

SKEETCHESTN INDIAN BAND

FINANCIAL STATEMENTS

March 31, 2020

SKEETCHESTN INDIAN BAND

SUMMARY FINANCIAL STATEMENTS

March 31, 2020

EXHIBIT

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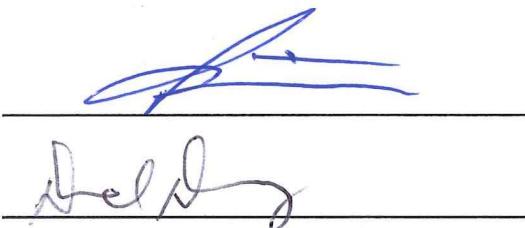
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of Skeetchestn Indian Band have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgements. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

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

The Band Council is responsible for ensuring that management fulfils its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council carries out this responsibility periodically through its Finance Committee. The Finance Committee is appointed by the Council and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to Council prior to its approval of the financial statements. The Committee also considers, for review by the Council and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Daley & Company CPA LLP in accordance with Canadian public sector accounting standards.



A handwritten signature in blue ink, appearing to read "Daley & Company CPA LLP", is placed over two horizontal lines. The signature is fluid and cursive, with the company name written in a slightly larger, more formal script than the initials.



INDEPENDENT AUDITOR'S REPORT

To the members of,
SKEETCHESTN INDIAN BAND

EXHIBIT A1

Opinion

We have audited the financial statements of SKEETCHESTN INDIAN BAND (the First Nation), which comprise the summary statement of financial position as at March 31, 2020, and the summary statement of accumulated surplus, summary statement of operations, summary statement of remeasurement gains and losses, summary statement of change in net financial assets and summary statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2020, and the results of its operations and its cash flow 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 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 financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The current year's supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2, and Schedules 1 to 49 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

The outbreak of COVID-19, which has been declared by the World Health Organization in March 2020 as a pandemic has spread across the globe and is impacting worldwide economic activity. A public health pandemic such as COVID-19 poses the risk that employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period, including due to shutdowns that may be requested or mandated by governmental authorities. While it is not possible at this time to estimate the impact that COVID-19 could have on the First Nation's business, the continued spread of COVID-19 and the measures taken by governments could disrupt regular operations of the First Nation and adversely impact the First Nation's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the financial results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus and the actions to contain its impact. It is not possible to reliably estimate the length and severity of these developments or quantify the impact this pandemic may have on the financial results and condition of the First Nation in future periods. Estimates and judgements made by management in the preparation of the financial statements are increasingly difficult and subject to a higher degree of measurement uncertainty during this volatile period. Management has not made any adjustments or reclassification of assets and liabilities resulting from the COVID-19 pandemic.

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

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

In preparing the financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

(continues)

Independent Auditor's Report to the Members of SKEETCHESTN INDIAN BAND (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the summary 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.



Chartered Professional Accountants

Kamloops, BC
December 15, 2020

EXHIBIT A2

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF FINANCIAL POSITION
March 31, 2020

FINANCIAL ASSETS	2020	2019
Cash	\$ 5,096,021	\$ 4,174,605
Grants and accounts receivable (Note A3)	1,546,176	842,068
CMHC subsidy accrual	8,394	44,073
Restricted cash (Note A4)	6,032,117	5,269,990
Funds held in trust (Note A5)	5,102,417	4,775,918
Long-term investments (Note A6)	15,844	3,251
Investment in government business enterprises (Note A7)	14,934,786	9,447,248
	<u>32,735,755</u>	<u>24,557,153</u>
LIABILITIES		
Accounts payable and accruals	2,006,539	1,080,915
Prepaid rents	6,990	8,971
Security deposits	6,338	6,095
Deferred revenue (Note A8)	628,701	816,212
Long-term debt (Note A9)	1,740,180	1,844,798
	<u>4,388,748</u>	<u>3,756,991</u>
NET FINANCIAL ASSETS	<u>28,347,007</u>	<u>20,800,162</u>
NON FINANCIAL ASSETS		
Prepaid expenses	45,427	36,031
Tangible capital assets (Note A10)	<u>11,183,162</u>	<u>8,560,898</u>
	<u>11,228,589</u>	<u>8,596,929</u>
ACCUMULATED SURPLUS (Note A11)	<u>\$ 39,575,596</u>	<u>\$ 29,397,091</u>

COMMITMENTS AND CONTINGENCIES (Note A12)

APPROVED ON BEHALF OF COUNCIL:



EXHIBIT A3

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF ACCUMULATED SURPLUS
For the year ended March 31, 2020

	2020	2019
ACCUMULATED SURPLUS, beginning of year	\$ 29,397,091	\$ 27,035,400
EXCESS OF REVENUE OVER EXPENSES (Exhibit A4)	10,048,660	2,338,432
UNREALIZED GAINS (Exhibit A5)	129,845	23,259
ACCUMULATED SURPLUS, end of year	\$ 39,575,596	\$ 29,397,091

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF OPERATIONS
Year ended March 31, 2020

	Budget	2020	2019
REVENUE:			
Indigenous Services Canada	\$ 2,326,102	\$ 2,764,368	\$ 2,275,865
Property taxes and grants in lieu	614,051	615,134	606,127
Logging	-	862,827	756,448
Province of British Columbia	119,492	363,343	79,094
Rental income	244,392	285,584	241,841
Q'wemtsi'n Health Society	236,373	220,601	212,891
Canada Mortgage and Housing Corporation	98,352	100,751	122,686
Canadian Red Cross	-	-	60,315
First Nations Education Steering Committee	291,998	320,017	281,529
First Nations Health Authority	148,800	2,325,620	59,102
Interest	148,668	181,052	154,106
Royalties - Painted Rock Aggregates & Contracting LLP	-	272,716	183,729
First Peoples Heritage, Language & Culture Council	150,000	124,916	150,000
Aboriginal Skills and Employment Training Strategy	18,000	17,015	47,243
Shuswap Nation Tribal Council	69,068	70,836	-
Stk'emlupsemc te Secwepemc Nation	150,000	550,000	300,000
Stk'emlupsemc Limited Partnership	1,251,377	1,338,604	1,550,533
Stk'emlupsemc Enterprises Inc.	-	-	76,537
Equity in long-term investments	-	5,812,004	1,549,010
Independent Schools	80,000	82,543	128,137
FCRSA	-	473,629	678,352
Other	798,998	1,797,380	903,520
	6,745,671	18,578,940	10,417,065
EXPENSES:			
Administration	802,573	700,709	673,476
Band Revenue	1,129,291	1,971,460	1,773,913
Education	1,687,576	1,818,494	1,677,115
Housing & Capital Projects	407,766	352,544	434,066
Natural Resources	-	1,077,025	859,334
Public Works	1,003,897	1,245,444	1,485,584
Social Development	1,057,681	1,087,899	897,256
Social Housing	290,074	276,705	277,889
	6,378,858	8,530,280	8,078,633
EXCESS OF REVENUE OVER EXPENSES	\$ 366,813	\$ 10,048,660	\$ 2,338,432

