

Pauquachin First Nation
Consolidated Financial Statements
March 31, 2021

Pauquachin First Nation

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For the year ended March 31, 2021

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Management's Responsibility

To the Members of Pauquachin First Nation

The accompanying consolidated financial statements of Pauquachin First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Pauquachin First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Chief and Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP is appointed by the Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with, both the Chief and Council and management to discuss their audit findings.

July 27, 2021

Signed by: Allan Tom

Chief

Independent Auditor's Report

To the Members of Pauquachin First Nation:

Opinion

We have audited the consolidated financial statements of Pauquachin First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2021, and the results of its consolidated operations 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Nanaimo, British Columbia

July 27, 2021

MNP LLP

Chartered Professional Accountants

Pauquachin First Nation
Consolidated Statement of Financial Position
As at March 31, 2021

| | 2021 | 2020 |
|---|-------------------|------------------|
| Financial assets | | |
| Cash and cash equivalents | 6,317,352 | 232,934 |
| Accounts receivable (Note 3) | 394,579 | 316,748 |
| Due from related parties (Note 4) | 814,603 | 535,111 |
| Investments (Note 5) | 1,903,100 | 1,903,100 |
| Restricted cash (Note 6) | 145,641 | 150,577 |
| Investment in First Nation business entities (Note 7) | 256,828 | - |
| Funds held in trust (Note 8) | 96,229 | 94,223 |
| Total of financial assets | 9,928,332 | 3,232,693 |
| Liabilities | | |
| Accounts payable and accruals | 313,449 | 152,405 |
| Deferred revenue (Note 9) | 5,164,548 | 417,308 |
| Long-term debt (Note 10) | 1,775,047 | 1,812,996 |
| Total of financial liabilities | 7,253,044 | 2,382,709 |
| Net financial assets | 2,675,288 | 849,984 |
| Subsequent events (Note 14) | | |
| Significant event (Note 17) | | |
| Non-financial assets | | |
| Tangible capital assets (Schedule 1) | 8,771,206 | 8,810,602 |
| Prepaid expenses | 14,058 | 49,976 |
| Total non-financial assets | 8,785,264 | 8,860,578 |
| Accumulated surplus (Note 11) | 11,460,552 | 9,710,562 |
| Approved on behalf of the Chief and Council | | |

Signed by: Allan Tom

**Chief
Councillor**

Signed by: Darlene Henry

Councillor

Pauquachin First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2021

| | <i>Schedules</i> | <i>2021 Budget (Note 15)</i> | <i>2021</i> | <i>2020</i> |
|---|------------------|--------------------------------------|-------------------|------------------|
| Revenue | | | | |
| Indigenous Services Canada (Note 12) | | 1,530,854 | 2,899,813 | 1,483,240 |
| Fisheries and Oceans Canada | | 1,307,993 | 932,299 | 199,047 |
| First Nations Health Authority | | 732,156 | 824,123 | 632,067 |
| Trust income (Note 4) | | 385,111 | 398,829 | 385,111 |
| Gaming revenue | | 353,661 | 353,661 | 331,241 |
| Other revenue | | 55,579 | 325,716 | 98,932 |
| Province of BC | | 266,271 | 316,471 | 351,680 |
| Capacity funding | | - | 275,000 | 90,210 |
| Earnings from First Nation business entities (Note 7) | | - | 256,827 | - |
| Rental income | | 119,604 | 198,535 | 160,730 |
| First Nations Education Steering Committee | | - | 96,162 | - |
| Management Fees | | - | 63,750 | - |
| Canada Mortgage and Housing Corporation | | 57,824 | 58,663 | 58,813 |
| Interest income | | 24,000 | 20,598 | 51,285 |
| | | 4,833,053 | 7,020,447 | 3,842,356 |
| Expenses | | | | |
| Administration and Governance | 3 | 540,544 | 1,512,495 | 763,694 |
| Health | 4 | 855,303 | 648,766 | 699,674 |
| Social Development | 5 | 819,964 | 879,490 | 656,852 |
| Public Works | 6 | 446,006 | 307,231 | 366,862 |
| Education | 7 | 135,988 | 151,056 | 219,643 |
| Employment Training | 8 | 103,360 | 184,725 | 104,432 |
| Band Housing | 9 | 228,139 | 510,958 | 155,603 |
| Social Housing | 10 | - | 77,401 | 143,097 |
| Treaty and Lands | 11 | - | 29,773 | 69,503 |
| Economic Development | 12 | 10,115 | 76,630 | 84,285 |
| Fisheries | 13 | 1,320,135 | 774,402 | 125,494 |
| Community Trust Funds | 14 | 96,000 | 61,413 | 106,893 |
| BC Gaming | 15 | 101,900 | 25,620 | 16,567 |
| Family Support Services | 16 | 7,608 | 30,497 | 12,756 |
| | | 4,665,062 | 5,270,457 | 3,525,355 |
| Annual surplus | | 167,991 | 1,749,990 | 317,001 |
| Accumulated surplus, beginning of year | | 9,710,562 | 9,710,562 | 9,393,561 |
| Accumulated surplus, end of year (Note 11) | | 9,878,553 | 11,460,552 | 9,710,562 |

