

Consolidated Financial Statements of



And Independent Auditors' Report thereon

Year ended March 31, 2021



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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Nak'azdli Whut'en ("Nak'azdli") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

Nak'azdli's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Chief and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by Nak'azdli. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on Nak'azdli's consolidated financial statements.



Chief



Valerie Pierre
Finance Manager



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INDEPENDENT AUDITORS' REPORT

To the Members of Nak'azdli Whut'en

Opinion

We have audited the consolidated financial statements of Nak'azdli Whut'en ("Nak'azdli"), which comprise:

- the consolidated statement of financial position as at March 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended; and
- notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of Nak'azdli as at March 31, 2021 and its consolidated results of operations and its consolidated 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 auditors' report.

We are independent of Nak'azdli in accordance with the 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 Canadian 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 Nak'azdli'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 Nak'azdli or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing Nak'azdli'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 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 the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Nak'azdli'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 Nak'azdli'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 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 Nak'azdli to cease to continue as a going concern.



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- 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is fluid and cursive, with a horizontal line underneath it.

Chartered Professional Accountants

Prince George, Canada

October 7, 2021



Consolidated Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash (note 2)	\$ 28,399,005	\$ 7,157,289
Marketable securities (note 3)	11,962,866	10,715,552
Restricted cash (note 4)	609,872	651,606
Accounts receivable (note 5)	5,601,833	19,968,399
Timber sale deposit	21,725	21,725
Investments, loan, and advances (note 6)	3,966,567	1,738,729
<u>Loans receivable (note 7)</u>	<u>253,790</u>	<u>244,485</u>
	\$ 50,815,658	\$ 40,497,785
Liabilities:		
Bank indebtedness (note 2)	\$ 65,000	\$ -
Accounts payable and accrued liabilities (note 8)	2,801,082	1,785,107
BC Rural Dividend Fund recovery	-	-
Damage deposit payable	30,859	27,746
Deferred revenue (note 9)	1,615,228	1,815,529
Long-term debt (note 10)	4,294,255	5,161,137
<u>Capital lease obligations</u>	<u>101,273</u>	<u>144,272</u>
	8,907,697	8,933,791
Net financial assets	41,907,961	31,563,994
Non-financial assets:		
Inventories	444,489	395,824
Prepaid expenses	181,920	142,421
<u>Tangible capital assets (note 11)</u>	<u>35,902,010</u>	<u>37,709,345</u>
	36,528,419	38,247,590
Commitment (note 16)		
Contingent liabilities (note 17)		
Subsequent event (note 18)		
Accumulated surplus (note 13)	\$ 78,436,380	\$ 69,811,584

See accompanying notes to consolidated financial statements.

On behalf of Chief and Council:



Consolidated Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021 Budget	2021 Actual	2020 Actual
Revenue (note 15):			
First Nations Health Authority	\$ 2,569,460	\$ 2,824,678	\$ 2,205,217
Indigenous Services Canada	7,567,234	9,705,160	9,622,779
Other income (note 14)	1,259,787	9,410,421	5,934,643
Prince George Nchako Aboriginal Employment and Training Association	1,096,008	724,365	861,470
Province of British Columbia and other government revenue	216,690	5,187,700	19,328,451
Rental income	547,454	563,300	472,580
	13,256,633	28,415,624	38,425,140
Consolidated government business revenue:			
Grocery store (Sana'ah Market)	-	6,198,563	5,780,234
Logging (Nak'al Koh Logging and Ta Da Chun Timber)	-	1,545,524	2,116,946
Gas station (Nahounli Creek Gas Bar)	-	1,873,022	1,502,514
	-	9,617,109	9,399,694
Expenses (note 15):			
Band government	3,537,034	4,610,424	3,426,945
Capital services	4,744,807	2,404,406	2,108,310
Community services	1,058,134	1,585,607	875,103
Economic development	143,726	2,937,829	1,907,685
Education	5,960,107	4,453,427	4,163,244
Health	2,124,783	1,774,775	2,213,911
Housing	630,225	593,843	632,845
Social services	1,713,517	1,480,178	1,157,486
	19,912,333	19,840,489	16,485,529
Consolidated government business expenses:			
Grocery store (Sana'ah Market)	-	6,193,596	6,082,396
Logging (Nak'al Koh Logging and Ta Da Chun Timber)	-	1,347,362	1,800,665
Gas station (Nahounli Creek Gas Bar)	-	2,026,490	1,859,800
	-	9,567,448	9,742,861
Annual surplus	(6,655,700)	8,624,796	21,596,444
Accumulated surplus, beginning of year	69,811,584	69,811,584	48,215,140
Accumulated surplus, end of year	\$ 63,155,884	\$ 78,436,380	\$ 69,811,584

See accompanying notes to consolidated financial statements.



Consolidated Statement of Changes In Net Financial Assets

Year ended March 31, 2021, with comparative information for 2020

	Budget	Total 2021	Total 2020
Annual surplus	\$ (6,655,700)	\$ 8,624,796	\$ 21,596,444
Change in prepaid expenses	-	(39,499)	7,073
Change in inventories	-	(48,665)	53,076
Acquisition of tangible capital assets	-	(1,478,717)	(681,027)
Amortization of tangible capital assets	-	2,620,659	2,851,370
Gain on disposal of tangible capital assets	-	423,434	-
Proceeds on disposal of tangible capital assets	-	241,959	-
Increase in net financial assets	(6,655,700)	10,343,967	23,826,936
Net financial assets beginning of year	31,563,994	31,563,994	7,737,058
Net financial assets, end of year	\$ 24,908,294	\$ 41,907,961	\$ 31,563,994

See accompanying notes to consolidated financial statements.