EXHIBIT A5

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the year ended March 31, 2020

	2020	2019
ACCUMULATED REMEASUREMENT GAINS, beginning of year	\$ 151,249	\$ 127,990
UNREALIZED GAINS (LOSSES) ATTRIBUTED TO:		
Equity in long-term investments - Knucwentwecw	-	(74,546)
Development Corporation	-	(74,546)
Equity in long-term investments - Skeetchestn	-	(74,546)
Natural Resources Corporation	129,845	97,805
	129,845	23,259
ACCUMULATED REMEASUREMENT GAINS, end of year	\$ 281,094	\$ 151,249

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2020

EXHIBIT A6

	Budget	2020	2019
EXCESS OF REVENUE OVER EXPENSES	\$ 366,813	\$ 10,048,660	\$ 2,338,432
Net remeasurement gains for the year	-	129,845	23,259
Acquisition of tangible capital assets	-	(3,391,021)	(1,740,616)
Amortization of tangible capital assets	-	768,757	770,264
Change in prepaid expenses	-	(9,396)	5,438
INCREASE IN NET FINANCIAL ASSETS	366,813	7,546,845	1,396,777
NET FINANCIAL ASSETS, beginning of year	<u>20,800,162</u>	<u>20,800,162</u>	<u>19,403,385</u>
NET FINANCIAL ASSETS, end of year	<u>\$ 21,166,975</u>	<u>\$ 28,347,007</u>	<u>\$ 20,800,162</u>

See accompanying notes to financial statements.

SKEETCHESTN INDIAN BAND
SUMMARY STATEMENT OF CASH FLOWS
Year ended March 31, 2020

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 10,048,660	\$ 2,338,432
Non-cash charges to operations:		
Amortization	768,757	770,264
Funds held in trust	(326,499)	(32,846)
(AIncrease) decrease in:		
Grants and accounts receivable	(704,108)	(3,340)
CMHC Subsidy accrual	35,679	(37,656)
Prepaid expenses	(9,396)	5,438
Increase (decrease) in:		
Accounts payable and accruals	925,624	(6,063)
Prepaid rents	(1,981)	3,279
Security deposits	243	917
Deferred revenue	(187,511)	(51,417)
Cash from operations	<u>10,549,468</u>	<u>2,987,008</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Restricted cash	(762,127)	(704,762)
Proceeds from long-term debt	-	599,909
Repayment of long-term debt	<u>(104,618)</u>	<u>(91,742)</u>
Cash used in financing	<u>(866,745)</u>	<u>(196,595)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Long-term investments	(5,500,131)	(1,462,502)
Net remeasurement gains for the year	129,845	23,259
Cash used in investing	<u>(5,370,286)</u>	<u>(1,439,243)</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Purchase of tangible capital assets	(3,391,021)	(1,740,616)
Cash used in capital	<u>(3,391,021)</u>	<u>(1,740,616)</u>
INCREASE (DECREASE) IN CASH	921,416	(389,446)
CASH, beginning of year	4,174,605	4,564,051
CASH, end of year	\$ 5,096,021	\$ 4,174,605

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These summary financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The significant accounting policies are summarized as follows:

a) Fund Accounting:

The Skeetchestn Indian Band uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the summary financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Skeetchestn Indian Band maintains the following funds:

- The Band Operating Fund which reports the general activities of the First Nation Administration.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.
- The Capital Fund which reports the property and equipment of the First Nation, together with their related financing.
- The Social Housing Fund Phase 6 - 11 which report the Social Housing assets of the First Nation, together with related activities.

b) Reporting Entity and Principles of Financial Reporting:

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

These financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

- Skeetchestn Band Operating Fund
- Skeetchestn Band Trust Fund
- Skeetchestn Band Capital Fund
- Skeetchestn Band Social Housing Phase 6 - 11 Fund

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Incorporated business entities, which are owned or controlled by the Skeetchestn Indian Band and which are not dependent on the First Nation for their continuing operations, are included in the summary financial statements using the modified equity method. These include:

- Knucwentwecw Development Corporation
- Big Sky Station Ltd.
- Skeetchestn Holdings Limited Liability Partnership
- Painted Rock Aggregates & Contracting LLP
- Skeetchestn Natural Resources LLP
- Skeetchestn Natural Resources Corporation

Investments in non-controlled entities and subject to significant influence are included in the summary financial statements using the modified equity method. These include:

- Stk'emlupsemc te Secwepemc Nation
- Stk'emlupsemc Enterprises Inc.
- Stk'emlupsemc Limited Partnership

Long-term investments in non-controlled entities and not subject to significant influence and marketable securities are recorded at the lower of cost or net realizable value.

Accounts in foreign currencies have been translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities have been translated at the year end exchange rate. Revenues and expenses have been translated at the average rates of exchange during the year.

Foreign exchange gains and losses on monetary assets and liabilities are included in the determination of earnings.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

c) Non-financial Assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

i) Tangible Capital Assets:

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Major Asset Category	
Buildings	25 years
Bridges and cattle guards	25 years
Water system	25 years
Automotive equipment	7 years
Office equipment	7 years
Equipment	7 years
Farm irrigation equipment	7 years
Property and equipment recorded at appraised value	10 to 25 years
Roads	10 years

Assets under construction are not amortized until the asset is available for productive use.

The Band reviews the useful lives and the carrying values of its tangible capital assets at least annually or more frequently if events or changes in circumstances indicate that the assets might be impaired, by reference to the assets' contribution to the Band's ability to provide services. When assets no longer have any long-term service potential to the Band, the assets are considered to be impaired. An impairment loss is measured at the amount by which the carrying amount of the assets exceeds their fair value, which is estimated as the expected service potential of the assets.

ii) Contributions of Tangible Capital Assets:

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt.

iii) Leases:

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

The Band's interest in reserve lands is not reflected in these financial statements, as no consideration was paid by the Band to acquire these lands.

d) Revenue Recognition:

The Skeetchestn Indian Band derives revenues from a number of sources. Revenue is recognized on the accrual basis as it is earned, or as services are provided, and is measurable and becomes receivable under the terms of the applicable funding agreement.

