

**Songhees Nation**  
**Consolidated Financial Statements**  
*March 31, 2021*

**Management's Responsibility****Independent Auditor's Report****Consolidated Financial Statements**

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## Management's Responsibility

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To the Members of Songhees Nation:

The accompanying consolidated financial statements of Songhees 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 Songhees Nation Chief and Council are 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 are also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Members 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 Council and management to discuss their audit findings.

September 29, 2021

Signed by: Francine L'Hirondelle  
Senior Finance Officer

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Executive Director

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## Independent Auditor's Report

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To the Members of Songhees Nation:

### Opinion

We have audited the consolidated financial statements of Songhees Nation (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, 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 Nation as at March 31, 2021, and the results of its consolidated operations, its consolidated remeasurement gains and losses 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 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 Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

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

September 29, 2021

*MNP LLP*

Chartered Professional Accountants

**Songhees Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2021*

	2021	2020
<b>Financial assets</b>		
Cash and cash equivalents	10,401,896	7,005,138
Restricted cash (Note 4)	1,420,455	1,523,752
Term deposits (Note 5)	-	2,500,000
Accounts receivable (Note 6)	1,134,747	1,402,578
Investments (Note 7)	23,047,979	21,320,649
Funds held in trust (Note 8)	1,542	1,532
Advances to related Nation entities (Note 9)	12,833,684	-
Investment in Nation business enterprises and partnerships (Note 10)	83,141	2,467,042
<b>Total financial assets</b>	<b>48,923,444</b>	<b>36,220,691</b>
<b>Liabilities</b>		
Accounts payable and accruals (Note 11)	2,614,422	3,240,556
Long-term debt (Note 12)	21,744,822	22,552,068
<b>Total liabilities</b>	<b>24,359,244</b>	<b>25,792,624</b>
<b>Net financial assets</b>	<b>24,564,200</b>	<b>10,428,067</b>
<b>Contingencies (Note 13)</b>		
<b>Significant event (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	39,229,078	43,555,929
Inventory	-	33,510
Prepaid expenses	107,995	46,648
<b>Total non-financial assets</b>	<b>39,337,073</b>	<b>43,636,087</b>
<b>Accumulated surplus (Note 15)</b>	<b>63,901,273</b>	<b>54,064,154</b>
<b>Accumulated surplus is comprised of:</b>		
Accumulated operating surplus	64,043,683	55,486,567
Accumulated remeasurement losses	(142,410)	(1,422,413)
	<b>63,901,273</b>	<b>54,064,154</b>

**Approved by Chief and Council**

Signed by: Chief Ron Sam	<b>Chief</b>	Signed by: Jackie Albany	<b>Councillor</b>
Signed by: Karen Dick-Tunkara	<b>Councillor</b>	Signed by: Garry Albany	<b>Councillor</b>
Signed by: Margaret Charlie	<b>Councillor</b>		<b>Councillor</b>

The accompanying notes are an integral part of these financial statements

**Songhees Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2021*

	<i>Schedules</i>	<i>2021 Budget (Note 19)</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>				
Indigenous Services Canada (Note 16)		3,241,551	5,033,003	3,359,704
Property taxation		974,824	888,763	861,139
Province of British Columbia		422,470	814,012	282,643
First Nations Health Authority		594,166	681,668	714,670
Canada Mortgage and Housing Corporation		41,186	37,631	41,691
FNGST		1,700,000	1,712,039	1,731,872
Lease income		757,299	846,328	916,741
Other government funding		134,217	808,639	269,467
Other income		465,610	626,600	658,247
Rental income		114,499	516,906	614,237
Gaming revenue		-	404,586	374,505
Investment income		-	363,893	594,297
Interest income		-	350,667	580,620
Earnings (loss) from investment in Nation business enterprises and partnerships (Note 10)		145,000	(158,180)	274,238
Catering revenue		-	-	685,193
		<b>8,590,822</b>	<b>12,926,555</b>	<b>11,959,264</b>
<b>Expenses</b>				
Administration and Governance	3	1,648,398	2,546,021	1,771,779
Local Services	4	2,361,641	2,885,348	2,928,150
Education Services	5	2,396,517	2,168,667	2,415,289
Health and Social Services	6	1,069,885	1,177,229	984,093
Community Services	7	253,601	938,736	2,142,705
Social Housing	8	142,250	121,690	173,813
		<b>7,872,292</b>	<b>9,837,691</b>	<b>10,415,829</b>
<b>Surplus before other items</b>		<b>718,530</b>	<b>3,088,864</b>	<b>1,543,435</b>
<b>Other income</b>				
Gain on restructuring (Note 17)		-	5,468,252	-
<b>Annual surplus</b>		<b>718,530</b>	<b>8,557,116</b>	<b>1,543,435</b>
<b>Accumulated operating surplus, beginning of year</b>		<b>55,486,567</b>	<b>55,486,567</b>	<b>53,943,132</b>
<b>Accumulated operating surplus, end of year (Note 15)</b>		<b>56,205,097</b>	<b>64,043,683</b>	<b>55,486,567</b>

The accompanying notes are an integral part of these financial statements

**Songhees Nation**  
**Consolidated Statement of Remeasurement Gains and Losses**  
*For the year ended March 31, 2021*

	<b>2021</b>	<b>2020</b>
<b>Accumulated remeasurement gain (loss), beginning of year</b>	<b>(1,422,413)</b>	1,642,587
<b>Unrealized gain (loss) attributable to:</b>		
Designated fair value financial instruments	<b>1,280,003</b>	(3,065,000)
<b>Accumulated remeasurement losses, end of year</b>	<b>(142,410)</b>	(1,422,413)