Consolidated Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 8,624,796	\$ 21,596,444
Items not involving cash:		
Amortization of tangible capital assets	2,620,659	2,851,370
Impairment of investment	-	857,364
Equity income of incorporated entities and limited partnerships	(2,726,421)	(307,597)
Gain on disposal of tangible capital assets	423,434	-
Loss on shutdown of equity invested incorporated entities and limited partnerships	165,136	-
	9,107,604	24,997,581
Changes in non-cash operating working capital:		
Accounts receivable	14,366,566	(16,502,729)
Inventories	(48,665)	53,076
Timber sale deposits	-	1
Prepaid expenses	(39,499)	7,073
Accounts payable and accrued liabilities	1,015,975	(417,767)
Deferred revenue	(200,301)	621,051
Damage deposit payable	3,113	4,721
	24,204,793	8,763,007
Financing:		
Bank indebtedness	65,000	(382,172)
Proceeds of long term debt	31,968	-
Repayment of long term debt	(898,850)	(688,399)
Repayment of capital lease obligation	(42,999)	(41,935)
Treaty loan forgiveness	-	(1,673,341)
	(844,881)	(2,785,847)
Investing:		
Change in net investments, loans and advances	333,447	25,467
Loans receivable	(9,305)	111,192
Proceeds on disposal of marketable securities	4,657,750	8,133,182
Acquisition of marketable securities	(5,905,064)	(12,287,722)
Restricted cash	41,734	(362,578)
Proceeds on disposal of tangible capital assets	241,959	-
Acquisition of tangible capital assets	(1,478,717)	(681,027)
	(2,118,196)	(5,061,486)
Increase in cash	21,241,716	915,674
Cash, beginning of year	7,157,289	6,241,615
Cash, end of year	\$ 28,399,005	\$ 7,157,289

See accompanying notes to consolidated financial statements.



Notes to Consolidated Financial Statements

Year ended March 31, 2021

Nature of operations:

Nak'azdli Whut'en ("Nak'azdli") provides local government, education and training, health services and social development services to its members and was established under the Indian Act (Canada).

The COVID-19 outbreak was declared a pandemic by the World Health Organization on March 11, 2020. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of virus. Subsequent to March 31, 2021, the situation continues to be dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect of Nak'azdli is not known at this time. The current challenging economic climate may lead to adverse changes in cash flows and working capital levels, which may also have a direct impact on the operating results and financial position of Nak'azdli in the future.

1. Significant accounting policies:

These consolidated financial statements include the assets, liabilities, and results of operations of Nak'azdli and all related entities and organizations subject to control by or responsibility of Chief and Council. No inclusion has been made of assets, liabilities, revenues or expenses of Nak'azdli members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government, as established by the Public Sector Accounting Board ("PSAB"). Nak'azdli's significant accounting policies are as follows:

(a) Reporting entity and principles of consolidation:

Nak'azdli's reporting entity includes the Nak'azdli Whut'en government and all related entities which are either owned or controlled by the Nak'azdli.

All controlled entities are fully consolidated except for the commercial enterprises which meet the definition of a government business enterprise or government business partnership, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(a) Reporting entity and principles of consolidation (continued):

Under the modified equity method of accounting, only Nak'azdli's investment in the government business enterprise or government business partnership and their share of the entities net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of the Nak'azdli.

Incorporated business entities, limited partnerships and other government organizations, which are controlled by Nak'azdli, are included in the consolidated financial statements using the consolidation method when they do not meet the criteria to be classified as government business enterprises.

Controlled entities consolidated in the financial statements include:

- Nahounli Creek Gas Bar Ltd. (100% owned)
- Nak'azdli Development Corporation ("NDC") (100% owned)
- Sana'ah Market Limited Partnership (100% owned)
- Nak'al Koh Logging Ltd. (100% owned)
- Nak'azdli Whut'en Trust (controlled)

Jointly controlled entities are included in the consolidated financial statements using the proportionate consolidated method when they do not meet the definition of a government business partnership.

Government partnerships proportionality consolidated in the financial statements include:

- Ta Da Chun Timber Partnership (50% owned)
- Tl'oh Forest Products Limited Partnership (50% owned)

These entities were classified as government business enterprises and government business partnerships, respectively, in the previous fiscal year as they met the appropriate criteria in the previous year.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(a) Reporting entity and principles of consolidation (continued):

Certain incorporated business entities and limited partnerships, which are controlled or jointly controlled by Nak'azdli, are included in the financial statements using the modified equity method. These include:

Government business enterprises:

- Carrier Food and Fuel Ltd. (100% owned)
- Nus De Environment Services Ltd. (100% owned) (dissolved)
- Nak'al Koh Timber Ltd. (100% owned)
- Sana'ah Market General Partner Inc. (100% owned)
- Ta Da Chun Timber Inc. (100% owned)
- Tl'oh Forest Products Inc. (100% owned)
- Uzta Holdings Ltd. (100% owned) (dissolved)
- Ranchery Holdings Ltd. (100% owned) (dissolved)
- FNA Resources Ltd. (50% owned)
- Nak'azdli LNG Ltd. (100% owned)

Government business partnerships:

- Nak'azdli LNG Limited Partnership (99.99% owned)
- Nak'azdli Summit Camp Limited Partnership (50.95% owned)
- Shas Resources Limited Partnership (12.5% owned)

(b) Cash:

Cash and cash equivalents consist of cash, bank overdrafts and investments in money market or other short-term instruments or investments with a maturity of less than 90 days.