Amounts received from Indigenous Services Canada (ISC) are reported in accordance with the terms of the funding arrangement. Amounts specified as set contributions are reported as revenue as program terms and conditions are met and delivered. Any resulting surpluses are repayable to ISC and any deficits incurred are refundable by ISC. Amounts specified as fixed contributions are recognized as revenue as program terms and conditions are met and delivered. Any resulting surpluses may be retained by the Band provided delivery of the program is complete at March 31. Any resulting deficits are the responsibility of the Band. Grants received from ISC are unconditional and are reported as revenue when received or receivable and collection is reasonably assured. Amounts received under block funding arrangements are reported as revenue when received or receivable and collection is reasonably assured.

**SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020**

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued):

d) Revenue Recognition (continued):

Amounts received from other government departments, both federal and provincial, are reported as revenue in accordance with the terms of the contract or agreement.

Own source revenues derived from such sources as housing rents, resource based revenues, interest income, etc. are reported when received or receivable and collection is reasonably assured.

e) Replacement Reserve:

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

f) Operating Reserve:

The Operating Reserve account is funded by an allocation of the excess or shortfall of annual minimum revenue contribution and CMHC subsidies over current eligible expenses.

g) Cash and Cash Equivalents

Cash include instruments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

h) Accrual Method:

The accrual method is used in accounting for all funds.

i) Deferred Revenue:

Revenue is recorded in the period to which it relates.

j) Use of Estimates:

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

NOTE A2. FINANCIAL INSTRUMENTS:

Fair Value of Financial Assets and Financial Liabilities:

The carrying values of cash, grants and accounts receivable, CMHC subsidy accrual, restricted cash, funds held in trust and accounts payable and accrued liabilities approximate their fair value due to the relatively short periods to maturity of these items or because they are receivable or payable on demand.

The carrying value of long-term debt approximates its fair value as the terms and conditions of the borrowing arrangements are comparable to current market terms and conditions for similar items.

It is not practicable to determine the fair value of long-term investments and advances to subsidiaries due to the limited amount of comparable market information available.

Credit Risk:

The Band is exposed to a credit risk by its customers. However, because the majority of revenues is from government agencies, credit risk concentration is reduced to the minimum.

Interest Rate Risk:

Long-term debt has fixed rates; therefore interest expense will decrease with principal repayment of the mortgage and interest risk is reduced to the minimum.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A3. GRANTS AND ACCOUNTS RECEIVABLE:	2020	2019
<u>Band Operations:</u>		
Grants Receivable	\$ 217,961	\$ 357,671
Other Accounts Receivable	1,622,725	782,159
Band Members	<u>137,513</u>	<u>125,460</u>
	<u>1,978,199</u>	<u>1,265,290</u>
Allowance for Doubtful Accounts:		
Other Accounts Receivable	(305,477)	(302,991)
Band Members	<u>(126,546)</u>	<u>(120,231)</u>
	<u>(432,023)</u>	<u>(423,222)</u>
	<u>\$ 1,546,176</u>	<u>\$ 842,068</u>

NOTE A4. RESTRICTED CASH:	2020	2019
Ottawa trust funds	\$ 1,207,431	\$ 967,661
Replacement reserve	235,456	215,634
Operating reserve	83,869	58,621
Internally restricted cash	<u>4,505,361</u>	<u>4,028,074</u>
	<u>\$ 6,032,117</u>	<u>\$ 5,269,990</u>

a) 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.

b) Replacement Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$22,075 (2019 - \$23,953) annually plus interest. 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 Canada Mortgage and Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.

	2020	2019
Balance, beginning of year	\$ 210,098	\$ 204,579
Allocation for the year	26,490	23,953
CMHC subsidy accrual - supplemental assistance	-	11,582
Expenses for the year	<u>(26,834)</u>	<u>(33,030)</u>
Interest earned	<u>3,825</u>	<u>3,014</u>
Balance, end of year	<u>\$ 213,579</u>	<u>\$ 210,098</u>
The Replacement Reserve is represented by:		
Cash	<u>\$ 235,456</u>	<u>\$ 215,634</u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A4. RESTRICTED CASH (continued):

c) Operating Reserve:

Under the terms of the agreement with Canada Mortgage and Housing Corporation, after the payment of all costs and expenses, including the allocation of the Replacement Reserve, any surplus revenue will be retained by the First Nation within an Operating Reserve fund. Interest earnings must accrue to and be maintained in the Operating Reserve fund. The Project's Operating Reserve fund may only be used for the ongoing operating costs of the housing projects committed under the On-Reserve Program. Accordingly, future years' deficits may be recovered from the Operating Reserve fund. The First Nation agrees to maintain Operating Reserve funds 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 mutually agreed to by the First Nation and Canada Mortgage and Housing Corporation.

	2020	2019
Balance, beginning of year	\$ 83,341	\$ 82,316
Current year deficiency	(18,515)	(24,173)
CMHC subsidy accrual - supplemental assistance	-	24,092
Interest	<u>1,157</u>	<u>1,106</u>
Balance, end of year	<u><u>\$ 65,983</u></u>	<u><u>\$ 83,341</u></u>
The Operating Reserve is represented by:		
Cash	<u><u>\$ 83,869</u></u>	<u><u>\$ 58,621</u></u>

d) Internally Restricted:

The Capital Reserve Fund has been established for the sole purpose of constructing or upgrading Band property and equipment, as required by the Band's Financial Management Bylaw.

The Stabilization Reserve Fund has been established for the sole purpose of supplementing future operational costs, as required by the Band's Financial Management Bylaw.

Per Capita Distribution Reserve Funds has been invested for future distribution to Band members of \$998 plus interest on their 19th birthday.

The Net Smelter Royalties Reserve Fund and Economic & Community Development Agreement Fund has been established for the sole purpose of capacity development.

	2020	2019
Capital Sinking Fund (Schedule 2)	\$ 59,650	\$ 109,393
Stabilization Reserve Fund (Schedule 2)	51,204	101,010
Restricted Band Revenue Fund (Schedule 2)	13,416	13,121
Net Smelter Royalties Reserve Fund (Schedule 6)	802,428	788,875
Economic & Community Development Agreement Fund (Schedule 7)	<u>3,578,663</u>	<u>3,015,675</u>
	<u><u>\$ 4,505,361</u></u>	<u><u>\$ 4,028,074</u></u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A5. FUNDS HELD IN TRUST:

On March 21, 2007, Her Majesty the Queen in Right of Canada (Canada) signed the Smith/Curtis Specific Claim Settlement Agreement (Settlement Agreement) with the Skeetchestn Indian Band (the Band). Under the terms of the Settlement Agreement, Canada agreed to pay compensation to the Band for damages and losses caused by the alienation of land within the Skeetchestn Reserve without the Band's consent or approval. As compensation for this settlement, Canada paid \$4,777,000 less \$249,865 in outstanding loans extended to the Band for the purposes of negotiations and settlement.