The accompanying notes are an integral part of these financial statements

Pauquachin First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|--|--------------------------------------|------------------|-------------|
| Annual surplus | 398,868 | 1,749,990 | 317,001 |
| Purchases of tangible capital assets | - | (289,417) | (43,394) |
| Amortization of tangible capital assets | - | 328,812 | 302,444 |
| Decrease in prepaid expenses | - | 35,919 | 1,111 |
| Increase in net financial assets | 398,868 | 1,825,304 | 577,162 |
| Net financial assets, beginning of year | - | 849,984 | 272,822 |
| Net financial assets, end of year | 398,868 | 2,675,288 | 849,984 |

The accompanying notes are an integral part of these financial statements

Pauquachin First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2021

| | 2021 | 2020 |
|--|-----------|-------------|
| Cash provided by (used for) the following activities | | |
| Operating activities | | |
| Annual surplus | 1,749,990 | 317,001 |
| Non-cash items | | |
| Amortization | 328,812 | 302,444 |
| Bad debts | 61,458 | 50,563 |
| Earnings from First Nation business entities <i>(Note 7)</i> | (256,827) | - |
| | 1,883,433 | 670,008 |
| Changes in working capital accounts | | |
| Accounts receivable | (139,288) | 19,461 |
| Due from related parties | (279,492) | (182,000) |
| Marketable securities | - | 142,000 |
| Restricted cash | 4,936 | (150) |
| Funds held in trust | (2,006) | (3,396) |
| Accounts payable and accruals | 161,044 | (183,815) |
| Prepays | 35,918 | 1,112 |
| Deferred revenue | 4,747,240 | 417,308 |
| | 6,411,785 | 880,528 |
| Financing activities | | |
| Repayment of long-term debt | (70,067) | (77,414) |
| Advances of long-term debt | 32,118 | 88,601 |
| Purchase of investments | - | (1,822,000) |
| | (37,949) | (1,810,813) |
| Capital activities | | |
| Purchases of tangible capital assets | (289,418) | (43,394) |
| Decrease in cash and cash equivalents | 6,084,418 | (973,679) |
| Cash and cash equivalents, beginning of year | 232,934 | 1,206,613 |
| Cash and cash equivalents, end of year | 6,317,352 | 232,934 |

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

1. Operations

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

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Reporting entity

The consolidated financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity. Trusts administered on behalf of third parties by Pauquachin First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Social Housing
- Bokecen Xaxe (Sacred) Society

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Nation business enterprises, owned or controlled by the Nation's Chief and Council but not dependent on the Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method.

Under the modified equity method, the equity method of accounting is modified only to the extent that business entity accounting principles are not adjusted to conform to those of the Nation. Thus, Nation's investment in these entities are recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received. Entities accounted for by the modified equity basis include:

- 1239774 BC Ltd.
- 1228435 BC Ltd.

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

Asset classification

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Funds held in trust

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust moneys consist of:

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

2. Significant accounting policies *(Continued from previous page)*

Tangible capital assets

Tangible capital assets are initially recorded at cost less accumulated amortization. Contributed tangible assets are recorded at their fair value at the date of contribution.

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

Amortization

Amortization for tangible capital assets is provided on a straight-line basis over the estimated useful life of the assets in the year of acquisition, when available for use. See below for amortization rates of specific asset categories.

| | <i>Rate</i> |
|----------------|--------------------|
| Buildings | 11-60 years |
| Social housing | 41-50 years |
| Band housing | 42-44 years |
| Infrastructure | 10-50 years |
| Equipment | 2-30 years |
| Vehicles | 5 years |
| Boat | 5 years |
| Mobile homes | 7-13 years |

Long-lived assets

Long-lived assets consist of tangible capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using quoted market prices. Any impairment is included in surplus for the year.

Use of estimates

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in surplus in the periods in which they become known.

Net financial assets

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

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition

Government Transfers

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

First Nation Capital and Revenue Trust Funds

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

Canada Mortgage and Housing Corporation ("CMHC")

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

Housing rental income

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

Own source and other revenue

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

Investment income

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

Segments

The First Nation conducts its business through a number of reportable segments as described in Note 16. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

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

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

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2021.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2021, no liability for contaminated site exists.

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

3. Accounts receivable

| | 2021 | 2020 |
|---|----------------|----------------|
| Canada Mortgage and Housing Corporation | 6,067 | 4,889 |
| Fisheries and Oceans Canada | 75,219 | - |
| Indigenous Services Canada | 179,144 | 91,608 |
| Tsartlip First Nation | - | 151,360 |
| Other | 134,149 | 68,891 |
| | 394,579 | 316,748 |

4. Due from related parties

| | 2021 | 2020 |
|-------------------------|----------------|----------------|
| Pauquachin Legacy Trust | 398,829 | 385,111 |
| 1239774 B.C. Ltd. | 213,749 | 150,000 |
| 0843898 B.C. Ltd. | 2,025 | - |
| 1228435 B.C. Ltd. | 200,000 | - |
| Total | 814,603 | 535,111 |

The First Nation is the sole beneficiary of Pauquachin Legacy Trust (the "Trust"), an independently administered trust established by the First Nation pursuant to the settlement of a specific claim. The purpose of the Trust is to hold, protect, and nurture the settlement and trust assets for the benefit of the First Nation. At year-end, the market value of investments held in the Trust was \$10,853,575 (2020 - \$10,337,127).

