

CAYOOSE CREEK INDIAN BAND

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

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INDEPENDENT AUDITORS' REPORT

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CAYOOSE CREEK INDIAN BAND

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2021

The accompanying consolidated financial statements of Cayoose Creek Indian Band are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board and as such include amounts that are the best estimates and judgments of management.


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.


The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

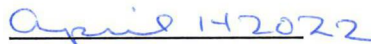
The external auditors, Reid Hurst Nagy Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Cayoose Creek Indian Band and meet when required.

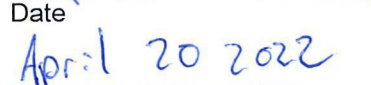
On behalf of Cayoose Creek Indian Band:



Chief


Councillor



Date


Date

Independent Auditors' Report

To the Members of
Cayoose Creek Indian Band

Qualified Opinion

We have audited the consolidated financial statements of Cayoose Creek Indian Band, which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, change in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations, its changes in its consolidated net financial assets, and its consolidated cash flows for the year then ended in accordance with Public Sector Accounting Standards ("PSAS").

Basis for Qualified Opinion

The financial information for related government business enterprises and partnerships is not available and has not been accounted for in the consolidated financial statements for the current year and prior years. In this respect, the financial statements are not in accordance with PSAS. We were not able to determine the adjustments that might have been necessary to investment in government business enterprises, liability in government enterprises, investment in government business partnerships, liability in government business partnerships, income (loss) from the government business enterprises, income (loss) from the government business partnerships, due to and from government business enterprises, due to and from government business partnerships, and the enterprises fund balance.

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 Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Matter

The consolidated financial statements for the year ended March 31, 2020 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on August 12, 2020.

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 Public Sector Accounting Standards (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 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 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 auditors' 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

A handwritten signature in black ink that reads 'Reid Hurst Nagy Inc.'.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS
KELOWNA, B.C.
April 14, 2022

CAYOOSE CREEK INDIAN BAND

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31	2021	2020
FINANCIAL ASSETS		
Cash	\$ 2,114,697	\$ 1,585,202
Restricted cash (Note 2)	129,312	126,986
Accounts receivable (Note 3)	331,208	186,499
Loans receivable (Note 4)	829,885	658,392
Rents receivables	10,721	12,110
Temporary investment (Note 5)	100,000	100,000
Long-term investments (Note 6)	188,409	188,299
	3,704,232	2,857,488
LIABILITIES		
Accounts payable (Note 7)	224,770	28,548
Replacement reserve fund (Note 8)	14,134	8,242
Deferred revenue (Note 10)	163,768	-
Due to related party (Note 11)	10,000	-
Long-term debt (Note 12)	1,336,590	1,142,035
	1,749,262	1,178,825
NET FINANCIAL ASSETS	1,954,970	1,678,663
NON-FINANCIAL ASSETS		
Capital assets (Note 9)	1,827,291	1,971,199
ACCUMULATED SURPLUS (Note 13)	\$ 3,782,261	\$ 3,649,862

APPROVED ON BEHALF OF THE CAYOOSE CREEK INDIAN BAND

 Chief
 Councillor

CAYOOSE CREEK INDIAN BAND

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended March 31	2021 Budget	2021 Actual	2020
ANNUAL SURPLUS	\$ 58,385	\$ 132,399	\$ 1,959,703
Acquisition of tangible capital assets	-	(28,401)	(669,002)
Amortization of tangible capital assets	-	172,309	171,085
Decrease in prepaid expenses	-	-	11,295
	-	143,908	(486,622)
INCREASE IN NET FINANCIAL ASSETS	58,385	276,307	1,473,081
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	-	1,678,663	205,582
NET FINANCIAL ASSETS AT END OF YEAR	\$ -	\$ 1,954,970	\$ 1,678,663