(c) Investments:

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(d) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(e) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation with a corresponding amount recorded as revenue. Tangible capital assets under construction are not amortized until the asset is available for use.

Amortization is provided using the straight-line method:

Asset	Years
Land improvements	50
Buildings and improvements	25 - 40
Housing	25 - 40
Vehicles	5 - 10
Machinery and equipment	5 - 20
Sewer and water infrastructure	25 - 50
Road Infrastructure	15 - 20

When management determines that a tangible capital asset no longer contributes to Nak'azdli's ability to provide goods and services or that the value of the future benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is written down.

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.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(f) Revenue recognition:

Government transfers and grant revenue are recognized as Nak'azdli becomes entitled to the funding under the terms of applicable funding agreements and are recorded in the period in which the resources are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or which stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving rise to an obligation have been met.

Other revenue, including interest, rent and own source are recognized in the period the services are provided and the related proceeds are received or receivable.

(g) Funding recoveries and reimbursements:

Funding received from government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specific purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

(h) Allocation of expenses:

Management records a number of its expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

Management allocates certain of its general support expenses by identifying the appropriate basis of allocating each expenses.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(i) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (a) an environmental standard exists,
- (b) contamination exceeds the environmental standard,
- (c) the organization is directly responsible or accepts responsibility for the liability,
- (d) future economic benefits will be given up, and
- (e) a reasonable estimate of the liability can be made.

(j) Use of estimates:

The preparation of the 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 year. Items subject to such estimates and assumptions include the carrying amounts of tangible capital assets and inventories; provisions for impairment of accounts receivable and marketable securities; and accrued liabilities. Actual results could differ from those estimates.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

2. Cash (bank indebtedness):

	2021	2020
Cash		
Nak'azdli Whut'en	\$ 25,548,102	\$ 3,522,795
Nak'azdli Whut'en marketable securities brokerage account	279,878	1,164,995
Nahounli Creek Gas Bar Ltd.	81,628	41,541
Nak'azdli Development Corporation	1,240,902	1,453,271
Tl'oh Forest Products Limited Partnership	365,503	342,156
Ta Da Chun Timber Limited Partnership	68,065	35,879
Sana'ah Market Limited Partnership	248,654	158,122
Nak'azdli Whut'en Trust	475,622	321,993
Nak'al Koh Logging Ltd.	90,651	116,537
	<hr/> \$ 28,399,005	<hr/> \$ 7,157,289
Bank indebtedness		
Nahounli Creek Gas Bar Ltd.	\$ 65,000	\$ -
	<hr/> \$ 65,000	<hr/> \$ -

Nak'azdli Whut'en has established a revolving demand line of credit with BMO bearing interest at prime plus 0.75% per annum (3.20% per annum at March 31, 2021) in the amount of \$1,500,000 of which nil (2020 - \$3,529) was drawn on this line of credit at year end. The line of credit is secured by a hypothecation of the marketable securities portfolio held with BMO.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Marketable securities:

	2021	2020
Operating Fund - BC First Nations Leadership Council deposit	\$ 15,097	\$ 15,000
Operating Fund - Bank of Montreal portfolio investments	10,787,907	9,660,569
Nak'azdli Whut'en Trust - investment portfolio	817,362	697,483
Investment in Conifex Timber Inc.	342,500	342,500
	<hr/> \$ 11,962,866	<hr/> \$ 10,715,552

Portfolio investments with a cost of \$1,895,428 (2020 - \$1,895,428) have been placed in hypothecation as security for debt (note 2 and note 10).

The marketable securities noted above are measured at amortized cost less an allowance for other than temporary impairment. In the current year, Nak'azdli recorded an impairment of nil (2020 - \$857,364) on their Conifex Timber Inc. shares. The fair value of the securities above was \$13,080,752 as at March 31, 2021 (2020 - \$11,905,350).



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

4. Restricted cash:

	2021	2020
Operating fund		
Ministry of Forests woodlot license deposit (a)	\$ 5,046	\$ 5,046
Term deposits (b)	300,000	300,000
Ottawa Trust Fund		
Ottawa Trust Funds (c)	4,475	4,452
CMHC Social Housing Fund		
Social Housing Replacement Reserve (d)	264,651	264,651
Ta Da Chun Timber Limited Partnership		
Ministry of Forest woodlot license deposit (a)	35,700	77,457
	<hr/> \$ 609,872	<hr/> \$ 651,606

The funds are restricted for the following purposes:

- a) A term deposit assigned to the Ministry of Forests on behalf of Nak'azdli Development Corporation ("NDC") and Ta Da Chun Timber Limited Partnership, in support of its woodlot licenses.
- b) A term deposit held with Royal Bank of Canada securing the operating lines for Sana'a'ih Market Limited Partnership, Nahounli Creek Gas Bar, and Nak'azdli Development Corporation for \$100,000 each.
- c) Ottawa Trust Funds on deposit with Indigenous Services Canada arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act.
- d) Social Housing Replacement Reserve funds can only be utilized under the terms of the respective Canada Mortgage and Housing Corporation agreements.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