*The accompanying notes are an integral part of these financial statements*



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

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Annual surplus</b>	<b>718,530</b>	<b>8,557,116</b>	1,543,435
Purchases of tangible capital assets	<b>(600,000)</b>	<b>(2,684,139)</b>	(7,830,925)
Disposals of tangible capital assets	-	<b>6,090,001</b>	-
Amortization of tangible capital assets	<b>545,000</b>	<b>920,989</b>	935,694
Decrease (increase) of prepaid expense	-	<b>(61,347)</b>	229,784
Decrease in inventory	-	<b>33,510</b>	3,772
Remeasurement gain (loss) for the year	-	<b>1,280,003</b>	(3,065,000)
<b>Increase (decrease) in net financial assets</b>	<b>663,530</b>	<b>14,136,133</b>	(8,183,240)
<b>Net financial assets, beginning of year</b>	<b>10,428,067</b>	<b>10,428,067</b>	18,611,307
<b>Net financial assets, end of year</b>	<b>11,091,597</b>	<b>24,564,200</b>	10,428,067

*The accompanying notes are an integral part of these financial statements*

**Songhees Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2021*

	2021	2020
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	8,557,116	1,543,435
Non-cash items		
Amortization	920,989	935,694
Bad debts	143,047	21,287
Earnings from investment in Nation business enterprises and partnerships	158,180	(271,038)
Gain on sale of portfolio investments	(73,109)	(251,727)
Gain on restructuring	(5,468,251)	-
	4,237,972	1,977,651
Changes in working capital accounts		
Accounts receivable	267,831	(674,698)
Accounts payable and accruals	(626,134)	1,973,439
Prepaid expenses	(61,346)	229,784
Inventory	33,510	3,772
	3,851,833	3,509,948
<b>Financing activities</b>		
Repayment of long-term debt	(807,246)	(733,705)
Repayment of due to related parties	-	(2,010,513)
	(807,246)	(2,744,218)
<b>Capital activities</b>		
Purchases of tangible capital assets	(2,684,139)	(7,830,925)
<b>Investing activities</b>		
Purchase of investments	(1,727,330)	(11,256,006)
Decrease in restricted cash	(103,298)	(147,721)
Purchase of term deposits	-	(2,500,000)
Proceeds on disposal of term deposits	2,500,000	5,500,000
Increase (decrease) in funds held in trust	10	(10)
Advances from (to) Nation business enterprises and partnerships	(100,114)	126,790
Disposal of investments in Nation business enterprises and partnerships	2,467,042	-
	3,036,310	(8,276,947)
<b>Increase (decrease) in cash and cash equivalents</b>	<b>3,396,758</b>	<b>(15,342,142)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>7,005,138</b>	<b>22,347,280</b>
<b>Cash and cash equivalents, end of year</b>	<b>10,401,896</b>	<b>7,005,138</b>
Interest paid	761,587	809,124

The accompanying notes are an integral part of these financial statements

**1. Operations**

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

**2. 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 consolidated***

The financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation's business enterprises and Nation business partnerships.

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

- Songhees James Bay Village Trust
- Songhees Cadboro Bay Trust
- Songhees Cadboro Bay Settlement Minors Trust

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.

Nation business partnerships, jointly owned and controlled by the Nation's Chief and Council are 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:

- Skungeenes Holdings Limited Partnership
- Songhees Development Corporation
- Songhees Development Limited Partnership
- Seed & Stone Victoria Limited Partnership
- 1185869 B.C. Ltd
- 1255063 B.C. Ltd

***Cash and cash equivalents***

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Tangible capital assets***

Tangible capital assets are recorded at cost less accumulated amortization.

Contributed tangible capital assets are recorded at their fair market value at the time of acquisition.

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

**Amortization**

Amortization for tangible capital assets is provided using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives. See below for amortization rates of specific asset categories.

All intangible assets and items inherited by the right of the Nation, such as reserve land, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements. In addition, artwork and carvings have an unlimited useful life, and therefore are not depreciated.

	<b>Method</b>	<b>Rate</b>
Automotive	straight-line	3 to 4 years
Boats	straight-line	3 to 4 years
Buildings and improvements	straight-line	20 to 25 years
Docks	straight-line	20 years
Food truck	straight-line	12 to 13 years
General equipment	straight-line	5 years
General housing	straight-line	25 years
Infrastructure	straight-line	25 years
Leasehold improvements	straight-line	4 years

**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.

**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 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 operations for the year.

**Funds held in trust**

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position 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 Nation tangible capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**Net financial assets**

The Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the Nation is determined by its financial assets less its liabilities. Net financial assets is comprised of two components, non-financial assets and accumulated surplus.

**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.

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

***Investments***

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include Changes in fair value are recorded in the statement of remeasurement gains and losses.

Long-term investments in entities that are not owned, controlled or influenced by the Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

***Measurement uncertainty***

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

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Inventories are valued at lower of cost and net realizable value using the first in, first out costing method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated selling costs.

A liability for a contaminated site reflects management's best estimate of the amount required to remediate the contaminated site. The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future site remediation. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

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

***Financial instruments***

The Nation's financial instruments consist of cash and cash equivalents, restricted cash, term deposits, accounts receivable, investments, accounts payable and accruals, due to related parties and long-term debt. Unless otherwise noted, it is management's opinion that the Nation is not exposed to significant interest, credit, or currency risks, arising from these financial instruments.