CAYOOSE CREEK INDIAN BAND

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31	2021 Budget	2021 Actual	2020 Actual
REVENUE			
Indigenous Services Canada	\$ 1,042,056	\$ 1,711,165	\$ 1,385,680
First Nations Health Authority	307,215	515,918	928,096
First Nations Education Steering Committee	-	15,982	-
First Nations Emergency Services	57,690	108,810	57,690
Canada Mortgage and Housing Corporation	27,974	28,276	28,276
St'at'imc Trust	170,000	140,000	-
Province of BC	30,003	30,000	30,001
BC Hydro	124,429	485,941	698,472
Aboriginal Skills and Employment Training Strategy	-	-	51,870
New Relationship Trust	30,000	11,000	29,000
Property tax assessed	-	25,204	-
Own source revenues	417,533	494,596	3,857,888
Donations	-	5,200	41,332
Interest	2,751	53,814	25,632
Rental	85,645	95,888	107,665
Other	204,709	167,947	248,781
Deferred revenue - current	-	(163,768)	-
Deferred revenue - prior	34,500	-	7,844
	2,534,505	3,725,973	7,498,227
EXPENSES			
Band Support	715,183	973,228	806,707
Public Works	248,148	173,510	126,675
Capacity Building	131,722	785,397	357,191
First Nation Health Authority	363,166	449,953	347,629
Business Planning	747,622	647,583	3,199,828
Band Housing	86,125	229,986	63,774
CMHC Housing	53,594	48,886	44,985
Community Pillar Services	130,560	133,842	441,303
Capital Fund	-	151,189	150,432
	2,476,120	3,593,574	5,538,524
ANNUAL SURPLUS	58,385	132,399	1,959,703
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	-	3,649,862	1,690,159
ACCUMULATED SURPLUS AT END OF YEAR	\$ 58,385	\$ 3,782,261	\$ 3,649,862

CAYOOSE CREEK INDIAN BAND

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2021	2021	2020
OPERATING ACTIVITIES		
ANNUAL SURPLUS	\$ 132,399	\$ 1,959,703
Items not affecting cash		
Amortization of tangible capital assets	172,309	171,085
Adjustment to prior period surplus	-	18,572
	304,708	2,149,360
Change in non-cash operating working capital		
Accounts receivable	(144,709)	(14,533)
Accounts payable	196,223	(418,578)
Deferred revenue	163,768	-
Rents receivables	1,389	(8,081)
Prepaid expenses	-	11,295
Replacement reserve fund	5,892	5,831
	527,271	1,725,294
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(28,401)	(669,002)
FINANCING ACTIVITIES		
Advances from related parties	10,000	-
Repayment of long-term debt	(143,474)	(39,795)
Proceeds from long-term debt	338,028	500,000
	204,554	460,205
INVESTING ACTIVITIES		
Advances to loans receivable	(171,493)	(658,392)
Acquisition of shares in BC First Nations Gaming Revenue Sharing General Partner Inc.	(10)	-
Acquisition of shares in BC First Nation Gaming Revenue Sharing Limited Partnership	(100)	-
	(171,603)	(658,392)
INCREASE IN CASH AND CASH EQUIVALENTS	531,821	858,105
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,712,188	854,083
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 2,244,009	\$ 1,712,188
CASH AND CASH EQUIVALENTS ARE REPRESENTED BY:		
Cash	\$ 2,114,697	\$ 1,585,202
Restricted cash	129,312	126,986
	\$ 2,244,009	\$ 1,712,188

The accompanying notes are an integral part of the financial statements

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting Entity

The Cayoose Creek Indian Band reporting entity includes the Cayoose Creek Indian Band government and all related entities that are controlled by the First Nation.

(b) Fund Accounting

The Cayoose Creek Indian Band maintains the following funds and reserves as part of its operations:

- The Operating Fund which reports the general activities of the First Nation administration.
- The Capital Fund which reports the capital assets of the First Nation not included in other funds, together with their related activities.
- The Trust Fund which reports on the trust funds of the First Nation and held by third parties.
- The Social Housing Fund which reports on the social housing assets of the First Nation together with their related activities.
- The Enterprise Fund which reports the First Nation's investment in self-supporting commercial entities.

(c) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only Cayoose Creek Indian Band's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Cayoose Creek Indian Band.

Organizations consolidated in Cayoose Creek Indian Band's financial statements include:

1. Cayoose Creek Indian Band Operating Fund
2. Cayoose Creek Indian Band Social Housing
3. Cayoose Creek Indian Band Capital Fund
4. Cayoose Creek Indian Band Trust Fund
5. Cayoose Creek Indian Band Enterprise Fund

(d) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Revenue Recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(f) Asset classification

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

(g) Budget

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Council.

(h) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

(i) Use of Estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and short-term investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(k) Temporary Investments

Temporary investments consist of term deposits or GICs with maturity of dates of greater than three months. Investments are reported at cost plus accrued interest.

(l) Long-term Debt

Proceeds from long-term debt are recorded as program revenue. Payments of principal and interest are treated as program expenditures. Long-term debt is recorded as a liability on the balance sheet. Reductions of long-term debt are offset with an increase to Equity in Capital Assets.

