



Snuneymuxw First Nation
SUMMARY FINANCIAL STATEMENTS
March 31, 2021



Snuneymuxw First Nation
SUMMARY FINANCIAL STATEMENTS
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For the year ended March 31, 2021

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SUMMARY FINANCIAL STATEMENTS

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Snuneymuxw First Nation
MARCH 31, 2021

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements of the Snuneymuxw First Nation and all the information in this annual report are the responsibility of Chief and Council and have been approved by the Chief and Council.

The financial statements have been prepared in conformity with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants and where appropriate, includes certain amounts based on management's best estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly, in all material respects.

The Snuneymuxw First Nation's Chief and Council maintains systems of internal accounting and administrative controls, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Snuneymuxw First Nation's assets are appropriately accounted for and adequately safeguarded.

The Snuneymuxw First Nation's Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements.

The Chief and Council reviewed the Snuneymuxw First Nation's financial statements and recommends their approval. The management meets periodically with the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issued, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the financial statements and the external auditor's report. The Chief and Council also considers the engagement of the external auditors.

The financial information has been audited by Ribeyre Chang Haylock, Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards on behalf of the members. Ribeyre Chang Haylock has full and free access to Management.



Chief



Councilor

INDEPENDENT AUDITOR'S REPORT

To: The Members of Snuneymuxw First Nation

Report on the Audit of the Summary Financial Statements

We have audited the summary financial statements of Snuneymuxw First Nation, which comprise the summary statement of financial position as at March 31, 2021 and March 31, 2020, and the summary statement of operations, net financial assets and cash flows for the years then ended, and notes to the summary financial statements, including a summary of significant accounting policies.

Qualified Opinion

Except as noted in the below paragraphs, in our opinion, the summary financial statements present fairly, in all material respects, the financial position of Snuneymuxw First Nation as at March 31, 2021 and March 31, 2020, and its financial performance and cash flows for the year then ended in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants.

Basis for Qualified Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Summary Financial Statements section of our report. We are independent of the Entity 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 qualified opinion.



Snuneymuxw First Nation holds investments in Government Business Enterprises and Government Business Partnerships. The financial results of Petroglyph Development Group Limited Partnership have been recorded in the summary financial statements using the modified equity method in accordance with Canadian public sector accounting standards.

We were unable to satisfy ourselves as to the investment carrying value for the Government Business Enterprise known as Tuytaxun General Store Ltd. and the Government Business Partnership known as Salpac Fisheries Limited Partnership because they were not audited. Also, the financial information for Salpac Fisheries Limited Partnership was not available for the year ending March 31, 2021. Consequently, we were not able to determine whether any adjustments might be necessary to the investment, due to (from) or net income (loss) of these Government Business Enterprises and Government Business Partnerships.

In addition, Canadian public sector accounting standards requires disclosure of the condensed supplementary financial information of these entities; however, Chief and Council chose not to disclose this information outside of Snuneymuxw membership as this public disclosure may impact their competitive edge in conducting the business affairs of these entities.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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

Auditor's Responsibilities for the Audit of the Summary Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 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, super-vision 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Aaron Keetley, CPA, CA, CMA.

Port Coquitlam, B.C.
September 29, 2021

Ribeyre Chang Haylock
Chartered Professional Accountants

Snuneymuxw First Nation

SUMMARY STATEMENT OF FINANCIAL POSITION

As at March 31, 2021

Statement 1

	Note	2021	2020 Restated
Financial assets			
Cash	3	\$ 21,126,190	\$ 13,017,615
Accounts receivable	4	1,209,924	3,724,557
Due from related entities	5	402,747	1,310,896
Investment in Government Business Enterprises	6	100,325	148,139
Investment in Government Business Partnerships	7	31,304,145	18,026,348
Investments - other	8	110	110
Investments in Specific Land Claims	9	529,654	352,927
Trust moneys	10	117,163	173,538
Debt reserve fund	11	623,787	-
		55,414,045	36,754,130
Financial liabilities			
Accounts payable and accrued liabilities	12	1,766,466	1,387,878
Deferred revenue	13	15,883,237	12,932,213
Due to Petroglyph Development Group Ltd.	14	1	1
Long-term debt	15	21,169,907	9,243,312
Capital lease obligation	16	138,983	180,888
Specific land claims loans	17	545,267	323,010
		39,503,861	24,067,302
Net financial assets		15,910,184	12,686,828
Non-financial assets			
Tangible capital assets	18	38,632,154	38,007,486
Prepaid expenses and deposits	19	1,152,318	1,067,015
Total non-financial assets		39,784,472	39,074,501
Accumulated surplus	20	\$ 55,694,656	\$ 51,761,329
Contingent liabilities		21	