***Revenue recognition***

**Government transfers**

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

**Funds held in trust**

The 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 income 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

**Property taxation**

Property taxation revenues are recognized in the year that they are levied.

**Sales**

Revenue from the sale of goods and services are recognized as services are rendered or goods are sold, once amounts can be reasonably measured, and collectibility is reasonably assured

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

**Other revenue**

Other revenue is recognized when a sale is made or a service has been provided, once amounts can be reasonably measured, and collectibility is reasonably assured.

***Liability for contaminated site***

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

At each financial reporting date, the 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 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 sites exists.

***Segments***

The Nation conducts its business through seven of reportable segments as described in Note 18. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

**3. Demand loan**

The Nation holds a revolving credit facility to a maximum of \$100,000 available with the Royal Bank of Canada bearing interest at prime plus 1.00%. At March 31, 2021, the prime rate was 2.45% (2020 - 2.45%). There are no specified terms of repayment. The credit facility is secured by a general security agreement over all personal property of the Nation. As at March 31, 2021 no amount is drawn on the credit facility.

**4. Restricted cash**

**Social Housing Reserves**

**Post 1996 phases**

Under the terms of the agreements with CMHC, the replacement reserve account is to be credited in the amount of \$16,000 (2020 - \$16,000) 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 balance was \$19,385 (2020 - \$1,071) and was adequately funded (2020 - adequately funded).

Under the terms of the agreements with CMHC, excess federal assistance payments may be retained in an 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. For the Post 1996 phases, the funds may be used to offset future deficits. Withdrawals are credits to interest first and then principal. At year-end, the operating reserve balance was \$139,728 (2020 - \$120,224) and was underfunded by \$32,737 (2020 - underfunded by \$13,410).

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**4. Restricted cash** *(Continued from previous page)*

Pre 1997 phases

Debt associated with Pre 1997 units was fully repaid in the March 31, 2020 year end and therefore the replacement reserve was transferred to the Nation during the March 31, 2021 year end through a matured unit adjustment.

Songhees Nation was issued a debt instrument through the First Nation Finance Authority ("FNFA"). As a condition of this borrowing, a portion of the debenture proceeds are withheld by the FNFA as a debt reserve fund. The deposit at March 31, 2021 was \$1,080,846 (2020- \$1,184,549).

	2021	2020
Replacement and operating reserves	339,609	339,203
Replacement and operating FNFA debt reserve	1,080,846	1,184,549
	<b>1,420,455</b>	<b>1,523,752</b>

**5. Term deposits**

	2021	2020
Guaranteed Investment Certificates - matured April 13, 2020	-	2,500,000

**6. Accounts receivable**

	2021	2020
Trade receivables	452,035	457,450
Indigenous Services Canada	387,828	450,158
Property tax	447,182	402,304
Rent	442,961	394,183
CMHC subsidy assistance	3,136	3,136
Province of British Columbia	-	100,989
Interest	-	49,705
	<b>1,733,142</b>	<b>1,857,925</b>
Less: allowance for doubtful accounts	598,395	455,347
	<b>1,134,747</b>	<b>1,402,578</b>

**7. Investments**

	2021	2020
Measured at cost:		
Salish Sea Industrial Services Ltd.	-	26
Measured at fair value:		
Bank of Montreal Trust Company - James Bay Village Trust	10,907,177	9,132,489
Bank of Montreal Trust Company - Cadboro Bay Trust	9,370,070	9,430,222
Municipal Finance Authority, money market funds	2,737,360	2,724,538
Zenabis Global Inc.	33,372	33,374
	<b>23,047,979</b>	<b>21,320,649</b>

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**8. Funds held in trust**

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

	<b>2021</b>	2020
<b>Capital Trust</b>		
Balance, beginning and end of year	<b>219</b>	219
<b>Revenue Trust</b>		
Balance, beginning of year	<b>1,313</b>	1,323
Interest	<b>13</b>	25
British Columbia Special Distribution	<b>1,310</b>	1,300
Withdrawals	<b>(1,313)</b>	(1,335)
Balance, end of year	<b>1,323</b>	1,313
	<b>1,542</b>	1,532

Ottawa Trust Funds

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*.

**9. Advances to related Nation entities**

Advances to related parties are unsecured, non-interest bearing and due on demand. These entities are related by virtue of common control or joint control by the Nation.

	<b>2021</b>	2020
Songhees Nation Investment Corporation	<b>2,923,459</b>	-
Songhees Development Limited Partnership	<b>8,835,367</b>	-
Songhees Events & Catering	<b>337,831</b>	-
Songhees Tours Incorporated	<b>230,855</b>	-
S&S Victoria Limited Partnership	<b>373,121</b>	-
1185869 B.C. Ltd.	<b>12,051</b>	-
Songhees Retail Limited Partnership	<b>71,000</b>	-
Songhees Development Corporation	<b>50,000</b>	-
	<b>12,833,684</b>	-



**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**10. Investment in Nation business enterprises and partnerships**

The Nation uses the investees year-end financial statements to account for its investment in these investees. All investees have a March 31, 2021 year-end except Songhees Development Corporation and Songhees Development Limited Partnership which have December 31, 2020 year-ends.