The trust agreement was established to hold the compensation and any income there from for the benefit of current and future generations of members of the Skeetchestn Indian Band. Royal Trust Corporation of Canada will administer the trust in accordance with the trust agreement. The trust agreement governs the distribution of income earned and distributed from the trust in the best interests of the Band and its members.

Under the terms of the trust agreement, the core capital of the trust may never be less than \$3,000,000, indexed to inflation. The expenses from the trust fund may only be made in areas of education, health, economic development, community infrastructure and land purchases. An amount may also be drawn for a reasonable management fee.

The trust assets are as follows:

	Cost	Unrealized Gain (loss)	Fair Market Value 2020	Fair Market Value 2019
Common stock & equivalents	\$ 3,866,604	\$ 325,096	\$ 4,191,700	\$ 4,582,308
Fixed income securities	966,841	(169)	966,672	955,098
Cash & equivalents	268,962	-	268,962	164,137
Other	10	-	10	10
	<u>\$ 5,102,417</u>	<u>\$ 324,927</u>	<u>\$ 5,427,344</u>	<u>\$ 5,701,553</u>

During the year the trust's income and expenses were follows:

	2020	2019
REVENUE:		
Interest	\$ 35,794	\$ 34,656
Dividends	163,197	163,356
Reinvested deposits	75,000	-
Capital gains	224,971	19,369
	<u>498,962</u>	<u>217,381</u>
EXPENSES:		
Management fees	72,242	70,417
Distributions (Schedule 3)	100,221	114,118
	<u>172,463</u>	<u>184,535</u>
NET INCOME	<u>326,499</u>	32,846
OPENING BALANCE, at cost	<u>4,775,918</u>	4,743,072
ENDING BALANCE, at cost	<u>5,102,417</u>	4,775,918
UNREALIZED GAIN	<u>324,927</u>	925,635
ENDING BALANCE, at fair market value	<u>\$ 5,427,344</u>	<u>\$ 5,701,553</u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
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NOTE A6. LONG-TERM INVESTMENTS:

	2020	2019
All Nations Trust Company, at cost:		
3,750 Common shares, par value \$1.00	<u>\$ 3,251</u>	<u>\$ 3,251</u>
BC First Nations Gaming Revenue Sharing Limited Partnership:		
0.52% interest in partnership:		
Balance, beginning of year	-	-
Net income allocation	<u>376,847</u>	-
Contributions	<u>100</u>	-
Drawings	<u>(364,364)</u>	-
Balance, end of year	<u>12,583</u>	-
Share in the General Partner, BCFN GRS GP Inc., a corporation incorporated under the BC Business Corporations Act. Share represents a 0.49% interest in the Company at March 31, 2020.	<u>10</u>	-
	<u>\$ 15,844</u>	<u>\$ 3,251</u>

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES:

	2020	2019
Stk'emlupsemc te Secwepemc Nation	<u>\$ 4,631,668</u>	<u>\$ 1,192,727</u>
Stk'emlupsemc Enterprises Inc.	<u>(90,354)</u>	<u>(92,057)</u>
Stk'emlupsemc Limited Partnership	<u>894,604</u>	<u>320,653</u>
Skeetchestn Holdings Limited Liability Partnership	<u>499,122</u>	<u>420,283</u>
Painted Rock Aggregates & Contracting LLP	<u>1,266,941</u>	<u>657,700</u>
Knucwentwecw Development Corporation	<u>2,520,309</u>	<u>2,447,975</u>
Big Sky Station Ltd.	<u>1,503,419</u>	<u>1,324,527</u>
Skeetchestn Natural Resources LLP	<u>3,651,239</u>	<u>3,097,227</u>
Skeetchestn Natural Resources Corporation	<u>57,838</u>	<u>78,213</u>
	<u>\$ 14,934,786</u>	<u>\$ 9,447,248</u>

INVESTMENT IN STK'EMLUPSEMC TE SECWEPEMC NATION:

	2020	2019
Interest:		
50%	<u>\$ 1</u>	<u>\$ 1</u>
Accumulated equity	<u>4,631,667</u>	<u>1,192,726</u>
	<u>\$ 4,631,668</u>	<u>\$ 1,192,727</u>

Financial information for Stk'emlupsemc te Secwepemc Nation is as follows:

	Total	Band's Share	Band's Share
	2020	2020	2019
Cash	<u>\$ 10,373,814</u>	<u>\$ 5,186,907</u>	<u>\$ 2,059,710</u>
Other assets	<u>254,565</u>	<u>127,283</u>	<u>102,361</u>
Due from related party	<u>698,130</u>	<u>349,065</u>	<u>899,452</u>
	<u>11,326,509</u>	<u>5,663,255</u>	<u>3,061,523</u>
Accounts payable	<u>20,179</u>	<u>10,090</u>	<u>33,259</u>
Due to related parties	<u>2,042,995</u>	<u>1,021,498</u>	<u>1,835,538</u>
	<u>2,063,174</u>	<u>1,031,588</u>	<u>1,868,797</u>
Equity	<u>\$ 9,263,335</u>	<u>\$ 4,631,667</u>	<u>\$ 1,192,726</u>
Revenues	<u>\$ 10,639,772</u>	<u>\$ 5,319,886</u>	<u>\$ 1,630,093</u>
Expenses	<u>3,761,894</u>	<u>1,880,947</u>	<u>1,256,166</u>
Net income (loss)	<u>\$ 6,877,878</u>	<u>\$ 3,438,939</u>	<u>\$ 373,927</u>

Stk'emlupsemc te Secwepemc Nation is an unincorporated political entity that is the caretaker of the land base which is inhabited by the Tk'emlups te Secwepemc and Skeetchestn Indian Band. The object of the entity is to recover the costs of maintaining the natural resource rights and title within its traditional territory.