The amounts due from related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

5. Investments

| | 2021 | 2020 |
|---|------------------|------------------|
| RBC investment savings account (mutual funds) | 223,100 | 223,100 |
| Guaranteed Investment Certificates - maturing April 2021, bearing interest at 0.83% | 1,380,000 | - |
| Guaranteed Investment Certificates - maturing July 2021, bearing interest at 0.50% | 300,000 | - |
| Guaranteed Investment Certificates - maturing April 2020, bearing interest at 2.05% | - | 1,305,000 |
| Guaranteed Investment Certificates - maturing July 2020, bearing interest at 1.95% | - | 375,000 |
| | 1,903,100 | 1,903,100 |

6. Restricted cash

Under the terms of the agreement with CMHC, the replacement reserve account is to be credited in the amount of \$12,750 (2020 - \$12,833) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC.

At year-end, the Post 1996 replacement reserve was adequately funded (2020 - adequately funded).

Under the terms of the agreement with CMHC, excess revenues over expenditures for the Post 1996 phases may be retained in the operating reserve. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

At year end, the operating reserve was underfunded by \$174,681 (2020 - underfunded by \$168,445).

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

6. Restricted cash (Continued from previous page)

Restricted cash is comprised of the following:

| | 2021 | 2020 |
|------------------------------------|---------|---------|
| Social housing replacement reserve | 145,641 | 150,577 |

7. Investments in First Nation business entities

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-end of December 31, 2020 is as follows:

| | <i>Investment cost</i> | <i>Cumulative share of earnings</i> | 2021 <i>Total investment</i> |
|---------------------------------|----------------------------|---|-------------------------------------|
| Wholly-owned Businesses: | | | |
| 1239774 B.C. Ltd. | 1 | 256,827 | 256,828 |

Summary financial information for each business partnership, accounted for using the modified equity method, for their respective year-end is as follows:

| | <i>1239774 B.C. Ltd. As at December 31, 2020</i> |
|---|--|
| Assets | |
| Cash | 669,371 |
| Inventory | 11,998 |
| Prepaid expenses and deposits | 12,138 |
| Property and equipment | 2,235,592 |
| Goodwill | 664,732 |
| Total assets | 3,593,831 |
| Liabilities | |
| Accounts payable | 127,568 |
| Deferred revenue | 4,076 |
| Lease liability | 41,721 |
| Long-term debt | 2,947,864 |
| Advances to related parties | 215,774 |
| Total liabilities | 3,337,003 |
| Equity | 256,828 |
| Total revenue | 1,155,202 |
| Total expenses | 826,764 |
| Comprehensive income before income tax | 328,438 |
| Income taxes | (71,611) |
| Comprehensive income | 256,827 |

The First Nation's investee has a different year-end than March 31, 2021. The First Nation uses the investee's year-end financial statements to account for its investment in the investee. There have been no significant events or transactions in the interim period.

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

8. Funds held in trust

Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

| | 2021 | 2020 |
|---------------------------------------|---------------|--------|
| Capital Trust | | |
| Balance, beginning and end of year | 436 | 436 |
| Revenue Trust | | |
| Balance, beginning of year | 93,787 | 90,391 |
| Interest | 1,106 | 2,494 |
| British Columbia special distribution | 900 | 902 |
| Balance, end of year | 95,793 | 93,787 |
| | 96,229 | 94,223 |

Ottawa Trust Funds

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

9. Deferred revenue

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

| | <i>Balance, beginning of year</i> | <i>Contributions received</i> | <i>Recognized as revenue</i> | <i>Balance, end of year</i> |
|---|---|-----------------------------------|----------------------------------|---------------------------------|
| Indigenous Services Canada - EMAP Funding | 136,087 | - | 42,375 | 93,712 |
| Indigenous Services Canada - Capital Funding | 261,221 | - | 261,221 | - |
| Coles Bay Shellfish Restoration Project | 20,000 | - | - | 20,000 |
| CMHC - Rapid Housing Initiative | - | 5,018,146 | 50,000 | 4,968,146 |
| Fisheries and Oceans Canada - Salish Sea Initiative | - | 939,769 | 857,079 | 82,690 |
| | 417,308 | 5,957,915 | 1,210,675 | 5,164,548 |

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

10. Long-term debt

| | 2021 | 2020 |
|--|------------------|-----------|
| All Nations Trust Company Loan, repayable in blended monthly instalments of \$3,541 bearing interest at 1.05%, secured by by buildings with a net book value of \$936,730 (2020 - \$955,384), maturing August 1, 2041 and renewing on August 1, 2021. | 780,423 | 814,560 |
| All Nations Trust Company Loan, repayable in blended monthly instalments of \$2,939 bearing interest at 2.06%, secured by by buildings with a net book value of \$577,976 (2020 - \$591,901), maturing November 1, 2037 and renewing on November 1, 2022. | 497,441 | 522,251 |
| Royal Bank of Canada loan, repayable in blended monthly instalments of \$1,412 bearing interest at 2.71%, secured by a general security agreement, maturing April 1, 2036. | 209,170 | 220,290 |
| Interest-free loan from Indigenous Services Canada's specific claims branch to facilitate the negotiation of the First Nation's specific land claims. Payment of these amounts is expected to be remitted after the settlement of the corresponding land claims. | 288,013 | 255,895 |
| | 1,775,047 | 1,812,996 |

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

| | Principal |
|--------------|------------------|
| 2022 | 71,158 |
| 2023 | 72,361 |
| 2024 | 72,588 |
| 2025 | 74,837 |
| 2026 | 76,111 |
| Thereafter | 1,406,992 |
| Total | 1,775,047 |

Interest on long-term debt amounted to \$24,518 (2020 – \$25,832).