	<i>Investment cost</i>	<i>Share of earnings (loss)</i>	<i>Other adjustments</i>	<i>2021 Total investment</i>
<b>Nation Business Enterprises</b>				
Songhees Development Corporation - 100%	-	(23,069)	22	(23,047)
Songhees Development Limited Partnership - 99.99%	-	(99,331)	214,179	114,848
S&S Victoria Limited Partnership - 33.33%	33,333	(12,003)	-	21,330
1185869 B.C. Ltd. - 100%	1	(24,394)	-	(24,393)
1255063 B.C. Ltd. - 100%	1	(2,500)	-	(2,499)
Matullia Holdings General Partner Corporation - 50%	(3,145)	-	3,145	-
Xhamasung Holdings General Partner Corporation - 50%	(2,098)	-	2,098	-
1161742 B.C. Ltd. - 50%	(1,791)	-	1,791	-
	<b>26,301</b>	<b>(161,297)</b>	<b>221,235</b>	<b>86,239</b>
<b>Nation Business Partnerships</b>				
Matullia Holdings Limited Partnership - 50%	2,363,238	-	(2,363,238)	-
Xhamasung Holdings Limited Partnership - 50%	117,053	-	(117,053)	-
Skungeenes Holdings Limited Liability Partnership - 50%	(6,215)	3,117	-	(3,098)
	<b>2,474,076</b>	<b>3,117</b>	<b>(2,480,291)</b>	<b>(3,098)</b>
	<b>2,500,377</b>	<b>(158,180)</b>	<b>(2,259,056)</b>	<b>83,141</b>

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**10. Investment in Nation business enterprises and partnerships** *(Continued from previous page)*

		<i>Investment cost</i>	<i>Share of earnings (loss)</i>	<i>Withdrawals</i>	<i>2020 Total investment</i>
<b>Nation Business Enterprises</b>					
Matullia Holdings General Partner Corporation- 50%	(101)	26	28	(3,098)	(3,145)
Xhamasung Holdings General Partner Corporation- 50%	(183)	-	4	(1,919)	(2,098)
1161742 B.C. Ltd. - 50%	-	-	(1,791)	-	(1,791)
	(284)	26	(1,759)	(5,017)	(7,034)
<b>Nation Business Partnerships</b>					
Matullia Holdings Limited Partnership - 50%	2,107,265	-	255,973	-	2,363,238
Xhamasung Holdings Limited Partnership - 50%	201,201	-	40,852	(125,000)	117,053
Skungeenes Holdings Limited Liability Partnership - 50%	14,613	-	(20,828)	-	(6,215)
	2,323,079	-	275,997	(125,000)	2,474,076
	2,322,795	26	274,238	(130,017)	2,467,042

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**10. Investment in Nation business enterprises and partnerships** *(Continued from previous page)*

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

	<b>Songhees Development Corporation As at December 31, 2020 Unaudited</b>	<b>Songhees Development Limited Partnership As at December 31, 2020 Unaudited</b>	<b>Skungeenes Holdings Limited Liability Partnership As at March 31, 2021 Unaudited</b>	<b>S&amp;S Victoria Limited Partnership As at March 31, 2021 Unaudited</b>
<b>Assets</b>				
Cash	-	392,456	1,285	37,665
Term deposit	-	-	-	32,239
Due from related parties	26	-	-	-
Inventory	-	32,168	-	-
Prepaid expenses	-	15,283	-	7,500
Investment in partnerships	(23,045)	5,278,294	-	-
Accounts receivable	-	74,336	-	2,919
Property, plant and equipment	-	3,926,467	-	428,511
Assets classified as held for sale	-	2,924,000	-	-
Right-of-use assets	-	34,233	-	-
<b>Total assets</b>	<b>(23,019)</b>	<b>12,677,237</b>	<b>1,285</b>	<b>508,834</b>
<b>Liabilities</b>				
Accounts payable and accruals	-	105,428	-	3,007
Due to related parties	28	12,343,049	7,481	441,657
Long-term debt	-	20,000	-	-
Deferred revenue	-	55,578	-	-
Right-of-use lease	-	38,322	-	-
<b>Total liabilities</b>	<b>28</b>	<b>12,562,377</b>	<b>7,481</b>	<b>444,664</b>
<b>Partners' capital</b>	<b>(23,047)</b>	<b>114,860</b>	<b>(6,196)</b>	<b>64,170</b>
<b>Total revenue</b>	<b>-</b>	<b>952,551</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>23,069</b>	<b>1,051,892</b>	<b>(6,234)</b>	<b>36,014</b>
<b>Net income (loss)</b>	<b>(23,069)</b>	<b>(99,341)</b>	<b>6,234</b>	<b>(36,014)</b>

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**10. Investment in Nation business enterprises and partnerships** *(Continued from previous page)*

	<i>1185869 B.C. Ltd. As at March 31, 2021 Unaudited</i>	<i>1255063 B.C. Ltd. As at March 31, 2021 Unaudited</i>
<b>Assets</b>		
Cash	-	-
Term deposit	-	-
Due from related parties	1	1
Inventory	-	-
Prepaid expenses	-	-
Investment in partnerships	(21,752)	33
Accounts receivable	-	-
Property, plant and equipment	-	-
Assets classified as held for sale	-	-
Right-of-use assets	-	-
<b>Total assets</b>	<b>(21,751)</b>	<b>34</b>
<b>Liabilities</b>		
Accounts payable and accruals	2,500	2,500
Due to related parties	142	33
Long-term debt	-	-
Deferred revenue	-	-
Right-of-use lease	-	-
<b>Total liabilities</b>	<b>2,642</b>	<b>2,533</b>
<b>Partners' capital</b>	<b>(24,393)</b>	<b>(2,499)</b>
<b>Total revenue</b>	<b>-</b>	<b>-</b>
<b>Total expenses</b>	<b>24,394</b>	<b>2,500</b>
<b>Net income (loss)</b>	<b>(24,394)</b>	<b>(2,500)</b>