See accompanying notes


Chief Councillor


Councillor

Snuneymuxw First Nation
SUMMARY STATEMENT OF OPERATIONS

For the year ended March 31, 2021	2021 Budget	2021	Statement 2
			2020 Restated
Revenue			
Indigenous Services Canada	\$ 8,030,111	\$ 9,946,713	\$ 10,583,859
Canada Mortgage and Housing Corporation	257,000	252,274	238,202
First Nations Health Authority	2,525,918	3,062,657	1,918,372
BC First Nations Gaming Revenue Sharing	733,188	737,188	687,879
BC Housing	390,355	388,992	347,523
BC Treaty Commission	275,000	300,000	150,000
Coast Salish Employment & Training Society	440,095	432,669	486,699
Deferred revenue - other	2,677,394	(221,609)	797,661
First Nations Education Steering Committee	195,331	390,980	347,016
Fisheries and Oceans Canada	315,662	330,750	263,350
Gain on disposal of investment	-	-	1,460,127
Gain from Gov. Business Partnerships	900,000	1,518,527	5,929,074
(Loss) gain from Gov. Business Enterprises	-	(47,815)	1,694
Miscellaneous income	901,629	1,352,557	1,893,933
Ottawa Trust Fund	-	93,107	36,087
Province of BC	1,449,342	1,641,268	817,823
Rental	753,607	684,441	715,293
Thlap'Qwum Community Settlement Trust	350,000	1,053,929	5,337,982
	20,194,632	21,916,628	32,012,574
Expenses - Note 26			
Administration	2,001,754	1,668,259	
Education	2,111,889	2,908,950	
Health	1,874,939	1,858,501	
Daycare	576,049	693,616	
Social Development	4,002,121	2,523,035	
Economic Development	2,184,737	2,752,309	
Economic Development - PDG	-	1,960	
Infrastructure	565,866	463,155	
Capital Projects	1,130,275	1,067,170	
Housing	716,919	671,258	
Lands and Resources	80,609	130,925	
Treaty and Negotiations	614,330	381,679	
Tangible capital asset depreciation	2,123,813	1,957,869	
	17,983,301	17,078,686	
Annual surplus			
Accumulated surplus, beginning as previously stated	3,933,327	14,933,888	
Prior period adjustment - Note 27	156,728	(479,850)	
Accumulated surplus, beginning of year as restated	51,761,329	36,827,441	
Accumulated surplus, end of year	\$ 55,694,656	\$ 51,761,329	

See accompanying notes

Snuneymuxw First Nation
SUMMARY STATEMENT OF NET FINANCIAL ASSETS

For the year ended **March 31, 2021**

Statement 3

	2021 Budget	2021	2020 Restated
Annual surplus	\$ -	\$ 3,933,327	\$ 14,933,888
Changes in tangible capital assets			
Net acquisition of tangible capital assets	(2,748,481)	(2,748,481)	(6,530,854)
Amortization of tangible capital assets	2,123,813	2,123,813	1,957,869
	(624,668)	(624,668)	(4,572,985)
Changes in other non-financial assets			
Prepaid expenses and deposits	(85,303)	(85,303)	(850,350)
	(85,303)	(85,303)	(850,350)
Increase in net financial assets	(709,971)	3,223,356	9,510,553
Net financial assets at beginning of year		12,686,828	3,176,275
Net financial assets at end of year		\$ 15,910,184	\$ 12,686,828

