMO - 134 loan bearing interest at prime plus .5% , repayable on demand The loan is secured by an assignment of insurance.	3,805,834	3,932,801
BMO -003 (Omahil Camp Clearing) loan bearing interest at prime plus .5% , repayable on demand. The loan is secured by an assignment of insurance.	3,318,291	-
BMO - 645 (Settlement Dist) loan bearing interest at prime plus .5% , repayable on demand The loan is secured by an assignment of insurance.	<u>3,037,590</u>	-
	<u>\$ 23,232,037</u>	<u>\$ 11,298,649</u>

Principal repayment terms are approximately:

(continues)

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

8. LONG TERM DEBT <i>(continued)</i>	
2022	\$ 21,005,338
2023	93,183
2024	91,903
2025	93,680
2026	95,468
Thereafter	<u>1,852,465</u>
	<u><u>\$ 23,232,037</u></u>

9. CONTINGENT LIABILITY

The Nation has a housing program with CMHC. The financial results of that program are subject to review by CMHC and it is possible that adjustments could be made based on the results of their review.

10. ECONOMIC DEPENDENCE

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

SHXW'OWHAMEL FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2021

11. Segments

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

Administration:

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

Education and Culture:

Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation.

Public Works and Maintenance:

Includes revenue and expenditures related to public utilities and services.

Social Development:

Includes revenue and expenditures related to the social assistance and health services to the members of the Nation.

Housing and Infrastructure:

Includes revenue and expenses related to band owned and social housing of the members of the Nation.

Lands

and

Resources:

Includes revenue and expenses related to conservation and stewardship of the Nation's land and resources.

Economic Development:

Includes revenue and expenses related to economic opportunities of the Nation.

Health and Wellbeing:

Includes revenue and expenses related to health services of the Nation.

Capital Projects:

Includes revenue and expenses related to capital projects.

Siyam Council:

Includes revenue and expenses related to council.

Own Source Revenue:

Includes revenue and expenses related to other projects of the Nation.

12. Budget information

The disclosed budget information has been approved by the Siyam Council of the Nation.

Budget information was not prepared for the full scope of activities performed by the Nation for the year ended March 31, 2021. For many proposal driven departments, budget information was prepared but not assembled for inclusion in these financial statements.

SHXW'OWHAMEL FIRST NATION
Consolidated Expenses by object
Year Ended March 31, 2021

(Schedule 1)

	Budget 2021	Total 2021	Total 2020
CONSOLIDATED EXPENSES BY OBJECT			
Student costs	\$ 7,782	\$ 58,572	\$ 48,090
Advertising and promotion	1,500	3,970	14,947
Amortization	-	290,956	239,174
Consulting	437,722	1,413,059	911,190
Business taxes, licenses and memberships	-	8,469	3,983
Honoraria	208,000	148,582	389,416
Delivery, freight and express	1,000	1,110	1,547
Community events	17,700	82,451	128,750
Donations	2,500	385	9,077
Community distributions	-	3,462,939	5,022,397
Equipment rentals	20,000	939	14,581
Insurance	20,000	106,161	46,398
Interest and bank charges	34,000	71,213	42,908
Interest on long term debt	-	324,862	201,325
Social development	358,131	422,119	249,244
Tuition	821,358	19,097	434,781
Catering	20,000	3,960	49,743
Meetings and conventions	13,000	10,639	6,041
Miscellaneous	178,000	365,895	107,097
Office	38,507	23,736	120,130
Allocation to RRF	-	22,800	22,800
Professional fees	70,000	545,398	2,540,464
Rental	-	-	43,187
Repairs and maintenance	83,103	166,770	65,475
Salaries and wages	950,363	1,380,586	1,092,531
Security	5,000	366,645	343,533
Service contracts	22,400	57,662	754,606
Supplies	87,119	166,956	228,924
Telephone	28,600	47,678	26,610
Training	7,000	42,220	24,798
Travel	59,100	(19,603)	252,421
Utilities	8,000	120,493	29,262
Vehicle	10,000	44,482	8,381
	<hr/> \$ 3,509,885	<hr/> \$ 9,761,201	<hr/> \$ 13,473,811

SHXW'OWHAMEL FIRST NATION

Segment - Administration

(Schedule 2)

Year Ended March 31, 2021

	2021	2020
REVENUES		
Indigenous Services Canada	\$ 576,065	\$ 904,893
Rental income	-	44,421
Investment income	17,315	27,025
Province of BC	110,559	83,893
Government of Canada	139,563	21,429,286
Fundraising	-	22,620
Other revenue	64,790	31,771
	908,292	22,543,909
EXPENSES		
Consulting	281,929	130,630
Donations	-	8,797
Interest and bank charges	71,213	42,908
Community events	69,645	91,616
Delivery, freight and express	1,110	1,547
Insurance	106,161	45,709
Office	21,827	116,487
Advertising and promotion	70	14,947
Professional fees	311,837	1,861,212
Salaries and wages	753,702	472,667
Miscellaneous	157,208	77,831
Rental	-	43,087
Repairs and maintenance	26,549	11,598
Supplies	145,862	202,155
Telephone	19,407	9,522
Training	26,393	22,574
Travel	(1,341)	85,582
Equipment rentals	-	11,955
Service contracts	-	27,087
Community distributions	3,280,000	2,960,808
Interest on long term debt	89,194	141,232
Business taxes, licenses and memberships	8,439	3,438
Honoraria	38,150	108,463
Utilities	22,913	11,357
Vehicle	42,714	6,315
Meetings and conventions	9,739	728
Catering	1,620	32,349
Security	199,800	18,186
Amortization	202,436	141,660
Social development	300	-
	5,886,877	6,702,447
ANNUAL SURPLUS (DEFICIT)	(4,978,585)	15,841,462
ACCUMULATED SURPLUS , BEGINNING OF YEAR	18,565,883	2,724,420
ACCUMULATED SURPLUS, END OF YEAR	\$ 13,587,298	\$ 18,565,882