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Cayoose Creek Indian Band's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives as follows:

Buildings	20 years Straight line
Equipment	15 years Straight line
Infrastructure	20 years Straight line
Construction in progress	zero years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to Cayoose Creek Indian Band's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(n) Replacement Reserve

The Replacement Reserve is funded by an annual charge against earnings as opposed to an appropriation of surplus.

(o) Surplus Recoveries and Deficit Funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

(p) Contaminated sites

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 Band 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 Band 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 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 of March 31, 2021 the band does not recognize any liability for contaminated sites

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

2. RESTRICTED CASH

Replacement Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Housing Program must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account with any interest earned to be credited as revenue to the Replacement Reserve Fund.

Operating Reserve Fund:

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage & Housing Corporation, the Program is to set aside any surplus revenue to an operating reserve for the purpose of meeting future requirements of income listed occupants over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

Ottawa Trust Funds:

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2021	2020
Replacement Reserve Fund - restricted cash	\$ 11,131	\$ 11,038
Operating Reserve Fund - restricted cash	16,801	16,189
Ottawa Trust Fund - restricted cash	101,380	99,759
	\$ 129,312	\$ 126,986

3. ACCOUNTS RECEIVABLE

	2021	2020
Accounts receivable - general	\$ 214,201	\$ 42,814
Indigenous Services Canada	115,171	143,685
Member loans	13,567	-
Stat'imc Trust	100,000	-
Province of BC	108,810	-
	551,749	186,499
Allowance for doubtful accounts	(220,541)	-
	\$ 331,208	\$ 186,499

4. LOANS RECEIVABLE

	2021	2020
Loan receivable from Jessica Hopkins, monthly payment at various amounts with interest at 4%	\$ 662,000	\$ 594,502
Loan receivable from Jessica Grant, monthly payment at various amounts with interest at 4%	167,885	63,890
	\$ 829,885	\$ 658,392

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

5. TEMPORARY INVESTMENT

CIBC term deposit with interest rate at 0.4% matures on June 28, 2022. It's required as a security for the First Nation's line of credit account.

6. LONG-TERM INVESTMENTS

	2021	2020
Investment in Lilloet Salish Enterprises Ltd - held at cost with 50% ownership	\$ 188,299	\$ 188,299
Investment in BC First Nations Gaming Revenue Sharing Limited Partnership	100	-
Investment in BC First Nations Gaming Revenue Sharing General Partner Inc.	10	-
	110	-
	\$ 188,409	\$ 188,299

7. ACCOUNTS PAYABLE

	2021	2020
Trade payables	\$ 132,255	\$ 28,548
School district	65,687	-
Payroll payable	26,828	-
	\$ 224,770	\$ 28,548

8. REPLACEMENT RESERVE FUND

The Replacement Reserve is established in accordance with the Operating Agreements with CMHC for on-reserve housing. Funds are required to be set aside annually and held for future replacements of capital items related to the homes.

	2021	2020
Balance, beginning of the year	\$ 8,242	\$ 2,417
Current year appropriations	5,800	5,800
Interest	134	25
Bank charges	(42)	-
	\$ 14,134	\$ 8,242

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

9. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2021 net book value
Buildings	\$ 2,807,615	\$ -	\$ 2,807,615	\$ 1,774,450	\$ 99,875	\$ 1,874,325	\$ 933,290
Equipment	407,407	28,401	435,808	216,133	27,919	244,052	191,756
Infrastructure	1,498,101	-	1,498,101	1,386,341	44,515	1,430,856	67,245
Construction in progress	635,000	-	635,000	-	-	-	635,000
	\$ 5,348,123	\$ 28,401	\$ 5,376,524	\$ 3,376,924	\$ 172,309	\$ 3,549,233	\$ 1,827,291

	Cost			Accumulated amortization			
	Balance, beginning of year	Additions	Balance, end of year	Balance, beginning of year	Amortization	Balance, end of year	2020 Net book value
Buildings	\$ 2,807,615	\$ -	\$ 2,807,615	\$ 1,675,039	\$ 99,411	\$ 1,774,450	\$ 1,033,165
Equipment	373,405	34,002	407,407	188,973	27,160	216,133	191,274
Infrastructure	1,498,101	-	1,498,101	1,341,827	44,514	1,386,341	111,760
Construction in progress	-	635,000	635,000	-	-	-	635,000
	\$ 4,679,121	\$ 669,002	\$ 5,348,123	\$ 3,205,839	\$ 171,085	\$ 3,376,924	\$ 1,971,199