See accompanying notes

Snuneymuxw First Nation
SUMMARY STATEMENT OF CASH FLOWS

For the year ended **March 31, 2021**

Statement 4

	2021	2020
OPERATING ACTIVITIES		
Revenue received	\$ 26,663,877	\$ 20,360,249
Expenses paid	(15,329,045)	(16,986,650)
Withdrawals from Ottawa Trust Funds	149,482	-
Interest paid on capital leases	(9,770)	(86)
Interest paid on long-term debt	(227,388)	(214,486)
Cash provided by operating activities	11,247,156	3,159,027
INVESTING ACTIVITIES		
Advances to related entities	(32,178)	(188,192)
Advance to Snuneymuxw Market Ltd.	-	(940,327)
Asset disposal proceeds	25,000	-
Investments in Petroglyph Development Group LP	(11,676,167)	-
Investments in Specific Land Claims	(176,727)	(33,125)
Investment in BC First Nations Gaming Revenue Sharing LP	-	(110)
Purchase and construction of capital assets	(2,761,669)	(6,510,327)
Cash used in investing activities	(14,621,741)	(7,672,081)
FINANCING ACTIVITIES		
Advances from specific land claims loans	222,257	-
Capital lease proceeds	-	222,683
Loan proceeds	11,850,300	
Repayment of capital leases	(41,905)	(41,795)
Repayment of long-term debt	(547,492)	(486,188)
Cash used in financing activities	11,483,160	(305,300)
Decrease in cash during the year	8,108,575	(4,818,354)
Cash, beginning of year	13,017,615	17,835,969
Cash, end of year	\$ 21,126,190	\$ 13,017,615

See accompanying notes

Snuneymuxw First Nation

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The Snuneymuxw First Nation (the "First Nation") is an Indian Band as defined by the Indian Act. The First Nation manages various programs offered by Indigenous Services Canada (ISC) and other funding agents to benefit its members. The First Nation also represents its members in the negotiation of treaty settlements and specific land claims.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These Summary Financial Statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICPA Public Sector Accounting and Auditing Handbook, which encompasses the following principles.

a) Reporting entity

The Snuneymuxw First Nation reporting entity includes the Snuneymuxw First Nation and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

b) Use of estimates

The preparation of schedules in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the schedules and reported amounts of revenues and expenditures during the reported period. Actual results could differ from the estimates.

c) Principles of consolidation

The Summary Financial Statements reflect the assets, liabilities, revenues, and expenses of entities which are controlled by the First Nation. Controlled entities are consolidated, except for government business enterprises and government business partnerships, which are accounted for via the modified equity method. All inter-fund and inter-organization transactions and balances have been eliminated on consolidation.

The First Nation records its investments in government business enterprises (GBE's) and government business partnerships (GBP's) on a modified equity basis. Under the modified equity basis, the GBE's and GBP's accounting policies are not adjusted to conform with those of the First Nation and inter-entity transactions and balances are not eliminated. The First Nation recognizes its equity interest in the annual earnings or loss of the GBE's and GBP's in its Summary Statement of Operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the First Nation may receive from the GBE's and GBP's will be reflected as deductions in the investment asset account.

Organizations accounted for on a modified equity basis include:

1. Tuytaxun General Store Ltd. - 100%
2. Salpac Fisheries Limited Partnership - 49.90%
3. Petroglyph Development Group Ltd. - 100%
4. Petroglyph Development Group Limited Partnership - 99%

Snuneymuxw First Nation

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

d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

e) Revenue recognition

Government Funding

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

First Nation Capital and Revenue Trust Funds

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

Rental Income

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

Own Source Revenue

Revenues are recognized in the period in which the transaction 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.

Other

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 being performed are deferred and recognized when the fee is earned or service is performed.

f) Investment in treaty and specific land claims

The First Nation is in negotiations with the Government of Canada to settle outstanding claims and negotiate a treaty. Both funding and interest free loans are received from the federal government to assist in the process. Expenses pertaining to the negotiation are capitalized to reflect the amount of investment the First Nation has made in the treaty process. The loan will be repaid as outlined in Note 17.

Snuneymuxw First Nation

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

g) 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 assets.

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 assets 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 the First Nation's incremental cost of borrowing.

The First Nation's capitalization policy consists of a \$500 threshold. This threshold can be raised or lowered by management if they determine the item's purpose is of a nature that it shouldn't be capitalized despite costing more or should be capitalized despite costing less if it significantly improves the value of a larger asset.

Tangible capital assets are depreciated over their expected useful lives as follows:

Buildings and renovations	5% Declining balance
Automotive equipment	30% Declining balance
Furniture and equipment	20% Declining balance
Boats	20% Declining balance
Infrastructure	5% Declining balance

Depreciation is pro-rated in the year of acquisition. Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation'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 statement of operations.

Contributed tangible 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 tangible 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 depreciated until the asset is available to be put into service.