**11. Accounts payable and accruals**

	<i>2021</i>	<i>2020</i>
Payable to minors	2,001,411	2,138,589
Trade payable and accruals	564,476	526,900
Indigenous Services Canada	23,413	479,797
Wage benefits	25,122	95,270
	<b>2,614,422</b>	<b>3,240,556</b>

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**12. Long-term debt**

	<b>2021</b>	<b>2020</b>
Royal Bank of Canada - repayable at \$70,953 per month including interest at 4.03%; due February 2024, secured by general security agreement against all personal property of the Nation.	<b>10,983,243</b>	11,383,107
First Nations Finance Authority - repayable at \$24,447 per month including interest at 3.79%; due June 2024, secured by Nation council resolution and lease income.	<b>4,552,375</b>	4,669,993
First Nations Finance Authority - repayable at \$11,245 per month including interest at 2.72%; no set repayment terms, secured by Nation council resolution and lease income.	<b>2,612,128</b>	2,674,375
Bank of Montreal demand loan - repayable in quarterly installments of \$30,000, interest at prime rate, secured by general security agreement providing a first charge on the regular investments and promissory notes for all loan facilities.	<b>1,890,000</b>	2,040,000
First Nations Finance Authority - repayable at \$5,047 per month including interest at 3.65%; due June 1, 2028. secured by Nation council resolution and lease income.	<b>988,502</b>	1,011,869
All Nations Trust - repayable at \$905 per month including interest at 4.25%; due July 2023; secured by guarantee of Indigenous Services Canada.	<b>133,982</b>	139,047
Phase 8 - All Nations Trust - repayable at \$1,524 per month including interest at 1.69%, secured by guarantee of Indigenous Services Canada, matures August 1, 2029 and renewing September 1, 2024.	<b>143,426</b>	159,163
Phase 9 - All Nations Trust - repayable at \$3,528 per month including interest at 1.97% , secured by guarantee of Indigenous Services Canada, matures November 1, 2032 and renewing on December 1, 2022.	<b>441,166</b>	474,514
	<b>21,744,822</b>	22,552,068

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

	Principal
2022	803,961
2023	829,694
2024	856,424
2025	884,190
2026	913,032
	<u>4,287,301</u>
Thereafter	<u>17,457,522</u>

At March 31, 2021, the prime rate was 2.45% (2020 - 2.45%).

**Songhees Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2021*

**13. Contingencies**

The Nation may be contingently liable with respect to Ministerial guarantees for "On Reserve Housing Loans" to various financial institutions in the amount of \$51,621 (2020 - \$65,840). These loan guarantees are in addition to CMHC mortgages.

These consolidated financial statements are subject to review by the Nation's funding agents. It is possible that adjustment could be made based on the results of their reviews. Any liabilities resulting from these reviews will be accounted for as an expense at the time of resolution.

**14. Significant event**

In March 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.

**15. Accumulated surplus**

Accumulated surplus consists of the following:

	2021	2020
Equity in Ottawa Trust Funds	1,542	1,532
Unrestricted surplus	20,351,884	6,463,158
Equity in tangible capital assets	17,484,255	21,003,861
Equity in Nation business enterprises and partnerships	83,141	2,108,251
Equity in Songhees Nation trusts	23,109,067	22,978,360
Equity in local revenue reserve	2,854,682	2,732,151
Equity in social housing	159,113	199,254
Accumulated remeasurement losses	(142,411)	(1,422,413)
	<b>63,901,273</b>	<b>54,064,154</b>

**16. Indigenous Services Canada funding reconciliation**

	2021	2020
Revenue per confirmation	5,039,046	3,383,117
Indigenous Services Canada recoveries	(6,043)	(23,413)
	<b>5,033,003</b>	<b>3,359,704</b>

**17. Restructuring**

During the year, the Nation business enterprises and partnerships were restructured. The following changes occurred:

- Songhees Development Corporation and Songhees Development Limited Partnership were consolidated in the March 31, 2020 year end, but in the March 31, 2021 year end they are accounted for using the modified equity method.
- The following entities were consolidated in the March 31, 2020 year end, but in the March 31, 2021 year end, shares are held by Songhees Development Corporation and Songhees Development Limited Partnership:
  - Songhees Nation Investment Corporation
  - Songhees Tours Inc.
  - Songhees Seafood and Steam Ltd.
- The following entities were accounted for using the modified equity method in the March 31, 2020 year end, but in the March 31, 2021 year end, shares are held by Songhees Development Corporation and Songhees Development Limited Partnership:
  - Matullia Holdings Limited Partnership
  - Matullia Holdings General Partner
  - Xhamasung Holdings Limited Partnership
  - Xhamasung Holdings General Partner
  - 1161742 B.C. Ltd.
  - Salish Sea Industrial Services Ltd.
- 1185869 B.C. Ltd. was formed, which holds interests in:
  - 1185738 B.C. Ltd. General Partner
  - Songhees Retail Limited Partnership
- 1255063 B.C. Ltd. was formed, which holds interests in:
  - 1260447 B.C. Ltd. General Partner

The above changes resulted in a gain on restructuring of \$5,468,252.