5. Accounts receivable:

	2021	2020
Indigenous Services Canada	\$ -	\$ 2,164,142
Prince George Nechako Aboriginal Employment and Training Association	147,552	431,401
Carrier Sekani Tribal Council	123,404	-
Centerra Gold Inc - Mount Milligan	734,431	-
Coastal Gas Link	519,920	-
Other	250,289	34,167
Province of British Columbia	955,816	-
Province of British Columbia - CSTC flow through funding	1,678,675	17,003,804
Nak'azdli Summit Camp Services	450,000	-
	4,860,087	19,633,514
 Nak'azdli Whut'en owned rental housing	 579,358	 589,510
Less: allowance for doubtful accounts	(563,279)	(478,262)
	16,079	111,248
 Member Housing	 119,282	 147,767
Less: allowance for doubtful accounts	(73,482)	(73,482)
	45,800	74,285
 Nak'azdli Development Corporation - trade receivables	 255,980	 117,627
Nahounli Creek Gas Bar Ltd. - trade receivables	26,440	13,906
Nak'al Koh Logging Ltd. - trade receivables	58,704	-
Sana'ah Market Limited Partnership - trade receivables	10,148	16,869
Ta Da Chun Limited Partnership - trade receivable	325,938	-
Tl'oh Forest Products Limited Partnership - trade receivables	2,657	950
	679,867	149,352
 \$ 5,601,833	 \$ 19,968,399	



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances:

		Investments	Advances	2021	2020
Carrier Food and Fuel Ltd.	\$ 1,766,568	\$ (211,461)	\$ 1,555,107	\$ 1,276,786	
Nus De Environmental Services Ltd.	-	(152,862)	(152,862)	14,218	
Uzta Holdings Ltd.	-	-	-	(6,552)	
Nak'al Koh Timber Ltd.	890,841	(81,986)	808,855	492,037	
Ranchery Holdings Ltd.	-	-	-	7,564	
Ta Da Chun Timber Inc.	(5,458)	-	(5,458)	(4,665)	
Sana'ah Market General Partner Inc.	(1)	-	(1)	(1)	
Tl'oh Forest Products Inc.	(5,422)	-	(5,422)	(4,455)	
FNA Resources Ltd.	(695)	(100)	(795)	-	
Nak'azdli LNG Limited Partnership	1,719,776	-	1,719,776	-	
Nak'azdli LNG Ltd.	172	-	172	-	
Nak'azdli Summit Camp Limited Partnership	512,820	(450,000)	62,820	-	
Shas Resources Limited Partnership	(24,465)	(9,515)	(33,980)	(32,006)	
Others	-	18,355	18,355	(4,197)	
	\$ 4,854,136	\$ (887,569)	\$ 3,966,567	\$ 1,738,729	



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances (continued):

Nak'azdli's share of the gain (loss) in its equity accounted investees for the year was:

	2021
Carrier Food and Fuel Ltd.	\$ 277,793
Nak'al Koh Timber Ltd.	229,685
Ta Da Chun Timber Inc.	(792)
Tl'oh Forest Products Inc.	(977)
FNA Resources Ltd.	(82)
Nak'azdli LNG Limited Partnership	1,709,777
Nak'azdli LNG Ltd.	171
Nak'azdli Summit Camp Limited Partnership	512,820
Shas Resources Limited Partnership	(1,974)
	<hr/> \$ 2,726,421



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances (continued):

	2021	2020
Government business enterprises owned 100% by Nak'azdli Whut'en:		
Carrier Food & Fuel Ltd.:		
Financial position:		
Assets	\$ 2,141,172	\$ 1,849,793
Liabilities	(374,607)	(361,020)
Equity	1,766,565	1,488,773
Results of operations:		
Revenues	8,688,339	8,828,555
Expenses	(8,410,547)	(9,048,740)
Profit and comprehensive income	277,792	(220,185)
Nak'al Koh Timber Ltd.:		
Financial position:		
Assets	\$ 920,885	\$ 713,885
Liabilities	(30,045)	(52,730)
Equity	(890,840)	661,155
Results of operation:		
Revenues	263,932	532,919
Expenses	(34,247)	(2,500)
Profit and comprehensive income	229,685	530,419
Ta Da Chun Timber Inc.:		
Financial position:		
Liabilities	\$ (5,358)	\$ (4,666)
Equity	(5,358)	(4,666)
Results of operations:		
Revenues	308	703
Expenses	(1,000)	(1,000)
Profit and comprehensive income	(692)	(297)



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances (continued):

	2021	2020
Government business enterprises owned 100% by Nak'azdli Whut'en (continued):		
Tl'oh Forest Products Inc.:		
Financial position:		
Liabilities	\$ (5,432)	\$ (4,455)
Equity	(5,432)	(4,455)
Results of operations:		
Revenues	23	25
Expenses	(1,000)	(1,000)
Profit and comprehensive income	(977)	(975)
Nak'azdli LNG Ltd.:		
Financial position:		
Assets	\$ 172	\$ -
Liabilities	(1)	-
Equity	(171)	-
Results of operation:		
Revenues	171	-
Profit and comprehensive income	171	-
Government business enterprises owned 99.99% by Nak'azdli Whut'en:		
Nak'azdli LNG Limited Partnership		
Financial position:		
Assets	\$ 1,731,543	\$ -
Liabilities	11,594	-
Equity	(1,719,948)	-
Results of operations:		
Revenues	1,875,122	-
Expenses	(165,173)	-
Profit and comprehensive income	1,709,949	-



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances (continued):

	2021	2020
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**Government business enterprises owned 50.95% by
Nak'azdli Whut'en:**