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

h) Financial instruments

Financial instruments are initially classified upon initial recognition at fair value or as an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, and any other items elected by the First Nation to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis.

The First Nation's financial instruments consist of cash and cash equivalents, accounts receivable, due from and to related entities, accounts payable and accrued liabilities, and long-term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, credit or currency risks arising from these financial instruments and the fair value of these financial instruments approximates their carrying values.

2. ECONOMIC DEPENDENCE

Snuneymuxw First Nation receives major portions of its revenue pursuant to funding arrangements with Indigenous Services Canada and First Nations Health Authority.

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3. CASH AND CASH EQUIVALENTS

	2021	2020
Externally restricted		
CMHC Operating Reserve	\$ 103,953	\$ 103,487
CMHC Replacement Reserve	471,608	434,827
	575,561	538,314
Internally restricted		
Sacred Bath Site	85,024	84,673
Capital projects IR4	614,046	611,295
Capital projects IR3	12,165,548	6,160,785
Capital projects QQS	1,190,498	1,185,164
	14,055,116	8,041,917
Unrestricted		
Cash and banks net of outstanding cheques	6,495,513	4,437,384
Total Cash and Cash Equivalents	\$ 21,126,190	\$ 13,017,615

Under the terms of an agreement with Canada Mortgage and Housing Corporation, the First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as otherwise approved by the Canada Mortgage and Housing Corporation, with any interest earned to be credited as revenue to the Operating and Replacement Reserve.

Externally restricted - Operating Reserve:

At the year end, the reserve was fully funded (2020: fully funded)).

Externally restricted - Replacement Reserve:

At the year end, the reserve was fully funded (2020: fully funded)

Internally restricted - Sacred Bath Site:

Consists of money set aside for the purposes of cultural related expenditures.

Internally restricted - Capital projects:

Consists of money set aside for the purpose of funding various capital projects.

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3. CASH AND CASH EQUIVALENTS (continued)

Banking facilities:

The First Nation has a facility arrangement with Bank of Montreal secured by a general security agreement expiring on October 29, 2024 and \$1,450,000 in band council resolutions of guarantee. The facility includes:

- i) A fixed rate demand loan for the construction of the community hall and a \$214,407 fixed rate loan for the construction of 12-unit rental housing as described in note 15.
- ii) \$1,100,000 authorized overdraft lending product at prime plus 0.75%.
- iii) \$70,000 in authorized credit card facilities with standard fees and rates.

4. ACCOUNTS RECEIVABLE

	2021	2020
Due from members:		
Rent receivable	\$ 1,855,469	\$ 1,772,173
Member loans	54,447	71,595
	1,909,916	1,843,768
Due from Government and other Government Organizations:		
Indigenous Services Canada	-	2,813,431
British Columbia Treaty Commission	-	150,000
Canada Mortgage and Housing Corporation	26,145	26,621
Department of Fisheries and Oceans	226,493	136,999
First Nation Health Authority	212,193	98,116
Public Services Rebate receivable	25,958	35,708
Province of BC	450	30,450
	491,239	3,291,325
Due from others:		
Coast Salish Employment & Training Society	-	61,836
First Nations Education Steering Committee	270,627	13,591
Other	559,426	518,862
	830,053	594,289
	3,231,208	5,729,382
Allowance for doubtful accounts	(2,021,284)	(2,004,825)
	\$ 1,209,924	\$ 3,724,557

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5. DUE FROM RELATED ENTITIES

	2021	2020
Petroglyph Development Group Limited Partnership	\$ 122,158	\$ 137,050
Salpac Fisheries Limited Partnership	11,814	4,995
Snuneymuxw Market Ltd.	-	940,327
Tuytaxun General Store Ltd.	268,775	228,524
	<hr/>	<hr/>
	\$ 402,747	\$ 1,310,896

Advances due from related entities are unsecured and without interest or any fixed terms of repayment.

On April 23, 2020, the loan to Snuneymuxw Market Ltd. was converted to a capital contribution to Petroglyph Development Group Limited partnership and the interest was forgiven.

6. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

The First Nation's investment in government business enterprises consist of the following:

	2021	2020
Tuytaxun General Store Ltd. - 100%	\$ 135,998	\$ 178,984
Petroglyph Development Group Ltd. - 100%	(35,673)	(30,845)
	<hr/>	<hr/>
	\$ 100,325	\$ 148,139

The financial information for Petroglyph Development Group Ltd. and Tuytaxun General Store Ltd. are not audited. The financial results of these entities have been recorded in the Summary Financial Statements using the modified equity method in accordance with Canadian public sector accounting standards. In addition, Canadian public sector accounting standards require disclosure of the condensed supplementary financial information of these entities; however, Chief and Council chose not to disclose this information outside of Snuneymuxw membership as this public disclosure may impact their competitive edge in conducting the business affairs of these entities.

Please refer to the independent auditor's report for the basis of qualified opinion.

Snuneymuxw First Nation

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7. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS

The First Nation owns 99% of the units of Petroglyph Development Group Limited Partnership and 49.90% of the units of Salpac Fisheries Limited Partnership. The investment in these partnerships are as follows:

	2021	2020
Petroglyph Development Group Limited Partnership	\$ 30,916,316	\$ 17,638,519
Salpac Fisheries Limited Partnership	387,829	387,829
	\$ 31,304,145	\$ 18,026,348

The financial information for Petroglyph Development Group Limited Partnership for the year ended December 31, 2019 and 2020 are audited. The financial results of Petroglyph Development Group Limited Partnership and Salpac Fisheries Limited partnership have been recorded in the Summary Financial Statements using the modified equity method in accordance with Canadian public sector accounting standards. In addition, Canadian public sector accounting standards require disclosure of the condensed supplementary financial information of these entities; however, Chief and Council chose not to disclose this information outside of Snuneymuxw membership as this public disclosure may impact their competitive edge in conducting the business affairs of these entities.

The financial information for Salpac Fisheries Limited Partnership is not audited and the information for the year ended March 31, 2021 is not available.

Please refer to the independent auditor's report for the basis of qualified opinion.

8. INVESTMENTS - OTHER

The First Nation owns units of BC First Nations Gaming Revenue Sharing Limited Partnership and shares of BCFN GRS GP Inc. The investment in these organizations are shown below and are reported on a cost basis:

	2021	2020
BC First Nations Gaming Revenue Sharing Limited Partnership	\$ 100	\$ 100
BCFN GRS GP Inc.	10	10
	\$ 110	\$ 110

Snuneymuxw First Nation

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9. INVESTMENTS IN SPECIFIC LAND CLAIMS

The First Nation has capitalized expense balances resulting from ongoing negotiations surrounding the following specific land claims:

	2021	2020
Douglas Treaty Village Claim at False Narrows	\$ 24,642	\$ 24,642
Douglas Treaty Village Claim at Harbour Park	24,642	24,642
Douglas Treaty Village Claim at Departure Bay	87,092	24,642
Douglas Treaty Village Claim at Milestone River	24,642	24,642
Douglas Treaty Village Claim at Teytexen	368,636	254,359
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	\$ 529,654	\$ 352,927

10. TRUST MONEYS

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

11. DEBT RESERVE FUND

The First Nation entered into a financing arrangement with First Nations Finance Authority (FNFA). Terms of this agreement include FNFA holding back 5% of the total loan balance in a separate interest-bearing debt reserve fund. As of March 31, 2021, the interest rate earned on these funds is 2.4%.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2021	2020
Accounts payable and accrued liabilities	\$ 1,263,084	\$ 980,332
Payroll liabilities	503,382	407,546
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	1,766,466	1,387,878

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13. DEFERRED REVENUE

	2021	2020
Indigenous Services Canada	\$ 15,272,735	\$ 12,771,609
Coast Guard's Community Participation and Co-Development Contribution Program	123,178	-
First Nations Health Authority	64,145	-
Province of BC	137,682	-
Other	285,497	160,604
	\$ 15,883,237	\$ 12,932,213

14. DUE TO PETROGLYPH DEVELOPMENT GROUP LTD.

	2021	2020
Petroglyph Development Group Ltd.	\$ 1	\$ 1

Advances due to Petroglyph Development Group Ltd. are unsecured and without interest or any fixed terms of repayment.