11. Accumulated surplus

Accumulated surplus consists of the following

| | 2021 | 2020 |
|------------------------------------|-------------------|-----------|
| Equity in tangible capital assets | 7,284,172 | 7,253,500 |
| Equity in operating fund | 3,830,793 | 2,118,920 |
| Replacement and operating reserves | 249,358 | 243,919 |
| Equity in Ottawa Trust Fund | 96,229 | 94,223 |
| | 11,460,552 | 9,710,562 |

Pauquachin First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2021

12. Indigenous Services Canada funding reconciliation

| | 2021 | 2020 |
|--|------------------|-----------|
| Revenue per confirmation | 2,638,592 | 1,774,311 |
| ISC amounts recovered in the year | - | (29,850) |
| Deferred funding | - | (261,221) |
| Recognition of previously deferred funding | 261,221 | - |
| | 2,899,813 | 1,483,240 |

13. Economic dependence

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

14. Subsequent events

On June 25, 2021 an agreement was reached for the settlement of Hatchpoint in the amount of \$41,760,869. Pursuant to the agreement, Canada must pay the amount within 45 days of the settlement date.

On May 25, 2021, 1228435 B.C. Ltd. purchased Glen Meadows Golf and Country Club at 1050 McTavish Road, North Sanich, BC, for the amount of \$5,519,400.

15. Budget information

The disclosed budget information has been approved by the Chief and Council of the Pauquachin First Nation at the Chief and Council meeting held on April 29, 2020.

Budget figures on the Consolidated Statement of Operations and Accumulated Surplus are presented using the same basis of accounting as the actual results. A reconciliation of these amounts to the Chief and Council approved budget is as follows:

| | |
|--|------------------|
| Budget surplus approved by Chief and Council | \$772,656 |
| Adjusted for: | |
| Opening surpluses | (\$604,665) |
| Budgeted surplus approved by Chief and Council | \$167,991 |

16. Segments

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

Administration and Governance:

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

Health:

Funding and expenses related to facilitating various health programs for members of the First Nation.

Social Development:

Includes funding and expenses related to social assistance provided to members of the First Nation.

Public Works:

Operations related to public infrastructure, such as water systems, roads and bridges, and community buildings.

Education:

Includes funding and expenses related to the education of members of the First Nation, including post secondary education funding, workshops and seminars, and community events.

Employment Training:

Includes funding and expenses related to the employment training of members of the First Nation.

Band Housing:

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

Social Housing:

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

Treaty and Lands:

Funding and expenses related to various specific land claims filed by the First Nation with Canada.

Economic Development:

Includes revenue and expenditures related to the development of economic opportunities to members, as well as the activities related to the growth of revenue producing projects with the First Nation.

Fisheries:

Economic development operations related specifically to the development of the First Nation's fisheries department.

Community Trust Funds

Includes revenues and expenses related to the Pauquachin Legacy Trust.

BC Gaming

Includes revenue and expenses related to BC gaming revenue.

Family Support Services

Includes revenue and expenses related to Family Support Services.

17. Significant event

In early 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the 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 by Canada and other countries to fight the virus.

18. Comparative figures

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

Pauquachin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2021

| | <i>Buildings</i> | <i>Social Housing</i> | <i>Band Housing</i> | <i>Infrastructure</i> | <i>Equipment</i> | <i>Vehicles</i> | <i>Subtotal</i> |
|--|------------------|---------------------------|---------------------|-----------------------|------------------|-----------------|------------------|
| Cost | | | | | | | |
| Balance, beginning of year | 2,199,591 | 1,850,889 | 3,294,604 | 2,553,872 | 180,375 | 28,496 | 10,107,827 |
| Acquisition of tangible capital assets | - | - | - | - | 60,220 | 99,355 | 159,575 |
| Transfer | - | (133,020) | 133,020 | - | - | - | - |
| Balance, end of year | 2,199,591 | 1,717,869 | 3,427,624 | 2,553,872 | 240,595 | 127,851 | 10,267,402 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 885,942 | 199,982 | 837,394 | 591,076 | 99,459 | 22,796 | 2,636,649 |
| Annual amortization | 83,255 | 32,579 | 80,781 | 54,108 | 18,773 | 15,635 | 285,131 |
| Transfer | - | (29,398) | 29,398 | - | - | - | - |
| Balance, end of year | 969,197 | 203,163 | 947,573 | 645,184 | 118,232 | 38,431 | 2,921,780 |
| Net book value of tangible capital assets | 1,230,394 | 1,514,706 | 2,480,051 | 1,908,688 | 122,363 | 89,420 | 7,345,622 |
| 2020 Net book value of tangible capital assets | 1,313,649 | 1,650,907 | 2,457,210 | 1,962,796 | 80,917 | 5,700 | 7,471,179 |