Nak'azdli Summit Camp Limited Partnership

Financial position:

Assets	\$ 19,435,180	\$ -	-
Liabilities	(18,428,644)	-	-
Equity	(1,006,536)	-	-
Results of operation:			
Revenue	32,673,480	-	-
Expenses	(31,666,944)	-	-
Profit and comprehensive income	1,006,536	-	-

**Government business enterprises owned 50.00% by
Nak'azdli Whut'en:**

FNA Resources Ltd.:

Financial position:

Assets	\$ 439	\$ 404	-
Liabilities	(1,829)	(1,631)	-
Equity	(1,390)	(1,227)	-
Results of operation:			
Revenue	224	1,617	-
Expenses	(387)	(1,538)	-
Profit and comprehensive income	(163)	79	-



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Investments, loans and advances (continued):

	2021	2020
Government business enterprises owned 12.50% by Nak'azdli Whut'en:		
Shas Resources Limited Partnership:		
Financial position:		
Assets	\$ 19,279	\$ -
Liabilities	(42,744)	-
Equity	24,465	-
Results of operation:		
Expenses	(1,974)	-
Profit and comprehensive income	(1,974)	-

Shares and partnership units are held by Nak'azdli, as represented by Chief and Council, on behalf of and for the benefit of the Nak'azdli Whut'en membership.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

7. Loans receivable:

	2021	2020
Nak'azdli Whut'en members	\$ 109,727	\$ 10,108
Nak'azdli Whut'en member housing loans	1,214,105	1,288,821
	1,323,832	1,298,929
Less: allowance for doubtful accounts	(1,070,042)	(1,054,444)
	\$ 253,790	\$ 244,485

Nak'azdli Whut'en member housing loans are repayable by Nak'azdli members over the same term and at the same interest rate as incurred by Nak'azdli in financing the original construction of the housing units. Upon repayment of a Nak'azdli Whut'en member housing loan, title to the housing unit is transferred to the member. Other Nak'azdli Whut'en member loans are interest free and have no set terms of repayment.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

8. Accounts payable and accrued liabilities:

	2021	2020
Trade payables	\$ 787,142	\$ 761,458
Accrued liabilities	1,033,450	119,416
BC Rural Dividend Program funding repayment	452,416	-
Accrued wages and benefits	402,672	440,135
Holdbacks payable	-	463,185
Sales tax payable	25,402	772
Other accrued liabilities	100,000	141
	<hr/> \$ 2,801,082	<hr/> \$ 1,785,107

Nak'azdli has a defined contribution pension plan for eligible members of its staff. Members can contribute up to a maximum of 5.5% of their salary and Nak'azdli matches the member's contributions. The amount of retirement benefits to be received by the members will be the amount of retirement annuity that could be purchased base on the member's share of the pension plan at the time of the member's withdrawal from the plan. During the year, Nak'azdli contributed \$127,762 (2020 - \$112,537) for retirement benefits.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

9. Deferred revenue:

Deferred revenue is comprised of funding received prior to expenditures being made in respect of the following projects or program:

	2021	2020
Indigenous Services Canada - negotiation preparedness	\$ 60,948	\$ 63,332
Indigenous Services Canada - language and culture	76,076	131,395
Indigenous Services Canada - FNLM operational funding	-	38,975
Indigenous Services Canada - planning, design and construction	-	115,396
Indigenous Services Canada - family violence prevention	10,767	-
Indigenous Services Canada - water system and access upgrade	718,653	-
Indigenous Services Canada - asset management plan	40,000	-
Indigenous Services Canada - post secondary emergency support	203,962	-
Indigenous Services Canada - post secondary student support	-	69,601
First Nation Health Authority - aboriginal headstart	267,075	171,364
First Nation Health Authority - primary healthcare	-	122,403
First Nation Health Authority - red road project	-	165,439
First Nation Health Authority - environmental public health drinking water	3,219	-
First Nation Health Authority - medical transportation management and support	1,971	-
Other	-	9,445
Government of BC - SWEP	13,841	11,684
Ministry of Children and Family Development	164,368	45,675
Carrier Sekani Tribal Council Forest Opportunity Fund Initiative	-	856,820
Prepaid rent	14,000	14,000
Gift cards	40,348	-
	\$ 1,615,228	\$ 1,815,529



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Long-term debt:

	2021	2020
Bank of Montreal - demand loan repayable at \$1,103 per month including interest at prime rate plus 0.5% per annum, due December 2021.	\$ 9,733	\$ 21,408
Bank of Montreal - demand loan repayable at \$3,756 per month including interest at prime rate plus 0.5% per annum, due March 2042.	669,334	690,942
Bank of Montreal - demand loan repaid during the year.	-	49,408
Bank of Montreal - demand loan repayable at \$5,194 per month including interest at prime rate plus 0.5% per annum, due December 2034.	680,122	716,820
Bank of Montreal - demand loan repayable at \$965 per month including interest at prime rate plus 0.5% per annum, due March 2023.	21,383	31,234
Bank of Montreal - demand loan repayable at \$2,504 per month including interest at prime rate plus 0.5% per annum, due June 2035.	335,561	353,039
All Nations Trust - mortgage repayable at \$1,836 per month including interest at 1.86% per annum, due February 2024.	62,512	83,312
All Nations Trust - mortgage repayable at \$3,111 per month including interest at 1.73% per annum, due January 2026.	173,013	207,358
All Nations Trust - mortgage repayable at \$1,380 per month including interest at 2.39% per annum, due March 2033.	172,767	185,444
Carried forward	2,124,425	2,338,965