SKEETCHESTN INDIAN BAND
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NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

INVESTMENT IN STK'EMLUPSEMC ENTERPRISES INC.:

	2020	2019
Shares:		
Common - 50%	\$ 10	\$ 10
Accumulated deficit	<u>(90,364)</u>	<u>(92,067)</u>
	<u>\$ (90,354)</u>	<u>\$ (92,057)</u>

Financial information for Stk'emlupsemc Enterprises Inc. is as follows:

	Total	Band's Share 2020	Band's Share 2019
Cash	\$ 119,203	\$ 59,602	\$ 58,871
Other assets	48,660	24,330	18,816
Due from related parties	<u>422,736</u>	<u>211,368</u>	<u>754,666</u>
	<u>590,599</u>	<u>295,300</u>	<u>832,353</u>
Accounts payable	73,178	36,589	24,958
Due to related parties	<u>698,130</u>	<u>349,065</u>	<u>899,452</u>
	<u>771,308</u>	<u>385,654</u>	<u>924,410</u>
Equity	<u>\$ (180,709)</u>	<u>\$ (90,354)</u>	<u>\$ (92,057)</u>
Revenues	\$ 1,315,194	\$ 657,597	\$ 538,958
Expenses	<u>1,311,788</u>	<u>655,894</u>	<u>539,953</u>
Net income	<u>\$ 3,406</u>	<u>\$ 1,703</u>	<u>\$ (995)</u>
Dividends	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 76,537</u>

Stk'emlupsemc Enterprises Inc. primary function is to recover the costs of maintaining the natural resource rights within the traditional territory of the Stk'emlupsemc.

SKEETCHESTN INDIAN BAND
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NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

INVESTMENT IN STK'EMLUPSEMC LIMITED PARTNERSHIP:

	2020	2019
Interest:		
Units - 49.995%	\$ -	\$ -
Partnership interest:		
Opening balance	320,653	89,376
Net income allocation	1,912,556	1,781,809
Contributions (drawings)	(1,338,605)	(1,550,532)
Balance, end of year	<u>894,604</u>	<u>320,653</u>
	<u>\$ 894,604</u>	<u>\$ 320,653</u>

Financial information for Stk'emlupsemc Limited Partnership is as follows:

	Total	Band's Share 2020	Band's Share 2019
Cash	\$ 1,377,310	\$ 688,586	\$ 38,583
Other assets	1,564,394	782,119	214,940
Due from related parties	<u>2,042,995</u>	<u>1,021,395</u>	<u>1,835,354</u>
	<u>4,984,699</u>	<u>2,492,100</u>	<u>2,088,877</u>
Accounts payable	1,630	815	7,764
Due to related parties	309,776	154,873	751,941
Deferred revenue	<u>2,882,592</u>	<u>1,441,152</u>	<u>1,007,996</u>
	<u>3,193,998</u>	<u>1,596,840</u>	<u>1,767,701</u>
Equity	<u>1,790,701</u>	<u>895,260</u>	<u>321,176</u>
Revenues	<u>5,093,076</u>	<u>2,546,283</u>	<u>2,658,651</u>
Expenses	<u>1,267,581</u>	<u>633,727</u>	<u>876,842</u>
Net income	<u>3,825,495</u>	<u>1,912,556</u>	<u>1,781,809</u>

Stk'emlupsemc Limited Partnership is a partnership with the object of the entity to recover the costs of maintaining the natural resource rights and title within its traditional territory.

INVESTMENT IN SKEETCHESTN HOLDINGS LIMITED LIABILITY PARTNERSHIP:

	2020	2019
Interest:		
Units - 99%	\$ 9,900	\$ 9,900
Advances	<u>137,823</u>	<u>137,823</u>
	<u>147,723</u>	<u>147,723</u>
Partnership interest:		
Opening balance	272,560	297,049
Net gain (loss) allocation	78,839	(24,489)
Balance, end of year	<u>351,399</u>	<u>272,560</u>
	<u>\$ 499,122</u>	<u>\$ 420,283</u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

Financial information for Skeetchestn Holdings Limited Liability Partnership is as follows:

	2020	2019
Current assets	\$ 33,242	\$ 25,586
Property and equipment	578,435	754,363
Due from partners	-	105,309
Due from related party	436,401	447,765
	<u>1,048,078</u>	<u>1,333,023</u>
Current liabilities	18,039	382,645
Obligation under capital lease	527,268	527,242
	<u>545,307</u>	<u>909,887</u>
Equity	<u>\$ 502,771</u>	<u>\$ 423,136</u>
Revenues	\$ 325,652	\$ 264,136
Expenses	246,017	288,872
Net gain (loss)	<u>\$ 79,635</u>	<u>\$ (24,736)</u>

Skeetchestn Holdings Limited Liability Partnership is a partnership domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Partnership is engaged in trucking, natural resources management and rental. The Partnership is controlled by Skeetchestn Indian Band (Limited Partner 99%). Net income (loss) of the Partnership is allocated to the respective Partners annually.

INVESTMENT IN PAINTED ROCK AGGREGATES & CONTRACTING LLP:

	2020	2019
Interest:		
Units - 99%	\$ 9,900	\$ 9,900
Crusher loan receivable, bearing interest at 4.00% per annum, repayable in monthly blended payments of \$7,405. The loan matures on February 15, 2023 and is secured by an Elrus Jaw Crusher.	<u>244,267</u>	<u>321,733</u>
	<u>254,167</u>	<u>331,633</u>
Partnership interest:		
Opening balance	326,067	(165,445)
Net income allocation	686,707	491,512
Balance, end of year	<u>1,012,774</u>	<u>326,067</u>
	<u>\$ 1,266,941</u>	<u>\$ 657,700</u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

Financial information for Painted Rock Aggregates & Contracting LLP is as follows:

	2020	2019
Cash	\$ -	\$ 99,479
Accounts receivable	975,945	215,216
Inventory	1,505,610	1,705,040
Due from partners	6,128	5,578
Other assets	9,591	8,744
Property and equipment	3,766,370	2,921,759
	<u>6,263,644</u>	<u>4,955,816</u>
Accounts payable	750,403	714,109
Other current liabilities	103,010	42,806
Due to related parties	812,220	908,692
Debt and capital lease obligations	3,505,008	2,890,849
Reclamation cost obligations	60,000	60,000
	<u>5,230,641</u>	<u>4,616,456</u>
Equity (deficiency)	<u>\$ 1,033,003</u>	<u>\$ 339,360</u>
Revenues	\$ 6,721,697	\$ 4,447,202
Expenses	<u>6,028,054</u>	<u>3,950,725</u>
Net income	<u>\$ 693,643</u>	<u>\$ 496,477</u>

Painted Rock Aggregates & Contracting LLP is a partnership domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Partnership is engaged in the management of a gravel pit in Savona, BC and markets a wide variety of gravel related products. The Partnership is controlled by Skeetchestn Indian Band (Limited Partner 99%). Net income of the Partnership is allocated to the respective Partners annually.