Pauquachin First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2021

| | <i>Subtotal</i> | <i>Boat</i> | <i>Mobile Homes</i> | <i>Sacred Land</i> | <i>Work in Progress</i> | <i>2021</i> | <i>2020</i> |
|--|------------------|----------------|---------------------|--------------------|-------------------------|------------------|------------------|
| Cost | | | | | | | |
| Balance, beginning of year | 10,107,827 | 150,021 | 450,000 | 1,222,000 | - | 11,929,848 | 11,886,454 |
| Acquisition of tangible capital assets | 159,575 | 79,842 | - | - | 50,000 | 289,417 | 43,394 |
| Transfer | - | - | - | - | - | - | - |
| Balance, end of year | 10,267,402 | 229,863 | 450,000 | 1,222,000 | 50,000 | 12,219,265 | 11,929,848 |
| Accumulated amortization | | | | | | | |
| Balance, beginning of year | 2,636,649 | 43,983 | 438,615 | - | - | 3,119,247 | 2,816,802 |
| Annual amortization | 285,131 | 37,989 | 5,692 | - | - | 328,812 | 302,444 |
| Transfer | - | - | - | - | - | - | - |
| Balance, end of year | 2,921,780 | 81,972 | 444,307 | - | - | 3,448,059 | 3,119,246 |
| Net book value of tangible capital assets | 7,345,622 | 147,891 | 5,693 | 1,222,000 | 50,000 | 8,771,206 | 8,810,602 |
| 2020 Net book value of tangible capital assets | 7,471,179 | 106,038 | 11,385 | 1,222,000 | - | 8,810,602 | |

Pauquachin First Nation
Schedule 2 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|--|--------------------------------------|------------------|------------------|
| Consolidated expenses by object | | | |
| Administration | 3,416 | - | - |
| Amortization | - | 328,812 | 302,444 |
| Bad debts | - | 61,458 | 50,563 |
| Bank charges and interest | 82,200 | 33,420 | 31,239 |
| Committees expense | 9,000 | - | 148 |
| Community events | 88,748 | 22,814 | 17,996 |
| Contract and consulting - homemakers | 31,000 | 9,119 | 18,339 |
| Contract and consulting services | 167,008 | 564,332 | 307,286 |
| Council expenses | 15,200 | 3,258 | 16,634 |
| Distribution to members | - | 137,438 | 58,655 |
| Donations | - | 56 | 200 |
| Dues, fees and licenses | 5,000 | 5,505 | 1,105 |
| Elders emergency repairs | - | 6,889 | 12,258 |
| Election expenses | 4,000 | 13,815 | - |
| Food fish | 10,000 | 12,577 | - |
| Funeral | 12,520 | 2,491 | 5,979 |
| Health services to members | 236,400 | 124,826 | 167,868 |
| Honourarium - Chief and Council | 177,700 | 166,455 | 175,005 |
| Honourarium - other | 21,400 | 4,550 | 5,683 |
| Insurance | 178,104 | 122,731 | 63,384 |
| Legal fees | 4,050 | 100,077 | 180,928 |
| Materials and supplies | 176,151 | 399,547 | 81,699 |
| Meeting expense | 16,575 | 5,675 | 11,126 |
| Municipal services | 189,920 | 118,934 | 113,672 |
| Office | 41,865 | 192,410 | 44,860 |
| Post secondary education - student | 112,816 | 113,140 | 188,116 |
| Professional fees | 46,060 | 54,783 | 46,063 |
| Rentals and leases | 43,100 | 31,407 | 26,157 |
| Repairs and maintenance | 735,523 | 350,817 | 185,909 |
| Wages and benefits | 1,419,395 | 1,410,160 | 789,156 |
| Social assistance to members | 696,250 | 776,411 | 551,837 |
| Staff travel | 15,750 | 13,202 | 14,474 |
| Transfer to replacement reserve | 12,756 | - | - |
| Transportation | 1,075 | - | - |
| Utilities | 42,960 | 38,720 | 39,818 |
| Workshops and training | 69,120 | 44,628 | 16,754 |
| | 4,665,062 | 5,270,457 | 3,525,355 |

Pauquachin First Nation
Administration and Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|------------------|------------------|
| Revenue | | | |
| Indigenous Services Canada | 237,531 | 774,258 | 264,245 |
| Other revenue | - | 74,924 | 19,350 |
| Province of BC | - | 42,375 | - |
| Management fees | - | 63,750 | - |
| Interest income | 24,000 | 19,419 | 41,005 |
| Rental income | 12,000 | - | 17,860 |
| | 273,531 | 974,726 | 342,460 |
| Expenses | | | |
| Administration recovery | (221,728) | (193,133) | (188,427) |
| Amortization | - | 215,452 | 189,941 |
| Bad debts | - | 61,458 | 63,157 |
| Bank charges and interest | 3,000 | 8,764 | 4,161 |
| Community events | 5,000 | 13,626 | 560 |
| Contract and consulting services | 71,400 | 216,889 | 74,260 |
| Council expenses | 9,000 | 3,258 | 16,190 |
| Distribution to members | - | 95,894 | 51,250 |
| Donations | - | 25 | 200 |
| Dues, fees and licenses | - | 505 | 1,055 |
| Election expenses | 4,000 | 13,815 | - |
| Funeral | 2,520 | 91 | 4,739 |
| Honourarium - Chief and Council | 175,000 | 166,455 | 175,000 |
| Honourarium - other | - | 600 | 2,650 |
| Insurance | 117,004 | 21,943 | 8,201 |
| Legal fees | 1,200 | 13,816 | 24,914 |
| Materials and supplies | 9,000 | 188,464 | 6,083 |
| Meeting expense | 1,200 | 1,888 | 5,566 |
| Office | 20,500 | 147,286 | 39,519 |
| Professional fees | 30,000 | 49,883 | 32,163 |
| Rentals and leases | - | 9,727 | 3,771 |
| Repairs and maintenance | 49,440 | 102,302 | 45,539 |
| Staff travel | 2,250 | 3,426 | 8,216 |
| Utilities | 20,400 | 19,159 | 23,985 |
| Wages and benefits | 236,858 | 350,902 | 167,837 |
| Workshops and training | 4,500 | - | 3,164 |
| | 540,544 | 1,512,495 | 763,694 |
| Deficit before transfers | (267,013) | (537,769) | (421,234) |
| Transfers between programs | (38,023) | - | - |
| Annual deficit | (305,036) | (537,769) | (421,234) |