**18. Segments**

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

**Administration and Governance**

This segment includes administrative support, financial management, and governance operations of the Nation

**Local Services**

This segment includes revenues and expenses from dealing with the management of land and maintenance of roads, property taxation, water and waste as well as municipal type service agreements for fire protection and CRD services.

**Education Services**

This segment includes revenues and expenses relating to the primary, secondary and post-secondary education of the members and status residents of the Nation.

**Community Services**

This segment report revenue generated from FNGST, land leases, benefit agreements and economic development. Expenditures include community events, food fish, distributions to members and transfers to support programs and services.

**Health and Social Services**

This segment includes revenues and expenses relating to health and social services, other family services and income assistance for eligible clients.

**Social Housing**

This segment includes activities related to the provision of CMHC subsidized housing for Songhees members.

**19. Budget information**

Budget figures represent the budget adopted by Songhees Nation on March 25, 2020. The adopted budget included capital expenditures rather than amortization expense, transfers, and mortgage principal repayments as an expense.

The following reconciliation of the annual surplus is provided to show which items must be added or removed to reflect the adopted budget.

Budgeted annual surplus per the Consolidated Statement of Operations and Accumulated Surplus	718,530
Adjusted for:	
Reserve fund allocation	(175,647)
Capital purchases	(600,000)
<u>Debt repayment</u>	<u>(755,495)</u>
Budgeted deficit approved by Chief and Council	<u>(812,611)</u>



**20. Financial Instruments**

The Nation as part of its operations carries a number of financial instruments. It is management's opinion that the Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

***Risk Management Policy***

The Nation does not have formal risk management policies in place.

***Credit risk***

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. Financial instruments that potentially subject the Nation to concentrations of credit risk consists principally of cash and cash equivalents, restricted cash, term deposits, accounts receivable and investments. The maximum credit risk exposure is \$36,005,077 (2020 - \$33,752,117).

The Nation manages its credit risk by holding cash balances with a chartered financial institution and holding investments in a well diversified portfolio.

***Market risk***

Market risk is the risk that the value of an investment will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual investment, or factors affecting all securities traded in the market

***Interest rate risk***

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the Nation manages exposure through diversification of the portfolio and low risk investments.

**21. Comparative figures**

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

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

	<i>Automotive</i>	<i>Boats</i>	<i>Building &amp; improvements</i>	<i>Docks</i>	<i>Food truck</i>	<i>Infrastructure</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	136,363	30,917	32,619,268	58,638	217,019	583,766	33,645,971
Acquisition of tangible capital assets	56,992	-	31,060	-	-	-	88,052
Disposals from restructuring (Note 17)	-	(21,917)	(896,000)	-	(217,019)	-	(1,134,936)
Balance, end of year	193,355	9,000	31,754,328	58,638	-	583,766	32,599,087
<b>Accumulated amortization</b>							
Balance, beginning of year	82,949	15,575	4,086,478	58,638	74,510	350,259	4,668,409
Annual amortization	43,091	-	738,349	-	-	23,351	804,791
Disposals from restructuring (Note 17)	-	(6,575)	(112,000)	-	(74,510)	-	(193,085)
Balance, end of year	126,040	9,000	4,712,827	58,638	-	373,610	5,280,115
<b>Net book value of tangible capital assets</b>	<b>67,315</b>	<b>-</b>	<b>27,041,501</b>	<b>-</b>	<b>-</b>	<b>210,156</b>	<b>27,318,972</b>
2020 Net book value of tangible capital assets	53,414	15,342	28,532,790	-	142,509	233,507	28,977,562

**Songhees Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**

*For the year ended March 31, 2021*

	<i>Subtotal</i>	<i>General equipment</i>	<i>General housing</i>	<i>Artwork and carvings</i>	<i>Land</i>	<i>Leasehold improvements</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	33,645,971	1,766,074	1,564,664	327,714	13,345,094	44,118	50,693,635
Acquisition of tangible capital assets	88,052	43,745	-	-	2,000,000	-	2,131,797
Disposals from restructuring (Note 17)	(1,134,936)	(50,708)	-	-	(5,071,627)	(44,118)	(6,301,389)
Balance, end of year	32,599,087	1,759,111	1,564,664	327,714	10,273,467	-	46,524,043
<b>Accumulated amortization</b>							
Balance, beginning of year	4,668,409	1,642,973	823,013	-	-	3,311	7,137,706
Annual amortization	804,791	68,131	48,067	-	-	-	920,989
Disposals from restructuring (Note 17)	(193,085)	(14,992)	-	-	-	(3,311)	(211,388)
Balance, end of year	5,280,115	1,696,112	871,080	-	-	-	7,847,307
<b>Net book value of tangible capital assets</b>	<b>27,318,972</b>	<b>62,999</b>	<b>693,584</b>	<b>327,714</b>	<b>10,273,467</b>	<b>-</b>	<b>38,676,736</b>
2020 Net book value of tangible capital assets	28,977,562	123,101	741,649	327,714	13,345,094	40,809	43,555,929