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

10. DEFERRED REVENUE

	March 31, 2020	Funding received, 2021	Revenue recognized, 2021	March 31, 2021
Federal government				
Indigenous Services Canada	\$ -	\$ 95,192	\$ (15,322)	\$ 79,870
Provincial Government				
BC First Nation Gaming Revenue Sharing	-	300,349	(216,451)	83,898
	\$ -	\$ 395,541	\$ (231,773)	\$ 163,768

11. DUE TO RELATED PARTY

	2021	2020
Due to Cayoose Creek Development Corporation	\$ 10,000	\$ -

Transactions with related party, if any, are in the normal course of business and are for fair consideration that is mutually agreed upon by the related party.

12. LONG-TERM DEBT

	2021	2020
Bank of Montreal construction loan payable on demand. Interest calculated at prime plus 1.00% per annum. Secured by a general charge against operations.	\$ 632,432	\$ 492,578
All Nations Trust Company loan repayable in blended monthly installments of \$2,769.62 including interest at 2.06% per annum; secured by a Ministerial Guarantee from Indigenous Services Canada; term due November 1, 2042.	580,568	601,685
Caterpillar loan, payment of \$1,279 per month including interest at 6.70% per annum, maturing September 24, 2023, secured by equipment	35,243	47,772
Bank of Montreal construction loan payable on demand. Interest calculated at prime plus 1.00% per annum. Secured by a general charge against operations.	88,347	-
	\$ 1,336,590	\$ 1,142,035

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

12. LONG-TERM DEBT, continued

Principal portion of long-term debt due within the next five years:

2022	\$	58,799
2023		61,010
2024		55,541
2025		49,377
2026 and thereafter		1,111,863
	\$	1,336,590

13. ACCUMULATED SURPLUS

	2021	2020
Unrestricted		
Operating Fund	\$ 2,064,925	\$ 1,820,205
Capital Fund	1,211,480	1,321,740
	3,276,405	3,141,945
Restricted		
CMHC Housing	48,238	45,548
Community Pillar Services	356,239	362,612
Ottawa Trust Funds	101,379	99,757
	505,856	507,917
	\$ 3,782,261	\$ 3,649,862

14. CONTINGENT LIABILITIES

a) Indigenous Services Canada

Under the terms of the contribution agreements with Indigenous Services Canada and other governmental departments, certain surpluses may be repayable to the government and certain deficits may be reimbursable to the First Nation.

b) Loan Guarantee

The First Nation has provided a guarantee to the Bank of Montreal for Antares Construction LLP, a wholly owned Limited Partnership of Cayoose Creek Indian Band for a operating loan/overdraft facility in the amount of \$1,500,000 and a corporate credit card in the amount of \$75,000. In the case of default, the Bank of Montreal may recover the outstanding amounts from the First Nation.

The First Nation has provided a guarantee to the Bank of Montreal for Antares Project Services LLP, a wholly owned Limited Partnership of Cayoose Creek Indian Band for an operating loan/overdraft facility in the amount of \$500,000 and a corporate credit card in the amount of \$25,000. In the case of default, the Bank of Montreal may recover the outstanding amounts from the First Nation.

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

15. ECONOMIC DEPENDENCE

Cayoose Creek Indian Band receives a significant portion of its revenue pursuant to an agreement referred to as "The Comprehensive Funding Arrangement". This agreement has been entered into by the First Nation and Indigenous Services Canada. It is expected that the agreement will be renewed on an annual basis.

The First Nation also receives major funding pursuant to an arrangement with the First Nations Health Authority and under which certain surpluses and deficits may be offset, but with the net balance repayable or refundable as the case may be.

16. LEASES

The nature of Cayoose Creek Indian Band's activities can result in some multi-year leases whereby it will be obligated to make future payments. Lease payments required under contract over the next 3 years are as follows: (2022 \$11,628, 2023 \$11,628, 2024 \$11,628).

17. SEGMENTED INFORMATION

As previously discussed in note 2 (d) the First Nation conducts its business through reportable segments as follows:

The Band Support department is responsible for administering projects the First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation and the development of stable, legitimate and accountable community governments. These programs include Education and Social Development.

The Public Works department provides maintenance services to the First Nation's assets, infrastructure and common property.

The Capacity Building departments provides various programs and employment opportunities to the community members.