Pauquachin First Nation
Health

Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | <i>2021 Budget (Note 15)</i> | <i>2021</i> | <i>2020</i> |
|--|--------------------------------------|------------------|----------------|
| Revenue | | | |
| First Nations Health Authority | 732,156 | 824,123 | 632,067 |
| Province of BC | 162,911 | 157,319 | 207,380 |
| Other revenue | 37,656 | 95,396 | 300 |
| | 932,723 | 1,076,838 | 839,747 |
| Expenses | | | |
| Administration | 99,066 | 98,462 | 124,226 |
| Bank charges and interest | - | - | 266 |
| Brighter futures | 42,000 | 18,112 | 14,334 |
| Building healthy communities solvent abuse | 48,000 | 4,311 | 2,930 |
| Community health nurse | - | 35,613 | 56,680 |
| Contract and consulting services | 4,008 | 733 | 11,231 |
| Council expenses | 6,200 | - | - |
| Diabetes initiative | 42,000 | 17,375 | 32,054 |
| First Nations and Inuit home and community care | 90,000 | 13,625 | 26,781 |
| Health services - opioid crisis | - | 28,355 | 17,237 |
| Honourarium - other | 14,000 | 300 | 1,248 |
| Insurance | 1,800 | 1,507 | 6,094 |
| Materials and supplies | 30,267 | 7,851 | 6,952 |
| Meeting expense | 8,000 | - | 82 |
| Municipal services | 1,920 | 318 | - |
| Non-insured health benefits - medical transportation | 14,400 | 1,842 | 9,066 |
| Office | 6,600 | 895 | 1,852 |
| Prenatal nutrition | - | 5,593 | 8,787 |
| Professional fees | 11,500 | - | 10,000 |
| Rentals and leases | 37,850 | 14 | 16,500 |
| Repairs and maintenance | 3,000 | 15,777 | 18,767 |
| Staff travel | 1,800 | 2,853 | 4,377 |
| Utilities | 6,000 | 4,050 | 4,122 |
| Wages and benefits | 353,872 | 383,081 | 324,998 |
| Workshops and training | 33,020 | 8,099 | 1,090 |
| | 855,303 | 648,766 | 699,674 |
| Annual surplus (deficit) | 77,420 | 428,072 | 140,073 |

Pauquachin First Nation
Social Development
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|--------------------------------------|--------------------------------------|----------------|----------------|
| Revenue | | | |
| Indigenous Services Canada | 709,102 | 958,327 | 689,607 |
| Other revenue | - | 6,869 | - |
| | 709,102 | 965,196 | 689,607 |
| Expenses | | | |
| Administration | - | 3,653 | 6,052 |
| Bank charges and interest | - | 138 | 711 |
| Community events | 11,248 | 559 | - |
| Contract and consulting - homemakers | 31,000 | 9,119 | 18,339 |
| Contract and consulting services | - | 44,896 | 40,732 |
| Honourarium - other | 3,000 | 270 | - |
| Materials and supplies | 26,400 | 13,890 | 24,579 |
| Office | 2,400 | 9,406 | 376 |
| Repairs and maintenance | 12,000 | 1,140 | 2,070 |
| Social assistance to members | 673,850 | 776,411 | 551,837 |
| Staff travel | 4,800 | 1,728 | 41 |
| Wages and benefits | 55,266 | 18,280 | 12,115 |
| | 819,964 | 879,490 | 656,852 |
| Annual surplus (deficit) | (110,862) | 85,706 | 32,755 |

Pauquachin First Nation
Public Works

Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|----------------|------------------|
| Revenue | | | |
| Indigenous Services Canada | 369,966 | 518,910 | 255,566 |
| Other revenue | 2,000 | 2,000 | 2,000 |
| | 371,966 | 520,910 | 257,566 |
| Expenses | | | |
| Administration | - | - | 25,757 |
| Contract and consulting services | 74,000 | 81,232 | 86,220 |
| Insurance | 4,800 | - | 274 |
| Materials and supplies | 12,000 | 3,779 | 2,743 |
| Municipal services | 188,000 | 115,048 | 113,672 |
| Office | 9,000 | 886 | 744 |
| Rentals and leases | 5,250 | 245 | 436 |
| Repairs and maintenance | 73,720 | 34,236 | 62,165 |
| Staff travel | - | 1,033 | 497 |
| Utilities | 13,200 | 12,820 | 10,185 |
| Wages and benefits | 66,036 | 57,889 | 63,356 |
| Workshops and training | - | 63 | 813 |
| | 446,006 | 307,231 | 366,862 |
| Annual surplus (deficit) | (74,040) | 213,679 | (109,296) |