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

	<i>Subtotal</i>	<i>Construction work in progress</i>	<i>2021</i>	<i>2020</i>
<hr/>				
<b>Cost</b>				
Balance, beginning of year	50,693,635	-	50,693,635	42,862,710
Acquisition of tangible capital assets	2,131,797	552,342	2,684,139	7,830,925
Disposals from restructuring (Note 17)	(6,301,389)	-	(6,301,389)	-
<hr/>				
Balance, end of year	46,524,043	552,342	47,076,385	50,693,635
<hr/>				
<b>Accumulated amortization</b>				
Balance, beginning of year	7,137,706	-	7,137,706	6,202,012
Annual amortization	920,989	-	920,989	935,694
Disposals from restructuring (Note 17)	(211,388)	-	(211,388)	-
<hr/>				
Balance, end of year	7,847,307	-	7,847,307	7,137,706
<hr/>				
<b>Net book value of tangible capital assets</b>	<b>38,676,736</b>	<b>552,342</b>	<b>39,229,078</b>	<b>43,555,929</b>
<hr/>				
2020 Net book value of tangible capital assets	43,555,929	-	43,555,929	
<hr/>				

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

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Consolidated expenses by object</b>			
Administration	146,403	14,751	45,529
Amortization	545,000	920,989	935,694
Bad debts	52,878	143,047	21,287
Bank charges and interest	-	14,089	22,563
Community events	-	17,716	23,278
Contracted services	1,309,375	1,374,546	1,339,033
Cost of goods sold	-	-	457,076
Distribution to minors	-	34,107	17,784
Donations	-	140,734	166,918
Education and training	101,572	247,304	402,022
Grants to members	260,000	251,941	184,377
Honoraria	-	418,890	401,217
Insurance	86,086	73,581	128,350
Interest on long-term debt	-	761,587	809,124
Management fees	284,300	133,324	103,277
Materials	175,079	812,283	491,097
Office	41,000	11,490	31,266
Professional fees	435,000	394,022	744,277
Property tax	-	-	75,995
Repairs and maintenance	85,000	219,351	155,376
Salaries and benefits	2,278,537	1,995,713	2,191,608
Social assistance	257,630	488,501	289,558
Travel	51,500	14,444	77,958
Tuition	1,609,332	1,182,578	1,139,007
Utilities	153,600	172,703	162,158
	<b>7,872,292</b>	<b>9,837,691</b>	<b>10,415,829</b>

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

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Indigenous Services Canada	387,680	1,762,883	472,972
Province of British Columbia	-	381	-
Other government funding	60,000	197,775	60,000
Interest income	-	60,763	101,510
Other income	62,000	51,431	166,534
	<b>509,680</b>	<b>2,073,233</b>	<b>801,016</b>
<b>Expenses</b>			
Administration (recovery)	-	(117,836)	(243,531)
Amortization	-	193,960	216,445
Bad debts (recovery)	-	105,779	(620)
Bank charges and interest	-	12,547	11,249
Contracted services	105,000	274,490	239,761
Education and training	56,373	3,703	21,755
Grants to members	-	165,837	-
Honoraria	276,000	324,593	271,569
Insurance	11,000	10,034	20,232
Interest on long-term debt	-	5,794	6,458
Materials	46,347	540,126	36,857
Office	41,000	9,812	12,988
Professional fees	342,500	287,840	407,944
Repairs and maintenance	60,000	49,310	24,934
Salaries and benefits	638,178	656,404	691,651
Travel	47,000	674	33,271
Utilities	25,000	22,954	20,816
	<b>1,648,398</b>	<b>2,546,021</b>	<b>1,771,779</b>
<b>Deficit before other items</b>	<b>(1,138,718)</b>	<b>(472,788)</b>	<b>(970,763)</b>
<b>Other income</b>			
Gain on restructuring	-	5,468,252	-
<b>Surplus (deficit) before transfers</b>	<b>(1,138,718)</b>	<b>4,995,464</b>	<b>(970,763)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>1,001,815</b>	<b>25,000</b>
<b>Annual surplus (deficit)</b>	<b>(1,138,718)</b>	<b>5,997,279</b>	<b>(945,763)</b>

**Songhees Nation**  
**Local Services**

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

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Property taxation	974,824	888,763	861,139
Indigenous Services Canada	582,989	708,670	569,697
Rental income	11,799	160,146	66,841
Interest income	-	32,264	57,883
Other income	77,000	164,471	41,917
	<b>1,646,612</b>	<b>1,954,314</b>	<b>1,597,477</b>
<b>Expenses</b>			
Administration	27,000	28,251	99,846
Amortization	500,000	543,702	543,702
Bad debts (recovery)	11,799	(467)	(22,143)
Bank charges and interest	-	1,066	288
Contracted services	1,109,090	643,956	582,537
Donations	25,000	140,734	166,918
Education and training	10,400	354	2,500
Honoraria	-	7,491	15,703
Insurance	44,015	34,077	58,561
Interest on long-term debt	-	689,512	706,477
Materials	43,696	130,789	259,119
Office	-	1,477	2,571
Professional fees	85,000	47,563	17,281
Repairs and maintenance	25,000	152,828	87,707
Salaries and benefits	362,641	316,292	269,097
Travel	4,500	7,747	21,287
Utilities	113,500	139,976	116,699
	<b>2,361,641</b>	<b>2,885,348</b>	<b>2,928,150</b>
<b>Deficit before transfers</b>	<b>(715,029)</b>	<b>(931,034)</b>	<b>(1,330,673)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>1,360,029</b>	<b>(300,000)</b>
<b>Annual surplus (deficit)</b>	<b>(715,029)</b>	<b>428,995</b>	<b>(1,630,673)</b>