INVESTMENT IN KNUCWENTWECW DEVELOPMENT CORPORATION:

	2020	2019
Shares:		
Common - 100%	\$ 100,001	\$ 100,001
Advances	<u>1,428,404</u>	<u>1,428,404</u>
	<u>1,528,405</u>	<u>1,528,405</u>
Accumulated equity	<u>991,904</u>	<u>919,570</u>
	<u>\$ 2,520,309</u>	<u>\$ 2,447,975</u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

Consolidated financial information for Knucwentwecw Development Corporation is as follows:

	2020	2019
Cash	\$ 140,117	\$ 203,258
Accounts receivable	68,952	40,977
Inventory	103,949	113,866
Due from related parties	369,691	455,349
Investment in jointly controlled entities	-	-
Loan receivable	650,329	556,215
Property and equipment	3,464,709	3,487,863
Other assets	157,396	50,710
	<u>4,955,143</u>	<u>4,908,238</u>
Current liabilities	91,116	108,078
Callable debt	678,509	804,612
Due to related parties	1,429,204	1,534,513
Deferred revenue	22,867	43,287
	<u>2,221,696</u>	<u>2,490,490</u>
Equity	<u>\$ 2,733,447</u>	<u>\$ 2,417,748</u>
Revenues	\$ 5,367,709	\$ 5,704,586
Expenses	<u>5,116,483</u>	<u>5,473,248</u>
Net income	<u>\$ 251,226</u>	<u>\$ 231,338</u>

Knucwentwecw Development Corporation is a Company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Company is engaged in providing management and consulting services.

INVESTMENT IN BIG SKY STATION LTD.:

	2020	2019
Shares:		
Preferred shares - 100%	\$ 179,695	\$ 179,695
Advances	<u>799</u>	<u>799</u>
	<u>180,494</u>	<u>180,494</u>
Accumulated equity	<u>1,322,925</u>	<u>1,144,033</u>
	<u><u>\$ 1,503,419</u></u>	<u><u>\$ 1,324,527</u></u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

Financial information for Big Sky Station Ltd. has been consolidated into the financial statements of Knucwentwecw Development Corporation and is as follows:

	2020	2019
Cash	\$ 121,524	\$ 118,627
Accounts receivable	22,826	38,230
Inventory	103,949	113,866
Other current assets	894,220	687,884
Property and equipment	<u>489,067</u>	<u>437,058</u>
	<u>1,631,586</u>	<u>1,395,665</u>
Current liabilities	74,529	28,531
Other liabilities	31,451	-
Deferred revenue	<u>22,867</u>	<u>43,287</u>
	<u>128,847</u>	<u>71,818</u>
Equity	<u>\$ 1,502,739</u>	<u>\$ 1,323,847</u>
Revenues	\$ 5,152,652	\$ 5,557,374
Expenses	<u>4,973,760</u>	<u>5,315,139</u>
Net income	<u>\$ 178,892</u>	<u>\$ 242,235</u>

Big Sky Station Ltd. is a Company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Company is engaged in the operation of a retail store and fuel sales outlet on native land near Savona, BC.

INVESTMENT IN SECWEPEMC RECONCILIATION FRAMEWORK AGREEMENT:

	2020	2019
Accumulated equity	<u>\$ -</u>	<u>\$ -</u>

Financial information for Secwepemc Reconciliation Framework Agreement is as follows:

	Total	Band's share	
		2020	2019
Cash	\$ -	\$ -	\$ 29,142
Accounts receivable	- -	- -	1,325
Intangible asset	<u>- -</u>	<u>- -</u>	<u>17,493</u>
	<u>- -</u>	<u>- -</u>	<u>47,960</u>
Current Liabilities	<u>- -</u>	<u>- -</u>	<u>5,219</u>
	<u>- -</u>	<u>- -</u>	<u>5,219</u>
Equity	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,741</u>
Revenues	\$ -	\$ -	\$ 14,286
Expenses	<u>- -</u>	<u>- -</u>	<u>66,877</u>
Net income (loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (52,591)</u>
Expenses of Secwepemc Reconciliation Framework Agreement (RFA) paid to Skeetchestn Indian Band	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

As of April 1, 2019 the agreement is being managed by Qwelmine Secwepemc, a separate not for profit entity.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
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NOTE A7. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES (continued):

INVESTMENT IN SKEETCHESTN NATURAL RESOURCES LLP:

	2020	2019
Partnership units - 99.9%	\$ 999	\$ 999
Advances	<u>458,503</u>	<u>458,503</u>
	<u><u>459,502</u></u>	<u><u>459,502</u></u>
Partnership interest:		
Opening balance	2,637,725	2,206,098
Net income allocation	<u>554,012</u>	<u>431,627</u>
Balance, end of year	<u><u>3,191,737</u></u>	<u><u>2,637,725</u></u>
	<u><u><u>\$ 3,651,239</u></u></u>	<u><u><u>\$ 3,097,227</u></u></u>

Financial information for Skeetchestn Natural Resources LLP is as follows:

	2020	2019
Cash	\$ 787,691	\$ 573,515
Accounts receivable	<u>1,555,370</u>	<u>1,516,971</u>
Other current assets	<u>465,231</u>	<u>323,741</u>
Property and equipment	<u><u>1,458,089</u></u>	<u><u>1,420,601</u></u>
	<u><u>4,266,381</u></u>	<u><u>3,834,828</u></u>
Current liabilities	489,284	612,299
Long term debt	<u>122,663</u>	<u>122,662</u>
Due to related parties	<u>126,745</u>	<u>126,745</u>
	<u><u>738,692</u></u>	<u><u>861,706</u></u>
Equity	<u><u>\$ 3,527,689</u></u>	<u><u>\$ 2,973,122</u></u>
Revenues	<u><u>\$ 3,749,039</u></u>	<u><u>\$ 3,320,838</u></u>
Expenses	<u><u>3,194,472</u></u>	<u><u>2,888,779</u></u>
Net income	<u><u>\$ 554,567</u></u>	<u><u>\$ 432,059</u></u>

Skeetchestn Natural Resources LLP is a Partnership domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Partnership is engaged in the operations of the Band's former Natural Resources department, primarily in the promoting of land and resource development and economic opportunities in the Band's traditional territory. The Partnership is controlled by Skeetchestn Indian Band (Limited Partner 99.9%). Net income of the Partnership is allocated to the respective Partners annually.