Pauquachin First Nation
Education

Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|--|--------------------------------------|----------------|----------------|
| Revenue | | | |
| Indigenous Services Canada | 175,559 | 202,282 | 211,132 |
| Other revenue | - | 7,879 | - |
| First Nations Education Steering Committee | - | 96,162 | - |
| | 175,559 | 306,323 | 211,132 |
| Expenses | | | |
| Community events | - | 252 | 704 |
| Donations | - | 32 | - |
| Honourarium - other | - | 400 | - |
| Materials and supplies | - | 2,354 | 1,679 |
| Post secondary education - student | 112,816 | 113,140 | 188,116 |
| Staff travel | - | 259 | 991 |
| Utilities | - | 136 | - |
| Wages and benefits | 22,572 | 30,601 | 27,205 |
| Workshops and training | 600 | 3,882 | 948 |
| | 135,988 | 151,056 | 219,643 |
| Annual surplus (deficit) | 39,571 | 155,267 | (8,511) |

Pauquachin First Nation
Employment Training
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|-----------------|----------------|
| Revenue | | | |
| Province of BC | 103,360 | 116,778 | 98,770 |
| Other revenue | - | 50,205 | 7,150 |
| | 103,360 | 166,983 | 105,920 |
| Expenses | | | |
| Administration | 9,000 | 12,796 | 10,592 |
| Contract and consulting services | - | 21,893 | - |
| Honourarium - other | - | 100 | - |
| Materials and supplies | 2,508 | 8,332 | 12,852 |
| Rentals and leases | - | 808 | - |
| Staff travel | 1,500 | 784 | 124 |
| Utilities | - | 284 | - |
| Wages and benefits | 90,352 | 139,328 | 80,400 |
| Workshops and training | - | 400 | 464 |
| | 103,360 | 184,725 | 104,432 |
| Annual surplus (deficit) | - | (17,742) | 1,488 |

Pauquachin First Nation
Band Housing
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | <i>2021 Budget (Note 15)</i> | <i>2021</i> | <i>2020</i> |
|---|--------------------------------------|----------------|-----------------|
| Revenue | | | |
| Indigenous Services Canada | 24,688 | 397,952 | 24,688 |
| Other revenue | - | 50,000 | 234 |
| Rental income | 60,204 | 129,535 | 65,585 |
| | 84,892 | 577,487 | 90,507 |
| Expenses | | | |
| Administration recovery | - | (34,717) | - |
| Amortization | - | 78,063 | 52,861 |
| Bad debts | - | - | 10,051 |
| Bank charges and interest | 79,200 | 5,777 | 6,419 |
| Contract and consulting services | - | 177,030 | 15,545 |
| Elders emergency repairs | - | 6,889 | 12,258 |
| Insurance | 54,000 | 77,974 | 23,346 |
| Materials and supplies | 10,000 | 93,628 | - |
| Meeting expense | - | - | 163 |
| Office | 2,400 | 9,096 | 440 |
| Professional fees | 2,560 | - | - |
| Repairs and maintenance | 6,000 | 33,765 | 17,141 |
| Staff travel | 1,800 | 232 | (1,398) |
| Transfer to replacement reserve | 12,756 | - | - |
| Utilities | 360 | 328 | 462 |
| Wages and benefits | 59,063 | 62,893 | 18,315 |
| | 228,139 | 510,958 | 155,603 |
| Surplus (deficit) before transfers | (143,247) | 66,529 | (65,096) |
| Transfers between programs | 38,023 | - | - |
| Annual surplus (deficit) | (105,224) | 66,529 | (65,096) |

Pauquachin First Nation
Social Housing
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|---|--------------------------------------|----------------|-------------|
| Revenue | | | |
| Indigenous Services Canada | | | |
| Band support funds | - | - | 17,123 |
| Rental income | 47,400 | 69,000 | 77,285 |
| Canada Mortgage and Housing Corporation | 57,824 | 58,663 | 58,813 |
| Interest income | - | 1,179 | 2,785 |
| | 105,224 | 128,842 | 156,006 |
| Expenses | | | |
| Administration | - | - | 10,800 |
| Amortization | - | 35,297 | 59,643 |
| Bad debt recovery | - | - | (22,645) |
| Bank charges and interest | - | 18,741 | 19,682 |
| Contract and consulting services | - | - | 4,675 |
| Insurance | - | 10,777 | 22,288 |
| Materials and supplies | - | - | 39 |
| Professional fees | - | 4,900 | 3,900 |
| Repairs and maintenance | - | 7,686 | 377 |
| Wages and benefits | - | - | 44,338 |
| | - | 77,401 | 143,097 |
| Surplus before transfers | 105,224 | 51,441 | 12,909 |
| Annual surplus | 105,224 | 51,441 | 12,909 |

Pauquachin First Nation
Treaty and Lands

Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|-----------------|-------------|
| Expenses | | | |
| Contract and consulting services | - | - | 30,238 |
| Distribution to members | - | 4,924 | 7,405 |
| Honourarium - Chief and Council | - | - | 5 |
| Honourarium - other | - | - | 75 |
| Legal fees | - | 22,291 | 31,673 |
| Meeting expense | - | 73 | 94 |
| Office | - | 2,485 | - |
| Staff travel | - | - | 13 |
| | - | 29,773 | 69,503 |
| Annual deficit | - | (29,773) | (69,503) |