The First Nation Health Authority department oversees the delivery of health programs and initiatives for the betterment of the lives of the members of the First Nation.

The Business Planning programs are own source revenue and economic development projects.

The Band Housing program is responsible for the administration and management of the band owned housing units.

The Community Pillar Services are programs funded by the St'at'imc (PC) 2011 Trust.

Social Housing is responsible for the administration and management of Social Housing units.

Other operations include Capital Fund, and Trust Fund transactions.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1.

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

17. SEGMENTED INFORMATION, continued

	2021 Budget	Band Support 2021 Actual	2020 Actual	2021 Budget	Public Works 2021 Actual	2020 Actual	2021 Budget	Capacity Building 2021 Actual	2020 Actual
Revenues									
Indigenous Services Canada	\$ 794,268	\$ 1,092,362	\$ 867,008	\$ 232,788	\$ 208,647	\$ 126,675	\$ 15,000	\$ 266,471	\$ 248,312
BC Hydro	-	-	-	-	-	-	-	373,350	589,998
First Nations Emergency Services	-	-	-	-	-	-	57,690	108,810	57,690
Rental	-	-	150	-	-	-	-	-	-
Interest	-	5,908	26	-	-	-	-	-	-
Other revenue	-	4,395	30,000	15,600	4,857	-	57,532	41,776	47,532
Total revenue	794,268	1,102,665	897,184	248,388	213,504	126,675	130,222	790,407	943,532
Expenses									
Wages and benefits	127,458	257,606	174,349	138,391	66,112	57,999	55,412	100,840	59,266
Contractors	41,144	97,275	29,389	13,500	11,266	5,731	15,860	23,112	186,384
Materials and supplies	38,496	35,334	32,573	19,794	10,017	836	16,500	136,073	23,100
Flow through funds	-	-	-	-	-	-	-	373,350	-
Tuition	74,088	220,398	289,767	-	-	-	13,500	4,200	5,553
Professional fees	104,014	77,302	35,042	-	-	-	-	75,615	-
Other expenses	329,983	285,314	245,587	76,463	86,115	62,109	30,450	72,207	82,888
Total expenses	715,183	973,229	806,707	248,148	173,510	126,675	131,722	785,397	357,191
Annual surplus (deficit)	\$ 79,085	\$ 129,436	\$ 90,477	\$ 240	\$ 39,994	\$ -	\$ (1,500)	\$ 5,010	\$ 586,341

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

17. SEGMENTED INFORMATION, continued

	First Nation Health Authority			Business Planning			Band Housing		
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	143,685	143,685
First Nations Health Authority	307,215	515,918	928,096	-	-	-	-	-	-
Own source revenues	-	-	-	406,973	494,596	3,857,888	10,000	-	-
BC Hydro	-	-	-	124,429	112,591	108,474	-	-	-
Rental	-	-	-	8,400	9,550	13,280	51,625	60,718	68,865
Interest	-	-	-	2,751	7,591	22,867	-	38,264	-
Other revenue	56,324	93,607	84,300	135,256	(59,936)	246,996	34,500	6,616	-
Total revenue	363,539	609,525	1,012,396	677,809	564,392	4,249,505	96,125	249,283	212,550
Expenses									
Wages and benefits	175,123	123,898	116,196	367,554	335,043	308,432	12,456	15,556	23,469
Payments to Jessica	-	-	-	-	-	-	-	191,580	-
Contractors	25,340	47,792	33,915	76,795	180,572	228,167	-	2,338	480
Materials and supplies	83,223	141,393	30,749	38,670	15,824	8,687	500	919	330
Flow through funds	-	-	9,005	-	-	2,448,120	-	-	(10,290)
Professional fees	10,306	2,290	38,332	106,478	42,520	12,716	-	-	-
Other expenses	69,174	134,580	119,432	158,125	73,623	193,706	73,169	19,593	49,785
Total expenses	363,166	449,953	347,629	747,622	647,582	3,199,828	86,125	229,986	63,774
Annual surplus (deficit)	\$ 373	\$ 159,572	\$ 664,767	\$(69,813)	\$(83,190)	\$ 1,049,677	\$ 10,000	\$ 19,297	\$ 148,776