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Long-term debt (continued):

	2021	2020
Carried forward	2,124,425	2,338,965
All Nations Trust - mortgage repayable at \$1,825 per month including interest at 2.21% per annum, due February 2044.	334,508	353,709
Indigenous Services Canada - specific claim treaty negotiation loan, non-interest bearing, unsecured until loan becomes repayable at the date at which the claim is settled.	21,474	21,474
Sana'ah Market Limited Partnership: Hub International - repaid during the year.	-	16,498
Hub International - financed insurance premium - unsecured, including interest at 8.5% per annum, repayable in monthly payments of \$2,758, due September 2021.	16,144	-
Wiz-Tec Computing Technologies Inc. - repaid during the year.	-	1,260
The Driving Force Inc. - financed vehicle including interest at 6.99% per annum, repayable in monthly payments of \$643, due November 2023.	18,716	22,926
Nak'al Koh Logging Ltd.: Bank of Montreal - non-revolving demand instalment loan at prime rate plus 0.75% per annum, with monthly payments of \$56,665 principal plus interest, due on demand.	1,698,988	2,326,305
Carried forward	4,214,255	5,081,137



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Long-term debt (continued):

	2021	2020
Carried forward	4,214,255	5,081,137
 Nahounli Creek Gas Bar:		
Parkland Fuel Corporation - demand loan with no specific terms of repayment or interest rate. Secured by mortgage of the following lands: Lot 2 District Lots 100 and 11 Range 5 Coast District Plan 10985.	80,000	80,000
 \$ 4,294,255	 \$ 5,161,137	

Bank of Montreal demand loans are secured by a hypothecation of the Bank of Montreal marketable securities portfolio (note 3). As at March 31, 2021, Bank of Montreal prime rate was 2.45%. Security for the non-revolving demand instalment loan with Bank of Montreal comprises a first security interest on all property owned by Nak'al Koh Logging Ltd. and an unlimited guarantee by Nak'azdli.

All Nations Trust mortgages are secured by their respective property and ministerial guarantee.

All vehicle and equipment loans are secured by the specific asset.

Provided the lenders do not demand repayment of the loans in full, principal repayments are due as follows:

2022	\$ 921,910
2023	820,066
2024	628,329
2025	163,052
2026	161,159
Thereafter	1,599,739
 \$ 4,294,255	



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

11. Tangible capital assets:

	2021								
	Land	Land Improvements	Buildings and Improvements	Housing	Vehicles	Machinery and Equipment	Sewer and Water Infrastructure	Road Infrastructure	Total
Cost:									
Balance, beginning of year	1,667,085	976,965	40,870,953	10,444,682	3,298,785	4,501,455	2,177,446	5,388,895	69,326,266
Additions	-	-	667,455	-	40,293	521,190	244,253	5,526	1,478,717
Disposals	-	-	(191,358)	(5,600)	(163,134)	(206,423)	-	(266,227)	(832,742)
Balance, end of year	1,667,085	976,965	41,347,050	10,439,082	3,175,944	4,816,222	2,421,699	5,128,194	69,972,241
Accumulated amortization:									
Balance, beginning of year	-	766,029	14,104,637	7,701,231	2,404,408	3,384,760	1,204,096	2,051,760	31,616,921
Amortization expenses	-	21,750	1,488,129	260,735	319,630	155,851	56,703	317,861	2,620,659
Disposals	-	-	-	-	(112,774)	(54,575)	-	-	(167,349)
Balance, end of year	-	787,779	15,592,766	7,961,966	2,611,264	3,486,036	1,260,799	2,369,621	34,070,231
Net book value, end of year	\$ 1,667,085	\$ 189,186	\$ 25,754,284	\$ 2,477,116	\$ 564,680	\$ 1,330,186	\$ 1,160,900	\$ 2,758,573	\$ 35,902,010



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

11. Tangible capital assets (continued):

2020									
	Land	Improvements	Buildings and improvements	Housing	Vehicles	Machinery and Equipment	Sewer and Water Infrastructure	Road Infrastructure	Total
Cost:									
Balance, beginning of year	1,667,085	976,965	40,253,856	10,444,682	3,298,785	4,437,525	2,177,446	5,388,895	68,645,239
Additions	-	-	617,097	-	-	63,930	-	-	681,027
Balance, end of year	1,667,085	976,965	40,870,953	10,444,682	3,298,785	4,501,455	2,177,446	5,388,895	69,326,266
Accumulated amortization:									
Balance, beginning of year	-	746,878	12,618,834	7,418,286	2,008,353	3,108,558	1,148,307	1,716,335	28,765,551
Amortization expenses	-	19,151	1,485,803	282,945	396,055	276,202	55,789	335,425	2,851,370
Balance, end of year	-	766,029	14,104,637	7,701,231	2,404,408	3,384,760	1,204,096	2,051,760	31,616,921
Net book value, end of year	\$ 1,667,085	\$ 210,936	\$ 26,766,316	\$ 2,743,451	\$ 894,377	\$ 1,116,695	\$ 973,350	\$ 3,337,135	\$ 37,709,345



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

12. Related party transactions:

During the year, Nak'azdli had the following transactions with related parties:

	2021	2020
Carrier Food & fuel Ltd.:		
Goods and services purchased	\$ 173,179	\$ 157,410
Administration and bookkeeping	53,153	-
Nak'azdli LNG Limited Partnership:		
Goods and services purchased	485,936	-
Administration and bookkeeping	107,606	-
	<hr/> \$ 819,874	<hr/> \$ 157,410

These transactions are in the normal course of operations and are measured at the exchange amount as determined and agreed to by the related parties.