Pauquachin First Nation
Economic Development
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|--|--------------------------------------|----------------|-------------|
| Revenue | | | |
| Capacity funding | - | 275,000 | 90,210 |
| Earnings from First Nation business entities | - | 256,827 | - |
| Indigenous Services Canada | 10,115 | 44,191 | 17,191 |
| Other revenue | - | 17,709 | - |
| Province of BC | - | - | 45,530 |
| | 10,115 | 593,727 | 152,931 |
| Expenses | | | |
| Administration | - | - | 1,000 |
| Contract and consulting services | 3,600 | - | 10,981 |
| Distribution to members | - | 36,619 | - |
| Honourarium - Chief and Council | 2,700 | - | - |
| Legal fees | 2,850 | 40,011 | 69,364 |
| Materials and supplies | - | - | 82 |
| Meeting expense | - | - | 293 |
| Office | 965 | - | - |
| Rentals and leases | - | - | 450 |
| Utilities | - | - | 75 |
| Wages and benefits | - | - | 1,540 |
| Workshops and training | - | - | 500 |
| | 10,115 | 76,630 | 84,285 |
| Annual surplus | - | 517,097 | 68,646 |

Pauquachin First Nation
Fisheries

Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | <i>2021 Budget (Note 15)</i> | <i>2021</i> | <i>2020</i> |
|----------------------------------|--------------------------------------|----------------|----------------|
| Revenue | | | |
| Fisheries and Oceans Canada | 1,307,993 | 932,299 | 199,047 |
| Other revenue | 15,923 | 22,655 | 21,329 |
| | 1,323,916 | 954,954 | 220,376 |
| Expenses | | | |
| Administration | 117,079 | 112,939 | 10,000 |
| Contract and consulting services | 9,000 | 21,478 | 5,012 |
| Council expenses | - | - | 444 |
| Dues, fees and licenses | - | - | 50 |
| Honourarium - other | 4,400 | 546 | 1,610 |
| Insurance | 500 | 10,531 | 3,081 |
| Materials and supplies | 65,868 | 59,429 | 18,848 |
| Meeting expense | 7,375 | 3,714 | 433 |
| Office | - | 22,190 | 1,930 |
| Professional fees | 2,000 | - | - |
| Rentals and leases | - | 20,614 | 5,001 |
| Repairs and maintenance | 539,863 | 126,647 | 27,222 |
| Staff travel | 3,600 | 2,887 | 1,612 |
| Transportation | 1,075 | - | - |
| Utilities | 3,000 | 1,862 | 989 |
| Wages and benefits | 535,375 | 367,230 | 48,693 |
| Workshops and training | 31,000 | 24,335 | 569 |
| | 1,320,135 | 774,402 | 125,494 |
| Annual surplus | 3,781 | 180,552 | 94,882 |

Pauquachin First Nation
Community Trust Funds
Schedule 14 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|----------------|----------------|
| Revenue | | | |
| Trust income | 385,111 | 398,829 | 385,111 |
| Interest income | - | - | 7,495 |
| | 385,111 | 398,829 | 392,606 |
| Expenses | | | |
| Committees expense | 9,000 | - | 148 |
| Community events (recovery) | 10,500 | (38) | 16,280 |
| Contract and consulting services | - | - | 23,073 |
| Dues, fees and licenses | 5,000 | - | - |
| Food fish | 10,000 | 12,549 | - |
| Funeral | 10,000 | 2,400 | 1,240 |
| Legal fees | - | 23,959 | 54,336 |
| Materials and supplies | - | - | 36 |
| Meeting expense (recovery) | - | - | (846) |
| Municipal services | - | 3,568 | - |
| Repairs and maintenance | 51,500 | 18,975 | 12,626 |
| | 96,000 | 61,413 | 106,893 |
| Annual surplus | 289,111 | 337,416 | 285,713 |

Pauquachin First Nation
BC Gaming

Schedule 15 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|-------------|-------------|
| Revenue | | | |
| Gaming revenue | 353,661 | 353,661 | 331,241 |
| Expenses | | | |
| Community events | 62,000 | 5,755 | 449 |
| Contract and consulting services | - | - | 5,321 |
| Dues, fees and licenses | - | 5,000 | - |
| Food fish | - | 28 | - |
| Legal fees | - | - | 641 |
| Materials and supplies | 17,500 | 5,245 | 4,816 |
| Meeting expense | - | - | 5,340 |
| Office | - | 167 | - |
| Repairs and maintenance | - | 9,425 | - |
| Social assistance to members | 22,400 | - | - |
| | 101,900 | 25,620 | 16,567 |
| Annual surplus | 251,761 | 328,041 | 314,674 |

Pauquachin First Nation
Family Support Services
Schedule 16 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2021

| | 2021 Budget (Note 15) | 2021 | 2020 |
|----------------------------------|--------------------------------------|-----------------|---------------|
| Revenue | | | |
| Indigenous Services Canada | 3,893 | 3,893 | 3,688 |
| Other revenue (recovery) | - | (1,920) | 48,569 |
| | 3,893 | 1,973 | 52,257 |
| Expenses | | | |
| Honariums | - | 2,334 | 100 |
| Insurance | - | - | 99 |
| Materials and supplies | 2,608 | 16,575 | 2,990 |
| Wages and benefits (recovery) | - | (45) | 360 |
| Workshops and training | - | 7,849 | 9,207 |
| Contract and consulting services | 5,000 | 180 | - |
| Repairs and maintenance | - | 864 | - |
| Utilities | - | 80 | - |
| Community events | - | 2,660 | - |
| | 7,608 | 30,497 | 12,756 |
| Annual surplus (deficit) | (3,715) | (28,524) | 39,501 |