**Songhees Nation**  
**Education Services**

**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2021*

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Indigenous Services Canada	1,851,411	1,977,051	1,913,946
Province of British Columbia	122,470	175,731	282,643
Other income	130,895	251,010	258,788
Other government funding	195,994	113,897	208,133
	<b>2,300,770</b>	<b>2,517,689</b>	2,663,510
<b>Expenses</b>			
Administration	71,687	60,370	83,618
Contracted services	45,350	38,143	246,286
Education and training	1,609,332	242,741	274,194
Honoraria	8,300	76,632	96,765
Materials	22,769	59,841	58,420
Office	-	201	2,725
Repairs and maintenance	-	14,809	1,387
Salaries and benefits	639,079	487,386	502,536
Travel	-	400	1,926
Tuition	-	1,182,578	1,139,007
Utilities	-	5,566	8,425
	<b>2,396,517</b>	<b>2,168,667</b>	2,415,289
<b>Surplus (deficit) before transfers</b>	<b>(95,747)</b>	<b>349,022</b>	248,221
<b>Transfers between programs</b>	<b>-</b>	<b>38,784</b>	10,000
<b>Annual surplus (deficit)</b>	<b>(95,747)</b>	<b>387,806</b>	258,221



**Songhees Nation**  
**Health and Social Services**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2021*

	<i>2021 Budget (Note 19)</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>			
First Nations Health Authority	594,166	681,668	714,670
Indigenous Services Canada	393,595	540,904	377,213
Other income	17,288	71,050	76,680
	<b>1,005,049</b>	<b>1,293,622</b>	1,168,563
<b>Expenses</b>			
Administration	40,216	40,216	34,186
Bank charges and interest	-	-	135
Contracted services	44,689	38,176	76,932
Education and training	34,799	579	87,268
Honoraria	-	5,075	13,580
Materials	53,912	61,527	111,076
Office	-	-	176
Repairs and maintenance	-	1,419	981
Salaries and benefits	638,639	535,631	353,901
Social assistance	257,630	488,501	289,558
Travel	-	5,623	15,301
Utilities	-	482	999
	<b>1,069,885</b>	<b>1,177,229</b>	984,093
<b>Surplus (deficit) before transfers</b>	<b>(64,836)</b>	<b>116,393</b>	184,470
<b>Transfers between programs</b>	-	<b>14,187</b>	(10,000)
<b>Annual surplus (deficit)</b>	<b>(64,836)</b>	<b>130,580</b>	174,470

**Songhees Nation**  
**Community Services**

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

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Province of British Columbia	-	637,900	-
Indigenous Services Canada	25,876	43,495	25,876
FNGST	1,700,000	1,712,039	1,731,872
Lease income	697,259	846,328	916,741
Gaming revenue	300,000	404,586	374,505
Other government funding	-	366,267	1,334
Investment income	-	363,893	594,297
Interest income	-	257,640	415,596
Rental income	60,040	248,232	444,697
Other income	56,000	88,637	114,328
Earnings from investment in Nation business enterprise and partnerships (Note 10)	145,000	(158,180)	274,238
Catering revenue	-	-	685,193
	<b>2,984,175</b>	<b>4,810,837</b>	<b>5,578,677</b>
<b>Expenses</b>			
Administration	-	-	63,910
Amortization	-	135,260	112,394
Bad debts	-	-	101
Bank charges and interest	-	477	10,890
Community events	60,000	17,716	23,278
Contracted services	5,246	364,504	183,627
Cost of goods sold	-	-	457,076
Distribution to minors	-	34,107	17,784
Education and training (recovery)	-	(73)	16,306
Grants to members	150,000	86,104	184,377
Honoraria	-	5,100	3,600
Insurance	5,000	16,826	24,266
Interest on long-term debt	-	54,810	82,382
Management fees	-	133,324	103,277
Materials	8,355	20,000	25,625
Office	25,000	-	12,806
Professional fees	-	66,119	311,552
Property tax	-	-	75,995
Repairs and maintenance	-	740	37,643
Salaries and benefits	-	-	374,424
Travel	-	-	6,173
Utilities	-	3,722	15,219
	<b>253,601</b>	<b>938,736</b>	<b>2,142,705</b>
<b>Surplus before transfers</b>	<b>2,730,574</b>	<b>3,872,101</b>	<b>3,435,972</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(2,510,574)</b>	<b>275,000</b>
<b>Annual surplus (deficit)</b>	<b>2,730,574</b>	<b>1,361,527</b>	<b>3,710,972</b>

**Songhees Nation**  
**Social Housing**

**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2021*

	<b>2021 Budget (Note 19)</b>	<b>2021</b>	<b>2020</b>
<b>Revenue</b>			
Canada Mortgage and Housing Corporation	41,186	37,631	41,691
Other government funding	-	130,700	-
Rental income	102,700	108,528	102,700
Interest income	-	-	5,631
	<b>143,886</b>	<b>276,859</b>	150,022
<b>Expenses</b>			
Administration	7,500	3,750	7,500
Amortization	45,000	48,067	63,154
Bad debts	41,079	37,735	43,949
Contracted services	15,100	15,277	9,890
Insurance	26,071	12,645	25,290
Interest on long-term debt	-	11,471	13,806
Professional fees (recovery)	7,500	(7,500)	7,500
Repairs and maintenance	-	245	2,724
	<b>142,250</b>	<b>121,690</b>	173,813
<b>Surplus (deficit) before transfers</b>	<b>1,636</b>	<b>155,169</b>	(23,791)
<b>Transfers between programs</b>	-	<b>95,759</b>	-
<b>Annual surplus (deficit)</b>	<b>1,636</b>	<b>250,928</b>	(23,791)