INVESTMENT IN SKEETCHESTN NATURAL RESOURCES CORPORATION:

	2020	2019
Shares - 100%	\$ 1	\$ 1
Advances	<u>(1)</u>	<u>(1)</u>
	<u>-</u>	<u>-</u>
Surplus (Deficit)	<u>57,838</u>	<u>78,213</u>
	<u><u>\$ 57,838</u></u>	<u><u>\$ 78,213</u></u>

Financial information for Skeetchestn Natural Resources Corporation is as follows:

Long-term investments	\$ 433,417	\$ 163,017
Current liabilities	<u>375,578</u>	<u>84,803</u>
Surplus (Deficit)	<u><u>\$ 57,839</u></u>	<u><u>\$ 78,214</u></u>
Revenues	<u><u>\$ 555</u></u>	<u><u>\$ 432</u></u>
Expenses	<u><u>150,775</u></u>	<u><u>13,750</u></u>
Net loss	<u><u>\$ (150,220)</u></u>	<u><u>\$ (13,318)</u></u>

Skeetchestn Natural Resources Corporation is a Company domiciled in Canada and has a registered office at 1000 Trans Canada Hwy, Savona, BC. The Company is engaged in holding the partnership interest in Skeetchestn Natural Resources LLP.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A8. DEFERRED REVENUE:	2020	2019
Amounts deferred are summarized below:		
Property taxes - BC Hydro	\$ 412,008	\$ 471,335
Prepaid rent and internet fees	11,193	4,581
Province of BC - Memorandum of Agreement	<u>205,500</u>	<u>340,296</u>
	<u><u>\$ 628,701</u></u>	<u><u>\$ 816,212</u></u>

BC Hydro paid the Band \$1,120,000 during the year for a 20 year taxation agreement that expires August 31, 2027. \$56,000 of property tax revenue is recognized under this agreement annually until the expiration date.

Province of BC - Memorandum of Agreement:

The Band has received contributions of \$205,500 for various projects that have not commenced as of March 31, 2020. These projects will be completed in the next fiscal year and the payments will be applied towards project costs as they are incurred.

NOTE A9. LONG-TERM DEBT:	2020	2019
<u>Social Housing Phase 6 - 11:</u>		
All Nations Trust Company, 6-Unit, mortgage, repayable in monthly installments of \$1,919 including interest at 1.69% per annum, secured by houses with a carrying value of \$290,696, due May 2024	\$ 92,594	\$ 113,827
All Nations Trust Company, 3-Unit, mortgage, repayable in monthly installments of \$976 including interest at 1.14% per annum, secured by houses with a carrying value of \$152,971 due June 2021	69,734	80,586
All Nations Trust Company, 1-Unit, mortgage, repayable in monthly installments of \$368 including interest at 0.69% per annum, secured by houses with a carrying value of \$61,087 due June 2025	43,292	47,228
All Nations Trust Company, 8-Unit, mortgage, repayable in monthly installments of \$4,145 including interest at 2.52% per annum, secured by houses with a carrying value of \$682,456, due September 2023	566,131	601,161
All Nations Trust Company, 3-Unit, mortgage, repayable in monthly installments of \$1,735 including interest at 1.11% per annum, secured by houses with a carrying value of \$526,503 due April 2021	391,363	407,743
All Nations Trust Company, 3-Unit, mortgage, repayable in monthly installments of \$2,748 including interest at 2.70% per annum, secured by houses with a carrying value of \$729,747, due November 2023	<u>577,066</u>	<u>594,253</u>
	<u><u>\$ 1,740,180</u></u>	<u><u>\$ 1,844,798</u></u>

The Social Housing mortgages are guaranteed by Indigenous Services Canada.

Principal repayments due in the ensuing 5 years are approximately as follows:

2021	\$ 106,325
2022	514,136
2023	82,396
2024	1,006,904
2025	<u>30,419</u>
	<u><u>\$ 1,740,180</u></u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A10. TANGIBLE CAPITAL ASSETS:	2020	2019
Tangible capital assets consist of the following:		
Buildings	\$ 2,877,103	\$ 2,934,797
Bridges and cattle guards	50,144	55,011
Water system	495,373	570,472
Automotive equipment	323,873	514,372
Office equipment	367,009	447,268
Equipment	111,026	134,900
Assets under construction	4,506,691	1,335,405
Social housing operations phase 6 - 11	<u>2,451,943</u>	<u>2,568,673</u>
	<u><u>\$ 11,183,162</u></u>	<u><u>\$ 8,560,898</u></u>

For additional information, see the Summary Schedule of Tangible Capital Assets (Appendix 1).

NOTE A11. ACCUMULATED SURPLUS:	2020	2019
Accumulated surplus consists of individual fund surpluses and reserves as follows:		
Surplus from operations	<u>\$ 10,424,968</u>	<u>\$ 9,090,742</u>
Invested in tangible capital assets	<u>9,442,982</u>	<u>6,716,100</u>
Investments in controlled entities	<u>12,837,142</u>	<u>7,401,982</u>
Funded Reserves:		
Replacement Reserve Fund (Note A4)	213,579	210,098
Operating Reserve Fund (Note A4)	65,983	83,341
Ottawa Trust Funds (Note A4)	<u>1,207,431</u>	<u>967,661</u>
	<u><u>1,486,993</u></u>	<u><u>1,261,100</u></u>
Committed Reserves:		
Funds held in trust	<u>5,102,417</u>	<u>4,775,918</u>
	<u><u>39,294,502</u></u>	<u><u>29,245,842</u></u>
Accumulated remeasurement gains	<u>281,094</u>	<u>151,249</u>
	<u><u>\$ 39,575,596</u></u>	<u><u>\$ 29,397,091</u></u>

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A12. COMMITMENTS AND CONTINGENCIES:

Commitment:

The Band leases photocopiers and telephone equipment and internet under long-term leases which expire May 2022 through November 2022.