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15. LONG-TERM DEBT

	2021	2020
Post 96 - Phase 1 - All Nations Trust - Mortgage payable with payments of \$2,276 per month including interest at 1.97% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on October 1, 2032 and renewal on December 1, 2022.	\$ 282,755	\$ 304,301
Post 96 - Phase 2 - All Nations Trust - Mortgage payable with payments of \$4,073 per month including interest at 2.22 % per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on November 1, 2033 and renewal on January 1, 2024.	539,552	576,096
Post 96 - Phase 3 - All Nations Trust - Mortgage payable with payments of \$3,904 per month including interest at 2.14% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on March 1, 2034 and renewal on March 1, 2024.	531,562	566,703
Post 96 - Phase 4 - All Nations Trust - Mortgage payable with payments of \$4,410 per month including interest at 1.86% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on April 1, 2034 and renewal on April 1, 2024.	614,402	655,548
Post 96 - Phase 5 - All Nations Trust - Mortgage payable with payments of \$3,425 per month including interest at 0.68% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on July 1, 2035 and renewal on August 1, 2025.	561,123	597,803

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15. LONG-TERM DEBT (continued)

Post 96 - Phase 6 - All Nations Trust - Mortgage payable with payments of \$5,715 per month including interest at 0.74% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on February 1, 2036 and renewal on February 1, 2026.	968,360	1,028,338
Post 96 - Phase 7 - All Nations Trust - Mortgage payable with payments of \$4,963 per month including interest at 0.69% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on May 1, 2035 and renewal on June 1, 2025.	803,590	856,704
Post 96 - Phase 8 - All Nations Trust - Mortgage payable with payments of \$2,548 per month including interest at 1.14% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on July 1, 2036 and renewal on June 1, 2021.	430,099	455,642
Post 96 - Phase 9 - All Nations Trust - Mortgage payable with payments of \$2,292 per month including interest at 1.14% per annum, secured by a ministerial guarantee from Indigenous Services Canada. Matures on July 1, 2036 and renewal on June 1, 2021.	386,833	409,807
Bank of Montreal - Fixed rate term loan with payments of \$23,101 per month including interest at 3.51% per annum. Matures January 31, 2025.	3,363,224	3,545,294
Bank of Montreal - Fixed rate term loan with payments of \$3,386 per month including interest at 3.44% per annum. Matures on January 31, 2022.	214,407	247,076

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15. LONG-TERM DEBT (continued)

First Nation's Finance Authority (FNFA) - Variable rate loan with interest only payments due monthly at FNFA's prime rate (2.4% per annum as of March 31, 2021). Matures the earlier of February 19, 2026 and the date of completion of the borrowing purpose and secured by the First Nation's revenue stream from BC Gaming Revenue Sharing LP.

12,474,000

\$ 21,169,907 \$ 9,243,312

On June 1, 2021, Post 96 - Phase 8 - All Nations Trust mortgage was renewed for a 5 year term at an interest rate of 1.13% and monthly payments of \$2,546.53.

On June 1, 2021, Post 96 - Phase 9 - All Nations Trust mortgage was renewed for a 5 year term at an interest rate of 1.13% and monthly payments of \$2,290.36.

Future principal payments for subsequent years are as follows:

2022	\$ 1,484,226
2023	700,952
2024	1,296,295
2025	3,500,829
2026	14,187,605
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	\$ 21,169,907

16. CAPITAL LEASE OBLIGATION

Vehicle lease, bearing interest at 6.95% per annum, repayable in monthly payments of \$3,049.54 ending in February, 2025 and secured by the vehicle.

Future aggregate payments for the next five years are as follows:

2022	\$ 36,594
2023	36,594
2024	36,594
2025	33,548
2026	-
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	\$ 143,331

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16. CAPITAL LEASE OBLIGATION (continued)

Automotive equipment lease, bearing interest at 0.23% per annum, repayable in monthly payments of \$1,256.77 ending in March, 2022 and secured by the automotive equipment.

Future aggregate payments for the next five years are as follows:

2022	\$ 13,824
2023	-
2024	-
2025	-
2026	-
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	\$ 13,824
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17. SPECIFIC LAND CLAIMS LOANS

The amounts below consist of various promissory notes signed on different dates. The promissory notes are due the earlier of five years from signing date or the date on which the claim is settled. If the loan becomes due and payable under the terms of the promissory notes while the claim is still in negotiation, the loan repayment dates will be extended by the earlier of five years, or a period deemed appropriate to coincide with the anticipated claim settlement date.