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

17. SEGMENTED INFORMATION, continued

	CMHC Housing			Community Pillar Services			Ottawa Trust Funds		
	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual	2021 Budget	2021 Actual	2020 Actual
Revenues									
Own source revenues	\$ -	\$ -	\$ -	\$ 560	\$ -	\$ -	\$ -	\$ -	\$ -
Community Pillar Funds	-	-	-	170,000	140,000	-	-	-	-
Rental	25,620	25,620	25,370	-	-	-	-	-	-
Interest	-	429	713	-	-	-	-	1,622	2,026
Other revenue	27,974	28,526	28,276	-	-	-	-	-	-
Total revenue	53,594	54,575	54,359	170,560	140,000	-	-	1,622	2,026
Expenses									
Wages and benefits	-	-	-	-	-	105,504	-	-	-
Contractors	-	-	-	35,000	30,812	46,315	-	-	-
Materials and supplies	-	-	-	8,800	9,951	4,144	-	-	-
Amortization	-	21,117	20,654	-	-	-	-	-	-
Professional fees	1,340	4,340	1,340	560	47	6,155	-	-	-
Other expenses	52,254	23,429	22,991	86,200	93,032	279,185	-	-	-
Total expenses	53,594	48,886	44,985	130,560	133,842	441,303	-	-	-
Annual surplus (deficit)	\$ -	\$ 5,689	\$ 9,374	\$ 40,000	\$ 6,158	\$(441,303)	\$ -	\$ 1,622	\$ 2,026

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

17. SEGMENTED INFORMATION, continued

	2021 Budget	Capital Fund 2021 Actual	2020 Actual	2021 Budget	Consolidated totals 2021 Actual	2020 Actual
Revenues						
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ 1,042,056	\$ 1,711,165	\$ 1,385,680
First Nations Health Authority	-	-	-	307,215	515,918	928,096
Own source revenues	-	-	-	417,533	494,596	3,857,888
BC Hydro	-	-	-	124,429	485,941	698,472
Community Pillar Funds	-	-	-	170,000	140,000	-
First Nations Emergency Services	-	-	-	57,690	108,810	57,690
Rental	-	-	-	85,645	95,888	107,665
Interest	-	-	-	2,751	53,814	25,632
Other revenue	-	-	-	327,186	119,841	437,104
Total revenue	-	-	-	2,534,505	3,725,973	7,498,227
Expenses						
Wages and benefits	-	-	-	876,394	899,055	845,215
Payments to Jessica	-	-	-	-	191,580	-
Contractors	-	-	-	207,639	393,167	530,381
Materials and supplies	-	-	-	205,983	349,511	100,419
Flow through funds	-	-	-	-	373,350	2,446,835
Tuition	-	-	-	87,588	224,598	295,320
Amortization	-	151,190	150,432	-	172,307	171,086
Professional fees	-	-	-	222,698	202,114	93,585
Other expenses	-	(1)	-	875,818	787,892	1,055,683
Total expenses	-	151,189	150,432	2,476,120	3,593,574	5,538,524
Annual surplus (deficit)	\$ -	\$ (151,189)	\$ (150,432)	\$ 58,385	\$ 132,399	\$ 1,959,703

CAYOOSE CREEK INDIAN BAND

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2021

18. PRIOR PERIOD RESTATEMENT

In previous years, the property taxation department wasn't included in the financial statements and the Housing Program reported the Replacement Reserve Fund as equity. In the current year, the property taxation department has been included in the financial statements and the Housing Program has retroactively reported the Replacement Reserve Fund as a liability.

As a result of the changes, the financial statements have been restated as follows:

For the year ended March 31	As previously stated in 2020 Actual	Adjustments Increase (Decrease) Actual	Restated 2021 Actual
Consolidated Statement of Financial Position			
Financial assets			
Cash	\$ 1,563,820	\$ 21,382	\$ 1,585,202
Accounts receivable	182,953	1,190	184,143
Liabilities			
Accounts payable	16,512	12,036	28,548
Replacement reserve fund	-	8,242	8,242
Consolidated Statement of Operations			
Accumulated surplus at beginning of the year	1,674,001	16,158	1,690,159
Annual surplus	1,973,563	(13,860)	1,959,703
Accumulated surplus at end of the year	3,647,564	2,298	3,649,862
Consolidated Statement of Net Debt			
Net debt at beginning of year	189,424	16,158	205,582
Net debt at end of year	\$ 1,676,366	\$ 2,298	\$ 1,678,664

19. COMPARATIVE AMOUNTS

Certain of the comparative amounts have been reclassified to conform with the presentation adopted in the current period. The March 31, 2002 comparative amounts were reported on by another firm of Chartered Professional Accountants.