At March 31, 2021 there is \$14,000 (2020 - nil) included in accounts receivable and \$6,946 (2020 - \$13,629) included in accounts payable owing to Carrier Food & Fuel Ltd., and \$450,000 (2020 - \$nil) included in accounts receivable owing to Nak'azdli LNG Limited Partnership.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

13. Accumulated surplus:

	2021	2020
Operating fund	\$ 51,999,877	\$ 46,495,812
Treaty fund	-	(76,711)
	51,999,877	46,419,101
 Nak'azdli Whut'en Trust	 5,076,694	 1,192,940
Ottawa Trust Fund	4,475	4,452
Invested in tangible capital assets	21,038,958	21,889,714
CMHC social housing replacement reserve	225,045	205,098
CMHC social housing fund - tangible capital assets	91,331	100,279
 \$ 78,436,380	 \$ 69,811,584	

14. Other income:

	2021	2020
Carrier Sekani Tribal Council treaty negotiation loan forgiveness	\$ -	\$ 1,673,340
Canada Mortgage and Housing Corporation	80,301	80,139
British Columbia Gaming	778,299	720,216
Daycare fees	23,862	30,284
Equity income of incorporated entities and limited partnerships	2,726,421	307,597
Garbage and snow removal	117,300	75,382
Investment income	417,732	389,777
Miscellaneous	2,308,594	651,897
Natural resource contracts	2,857,399	686,621
Other government	80,400	92,630
Realized gain on disposal of marketable securities	20,113	1,226,760
 \$ 9,410,421	 \$ 5,934,643	



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

15. Segmented information:

Nak'azdli provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies in note 1. The segments and services provided are as follows:

Band government - provides governance initiatives and training through the activities of Chief and Council and administration of other activities relating to program delivery, membership and finance;

Capital services - provides the maintenance costs of various Nak'azdli owned buildings and infrastructure;

Community services - manages funding and costs associated with the maintenance and provision of community infrastructure, recreation facilities and related services;

Economic development - manages the development of economic opportunities from the land and natural resources for Nak'azdli and its entities;

Education - provides elementary and secondary education instructional services and provides financial support to post secondary students as well provides training and work opportunities for Nak'azdli members to improve their job skills and participate effectively in the labour market;

Health - provides a variety of health care programs, services and support to Nak'azdli members;

Housing - provides programs and services associated with the operation and maintenance of Nak'azdli owned housing occupied by Nak'azdli members;

Social services - provides programs and services for the social benefit and welfare of Nak'azdli members.



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

15. Segmented information (continued):

	2021								
	Band government	Capital services	Community services	Economic development	Education	Health	Housing	Social services	Total
Revenue:									
Indigenous Service Canada	\$ 969,341	\$ 1,271,399	\$ 1,383,556	\$ 239,060	\$ 3,698,485	\$ -	\$ -	\$ 2,143,319	\$ 9,705,160
Province of British Columbia	3,225,720	-	64,818	1,510,972	368,586	9,965	-	7,639	5,187,700
First Nations Health Authority	-	-	69,000	-	-	2,755,678	-	-	2,824,678
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	80,301	-	80,301
Prince George Nechako Aboriginal Employment & Training Association	-	-	-	-	724,365	-	-	-	724,365
Investment income	417,732	-	-	-	-	-	-	-	417,732
Rental income	-	-	16,780	179,738	-	-	366,782	-	563,300
Realized gain on disposal of marketable securities	20,113	-	-	-	-	-	-	-	20,113
Other income	1,763,252	7,515	274,397	3,733,453	358,506	11,634	12,097	5,000	6,165,854
Equity income of incorporated entities and limited partnerships	-	-	-	2,726,421	-	-	-	-	2,726,421
Government business enterprises	-	-	-	9,617,109	-	-	-	-	9,617,109
Total revenue	6,396,158	1,278,914	1,808,551	18,006,753	5,149,942	2,777,277	459,180	2,155,958	38,032,733



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

15. Segmented information (continued):

	2021								
	Band government	Capital services	Community services	Economic development	Education	Health	Housing	Social services	Total
Expenses:									
Administration	122,897	11,015	-	17,513	77,456	30,177	6,845	855	266,758
Amortization	-	1,905,394	-	243,482	-	-	95,971	-	2,244,847
Consulting and contracts	456,443	1,123	152,321	774,801	26,134	65,986	35,177	18,300	1,530,285
Donations	42,740	-	-	53,793	-	-	-	-	96,533
Honoraria	223,407	-	2,350	38,725	8,233	10,060	3,375	14,596	300,746
Materials and supplies	116,574	-	355,577	287,857	352,859	154,273	12,691	56,680	1,336,511
Other	316,407	-	25,651	599,108	18,878	16,559	153,050	56,101	1,185,754
Professional fees	360,174	-	2,803	141,143	3,838	158,100	5,000	427	671,485
Government business enterprises	-	-	-	9,567,448	-	-	-	-	9,567,448
Repairs and maintenance	(64,763)	486,874	192,707	193,225	185,815	110,791	87,351	14,189	1,206,189
Social assistance and education program	1,366,794	-	74,700	94,824	2,585,487	547	-	863,662	4,986,014
Telephone and utilities	54,890	-	67,970	10,505	33,168	31,688	25,811	29,508	253,540
Travel and transportation	(8,684)	-	(6,741)	4,960	21,272	138,219	(771)	918	149,173
Wages and benefits	1,623,545	-	718,269	477,893	1,140,287	1,058,375	169,343	424,942	5,612,654
Total expenses	4,610,424	2,404,406	1,585,607	12,505,277	4,453,427	1,774,775	593,843	1,480,178	29,407,937
Surplus (deficit)	\$ 1,785,734	\$ (1,125,492)	\$ 222,944	\$ 5,501,476	\$ 696,515	\$ 1,002,502	\$ (134,663)	\$ 675,780	\$ 8,624,796