	2021	2020
Douglas Treaty Village Claim at False Narrows	\$ 25,284	\$ 25,284
Douglas Treaty Village Claim at Harbour Park	25,284	25,284
Douglas Treaty Village Claim at Departure Bay	92,234	25,284
Douglas Treaty Village Claim at Milestone River	25,284	25,284
Douglas Treaty Village Claim at Teytexen	377,181	221,874
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	\$ 545,267	\$ 323,010
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18. TANGIBLE CAPITAL ASSETS

	2021							2020		
	Beginning Cost	Additions	Disposal	Ending Cost	Beginning Accumulated Depreciation	Depreciation	Disposals	Ending Accumulated Depreciation	Net Book Value	Net Book Value
Buildings and renovations	36,870,250	\$ 1,809,388	\$ -	38,679,638	\$ 10,676,737	\$ 1,319,444	\$ -	\$ 11,996,181	\$ 26,683,457	\$ 26,193,513
Automotive equipment	1,291,922	366,463	158,165	1,500,220	643,098	63,650	155,507	706,748	793,472	648,824
Furniture and equipment	1,346,335	87,808	-	1,434,143	859,627	107,546	-	967,173	466,970	486,708
Boats	110,617	132,981	36,900	206,698	72,755	6,287	26,371	52,671	154,027	37,862
Infrastructure	13,897,385	365,029	-	14,262,414	3,919,426	471,380	-	4,390,806	9,871,608	9,977,959
Land	662,620	-	-	662,620	-	-	-	-	662,620	662,620
	\$ 54,179,129	\$ 2,761,669	\$ 195,065	\$ 56,745,733	\$ 16,171,643	\$ 1,968,307	\$ 181,878	\$ 18,113,579	\$ 38,632,154	\$ 38,007,486

Included in Automotive equipment is \$222,683 (2020 - \$222,683) capitalized under leases. Related accumulated depreciation is \$56,784 (2020 - \$33,402).

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19. PREPAID EXPENSES

Included in prepaid expenses is \$904,405 held by the City of Nanaimo in trust to be applied against the cost of new connections on IR4 that become due to the City under the provisions of the Water Servicing Agreement and the Sewer Use Agreement. Interest is earned on this balance commensurate with the amount of interest earned by the City from its bank.

20. ACCUMULATED SURPLUS

Accumulated surplus is comprised of the following:

	2021	2020
		Restated
Restricted		
Ottawa Trust Fund	\$ 117,163	\$ 173,538
Enterprise Fund	22,331,053	21,717,565
Housing Reserve	425,759	398,942
Unrestricted		
Operations	1,317,830	(2,670,962)
Invested in tangible capital assets	31,502,851	32,142,246
	\$ 55,694,656	\$ 51,761,329

21. CONTINGENT LIABILITIES

Snuneymuxw First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements are subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events 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 on the First Nation's financial statements.

As at March 31, 2021, the total ministerial housing loan guarantees provided to financial institutions for loans to individual members are in the amount of \$2,597,420 and the outstanding balances for these loans are \$322,083.

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22. BUDGET INFORMATION

Budgeted figures are unaudited and have been derived from the estimates approved by the Chief and Council for comparison purposes. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determinable.

23. RELATED PARTY TRANSACTIONS

During the year ended March 31, 2021, the First Nation entered into transactions with related parties as follows:

1. The First Nation charged \$24,000 (2020: \$3,125) for rent to Tuytaxun General Store Ltd. The First Nation also purchased \$464 (2020: nil) in supplies from Tuytaxun General Store Ltd.
2. The First Nation charged \$83,481 for rent (2020: \$40,000) and \$40,000 (2020: \$535 for miscellaneous services) for waste removal services to Petroglyph Development Group Limited Partnership.
3. The First Nation paid \$1,694 for fuel purchases (2020: nil) to Snuneymuxw Market Ltd., a subsidiary of Petroglyph Development Group Limited Partnership.

These transactions are in the normal course of operations and are measured at the exchange value, which is the amount of consideration established and agreed to by the related parties.

24. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform with the current year's presentation.

Snuneymuxw First Nation

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25. FINANCIAL INSTRUMENTS

Risk management policy

Snuneymuxw First Nation is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2021.

Credit risk

The carrying value of the First Nation's main financial assets represents the maximum credit risk to which the band is exposed.

Liquidity risk

Snuneymuxw First Nation considers that it has sufficient credit facilities to ensure that funds are available to meet its current and long-term financial needs, at a reasonable cost.

Market risk

Snuneymuxw First Nation is exposed to interest rate risk on its fixed-interest and variable-interest financial instruments. Fixed-interest instruments subject the band to fair value risk while the variable-interest instruments subject it to cash flow risk.

The following table summarizes the contractual maturities of the financial liabilities as at March 31, 2021.

	Carrying Amount	Contractual cash flows	Within 1 year	2 to 5 years	Subsequent
Accounts payable and					
accrued expenses	\$ 1,766,466	\$ 1,766,466	\$ 1,766,466	\$ -	\$ -
Long-term debt	21,169,907	23,214,619	1,961,180	21,253,439	-
Lease obligation	138,983	157,155	50,418	106,737	
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 23,075,356	\$ 25,138,240	\$ 3,778,064	\$ 21,360,176	\$ -
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26. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	2021 Budget	2021	2020 Restated
Advertising	\$ 2,200	\$ 1,850	\$ 216
Bad debt expense	-	156,901	71,114
Bank charges and interest	125,300	154,562	153,028
Basic needs	1,476,345	2,038,826	1,432,930
Community support and cultural awareness	1,857,835	1,075,579	855,828
Consultants and contractors	8,442,242	4,461,175	5,989,378
Depreciation expense	-	2,123,813	1,957,869
Insurance	160,188	255,602	203,652
Interest on long-term debt and capital leases	90,927	76,566	83,962
Equipment lease	41,140	24,906	27,790
Equipment purchases	711,295	608,922	1,097,652
Guardian financial assistance	12,000	5,767	5,441
Honorariums	401,660	383,675	281,967
IT/Computer	170,245	146,023	99,543
Licenses fees and dues	20,342	13,499	42,374
Meetings expense	208,995	137,233	153,476
Office and other	60,296	22,236	41,961
Professional fees	755,246	504,741	467,741
Repairs and maintenance	991,384	755,393	939,922
Supplies	471,759	208,678	315,912
Travel	194,706	143,736	289,899
Tuition and training	2,796,924	1,837,923	2,144,382
Utilities	287,604	253,143	259,483
Wages and benefits	5,727,924	5,354,221	4,957,873
Construction, property and equipment acquisition	-	(2,761,669)	(4,794,707)
	\$ 17,983,301	\$ 17,078,686	

Snuneymuxw First Nation

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27. PRIOR PERIOD ADJUSTMENTS

Subsequent to the release of the March 31, 2020 Snuneymuxw First Nation Summary Financial Statements, financial information for the investment in Salpac Fisheries Limited Partnership, a Government Business Partnership, for 2019 and 2020 was released. This resulted in an increase in modified equity income picked up for \$76,752 in 2019 and \$79,976 in 2020.

A summary of the changes are as follows:

SUMMARY STATEMENT OF FINANCIAL POSITION

	2020	2020	
	As previously stated	Changes	Restated
Financial assets			
Investment in Government Business Partnerships	17,869,650	156,698	18,026,348
Net financial assets			
	12,530,100	156,728	12,686,828
Accumulated surplus			
	\$ 51,604,601	156,728	\$ 51,761,329

27. PRIOR PERIOD ADJUSTMENTS (continued)

SUMMARY STATEMENT OF OPERATIONS

	2020	2020	
	As previously stated	Changes	Restated
Revenue			
Increase in Gov. Business Partnerships	5,849,098	79,976	5,929,074
Annual surplus			
	14,877,764	79,976	14,957,740
Accumulated surplus, beginning previously stated			
	37,307,291	-	37,307,291
Prior period adjustment			
	(556,602)	76,752	(479,850)
Accumulated surplus, beginning of year restated			
	36,750,689	76,752	36,827,441
Accumulated surplus, end of year			
	\$ 51,604,601	156,728	\$ 51,761,329

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SUMMARY STATEMENT OF NET FINANCIAL ASSETS (DEBT)

	2020		2020
	<i>As previously stated</i>	<i>Changes</i>	<i>Restated</i>
Annual surplus	\$ 14,877,764	\$ 79,976	\$ 14,957,740
Increase in net financial assets	9,430,577	\$ 79,976	9,510,553
Net financial assets at beginning of year	3,099,523	\$ 76,752	3,176,275
Net financial assets at end of year	<u>\$ 12,530,100</u>	<u>\$ 156,728</u>	<u>\$ 12,686,828</u>

28. SUBSEQUENT EVENTS

Subsequent to year-end, the global outbreak of the COVID-19 virus continued, which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the First Nation, as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place in Canada to fight the virus.