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

15. Segmented information (continued):

	2020								
	Band government	Capital services	Community services	Economic development	Education	Health	Housing	Social services	Total
Revenue:									
Indigenous Service Canada	\$ 897,711	\$ 3,030,760	\$ 591,203	\$ 138,070	\$ 3,385,146	\$ -	\$ -	\$ 1,579,889	\$ 9,622,779
First Nations Health Authority	18,449,110	-	155,532	452,416	179,667	37,694	-	54,032	19,328,451
Canada Mortgage and Housing Corporation	-	-	-	-	285,148	1,920,069	-	-	2,205,217
Prince George Nechako Aboriginal Employment & Training Association	-	-	-	-	-	-	80,139	-	80,139
Investment income	-	-	-	-	861,470	-	-	-	861,470
Rental income	389,777	-	-	-	-	-	-	-	389,777
Realized gain on disposal of marketable securities	-	-	77,335	30,000	-	-	365,245	-	472,580
Gain on sale of marketable securities	1,226,760	-	-	-	-	-	-	-	1,226,760
Other income	3,437,045	5,700	228,228	162,346	40,167	30,483	2,051	24,350	3,930,370
Equity income of incorporated entities and limited partnerships	-	-	-	307,597	-	-	-	-	307,597
Government business enterprises	-	-	-	9,399,694	-	-	-	-	9,399,694
Total revenue	24,400,403	3,036,460	1,052,298	10,490,123	4,751,598	1,988,246	447,435	1,638,921	47,824,834



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

15. Segmented information (continued):

	2020								
	Band government	Capital services	Community services	Economic development	Education	Health	Housing	Social services	Total
Expenses:									
Administration	105,925	-	52	3,000	35,623	28,900	12,408	2,432	188,340
Amortization	-	1,984,764	-	242,847	-	-	95,971	-	2,323,582
Consulting and contracts	523,574	57,562	15,956	-	39,836	152,688	98,867	18,079	906,562
Donations	154,439	-	-	210,645	969	-	-	2,408	368,461
Honoraria	275,765	-	1,350	44,500	9,793	5,850	3,750	16,360	357,368
Materials and supplies	102,313	-	202,150	12,689	186,376	244,796	20,903	41,899	811,126
Other	223,931	8,899	26,091	85,480	32,039	55,059	95,201	47,887	574,587
Professional fees	378,744	-	2,000	46,193	6,475	127,306	10,000	22,500	593,218
Government business enterprises	-	-	-	9,742,861	-	-	-	-	9,742,861
Repairs and maintenance	25,672	57,085	129,023	20,583	97,568	143,184	108,844	10,104	592,063
Social assistance and education program	5,164	-	-	-	2,741,007	-	-	640,140	3,386,311
Telephone and utilities	63,738	-	68,544	28,806	25,619	52,993	27,124	28,183	295,007
Travel and transportation	190,161	-	12,600	7,376	94,213	322,119	3,148	3,445	633,062
Wages and benefits	1,377,519	-	417,337	348,202	893,726	1,081,016	156,629	324,049	4,598,478
Impairment on investment	-	-	-	857,364	-	-	-	-	857,364
Total expenses	3,426,945	2,108,310	875,103	11,650,546	4,163,244	2,213,911	632,845	1,157,486	26,228,390
Surplus (deficit)	\$ 20,973,458	\$ 928,150	\$ 177,195	\$ (1,160,423)	\$ 588,354	\$ (225,665)	\$ (185,410)	\$ 481,435	\$ 21,596,444



Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

16. Commitment:

Nak'azdli is party to an agreement which requires the sale of timber to Apollo Forest Products Ltd. at fair market value.

17. Contingent liabilities:

Nak'azdli has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if Nak'azdli fails to comply with the terms and conditions of the agreements.

Nak'azdli is contingently liable for a Nak'azdli member mortgages secured by a Government of Canada Ministerial guarantee. As at March 31, 2021, the maximum liability would be \$884,253 (2020 - \$863,121).

Ta Da Chun Timber Limited Partnership has contracted with Apollo Forest Products Ltd. to undertake all reforestation and deactivation activities related to the Partnership's forest license. However, as licensee, the Partnership is ultimately obligated to fulfill the reforestation requirements as set out in the forest license.

Under the BC Environmental Management Act, a gas station is considered to be a contaminated site and, upon closure of the gas station, Nahounli Creek Gas Bar Ltd. is responsible for site remediation. The amount of the liability, if any, is not determinable and has not been recognized in the consolidated financial statements.

In the normal course of operations, Nak'azdli may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future event occur or fail to occur. To the extent that the future event is likely to occur and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded in the consolidated financial statements.

18. Subsequent event:

Subsequent to year end, Nahounli Creek Gas Bar announced it will cease operations on June 30, 2021.

19. Comparative information:

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year annual surplus.