Future minimum lease payments as at March 31, 2020, are as follows:

2021	\$ 57,420
2022	34,920
2023	<u>14,460</u>
	<u><u>\$ 106,800</u></u>

Contingencies:

a) **Funding agreement:**

The Band receives a portion of its funding under a contribution authority with Indigenous Services Canada which, if unexpended, may be refundable to Indigenous Services Canada. Further, amounts which are overexpensed may be reimbursed by Indigenous Services Canada to the Band. No amounts have been recorded in the financial statements as refundable or reimbursable.

b) **Pension Plan:**

The Band and its employees contribute to a defined contribution pension plan. There is no obligation for past service or periods in which an employee was not employed. Total contributions to the plan during the year were \$38,535 (2019 - \$61,070).

c) **Environmental Renewal:**

The Band is engaged in logging operations which will result in silviculture costs and other potential environmental renewal and recovery costs. Estimated costs in connection with current operations have been accrued; however, the total costs cannot be determined with certainty at year-end due to potential external events such as changes in regulations and advances in remediation technology.

d) **Site Restoration:**

The Band has contracted Painted Rock Aggregates & Contracting LLP, a partnership controlled by the Band, to operate the gravel pit. In this agreement Painted Rock Aggregates & Contracting LLP is responsible for any site restoration costs. Should Painted Rock Aggregates & Contracting LLP default on the agreement, the Band may be responsible for any site restoration not performed by Painted Rock Aggregates & Contracting LLP. The net present value of such a liability is not determinable at this time.

e) **Lawsuits:**

The Band may be subject to lawsuits from time to time. It is the opinion of management that any lawsuits against the Band are not material in the aggregate.

f) **Guarantee:**

The Band has provided a guarantee for the credit facility of Skeetchestn Natural Resources LLP. The Band holds 99% of the partnership units in Skeetchestn Natural Resources LLP. At March 31, 2020, the outstanding loan balance was \$122,663. The maximum liability to the Band with respect to these loans is \$510,000.

The Band has provided a guarantee for the credit facility of Knucwentwecw Development Corporation. The Band holds 100% of the outstanding shares in Knucwentwecw Development Corporation. As at March 31, 2020, the outstanding loan balance was \$678,509. The maximum liability to the Band with respect to these loans is \$650,000.

The Band has provided a guarantee for the credit facility of Skeetchestn Holdings Limited Liability Partnership. The Band holds 99% of the outstanding partnership units in Skeetchestn Holdings Limited Liability Partnership. As at March 31, 2020, the outstanding loan balances were \$15,000. The maximum liability to the Band with respect to these loans is \$850,000.

The Band has provided a guarantee for the credit facility of Painted Rock Aggregates & Contracting LLP. The Band holds 99% of the outstanding partnership units in Painted Rock Aggregates & Contracting LLP. As at March 31, 2020, the outstanding loan balance was \$Nil. The maximum liability to the Band with respect to these loans is \$150,000.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A13. RELATED PARTY TRANSACTIONS:

During the year, the Band made purchases of \$106,179 (2019 - \$96,635) from Big Sky Station Ltd. for fuel and supplies. The Band also earned \$35,000 (2019 - \$35,000) in rent and received \$5,000 (2019 - \$5,000) in donations. Included in accounts payable is \$5,236 (2019 - \$2,992) due to Big Sky Station Ltd.

During the year, the Band paid \$25,128 (2019 - \$25,060) for community economic development services and earned \$Nil (2019 - \$2,350) in property taxes from Knucwentwecw Development Corporation.

During the year, the Band paid \$573,049 (2019 - \$699,499) for management fees, \$308,202 (2019 - \$Nil) for gravel materials and earned \$259,877 (2019 - \$170,029) in royalties, \$11,457 (2019 - \$14,944) in interest and \$39,900 (2019 - \$39,900) in lease income from Painted Rock Aggregates & Contracting LLP. Included in accounts payable is \$302,616 (2019 - \$270) due to Painted Rock Aggregates & Contracting LLP.

During the year, the Band earned \$550,000 (2019 - \$300,000) from Stk'emlupsemc te Secwepemc Nation, a significantly influenced entity, for management and other services.

During the year, the Band earned \$Nil (2019 - \$76,537) from Stk'emlupsemc Enterprises Inc., a significantly influenced entity, in dividends.

During the year, the Band earned \$1,338,605 (2019 - \$1,550,532) for management and other services from Stk'emlupsemc Limited Partnership, a significantly influenced entity.

During the year, the Band paid \$1,850,896 (2019 - \$1,500,632) in contract services to Skeetchestn Natural Resources Limited Liability Partnership. Included in accounts payable is \$849,645 (2019 - \$515,831) due to Skeetchestn Natural Resources Limited Liability Partnership.

During the year, the Band received \$66,612 (2019 - \$52,417) for administration fees and \$28,010 (2019 - \$40,530) for supplies and vehicle operating costs from Skeetchestn Natural Resources Limited Liability Partnership. Included in accounts receivable is \$118,967 (2019 - \$185,560) due from Skeetchestn Natural Resources Limited Liability Partnership.

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

NOTE A14. ECONOMIC DEPENDENCE:

The Band receives a major portion of its revenue pursuant to a Funding Agreement with Indigenous Services Canada.

NOTE A15. FUNDS HELD IN TRUST - MINISTRY OF TRANSPORTATION & HIGHWAYS:

The Band has funds held in trust by Morelli Chertkow LLP, Lawyers, regarding compensation received from the Ministry of Transportation and Highways for lands, as follows:

Deadman - Vidette Road No. 1427	\$ 63,079
Deadman - Vidette Road Intersection - District Plan 215-1427-20	<u>5,406</u>
	<u><u>\$ 68,485</u></u>

The funds are to be held in trust until the lands are transferred to the Ministry by passage of a Federal Privy Council Order, and will be recognized as a revenue upon transfer.

SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020

NOTE A16. SEGMENTED INFORMATION:

The Skeetchestn Indian Band is a First Nations government institution that provides a range of programs and services to its members, including band revenue, administration, social development, education, public works, housing & capital projects and natural resources. For management reporting purposes the First Nations operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Band Revenue

The Band Revenue department is responsible for administering projects the Band is involved in annually and on an on-going basis relating to the overall objectives of the First Nation.

Administration

Administration supports the development of stable, legitimate and accountable community governments. It also provides overall support of the First Nation including advisory services relating to financial management, band government, economic development, community services and technical services.

Social Development

Social Development provides assistance to community members unable to provide for themselves and their dependents. The services provided by this department include, but are not limited to, income assistance, child and family services, assisted living and early childhood development.

Social Housing

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

Education

Education supports the members in expressing, preserving, developing and promoting its cultural heritage through the establishment and operation of First Nation education centres and programs. It also provides services for students at the elementary/secondary and post secondary level, including instructional services both on and off reserve as well as support services such as transportation, accommodation, guidance and counselling.

Public Works

Public Works supports the construction, operation and basic maintenance of community facilities and services such as water and sewage, roads, electrification, schools and fire protection. It is also responsible for ensuring that the facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Housing & Capital Projects

Housing & Capital Projects works manages capital projects within the community undertaken to support the growth and or maintenance of the First Nations infrastructure.

Natural Resources

Natural Resources department is responsible for the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, as well as research and advocacy. It also manages economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note A1. For additional information see the Statement of Financial Activities - Segmented (Appendix 2).

**SKEETCHESTN INDIAN BAND
NOTES TO SUMMARY FINANCIAL STATEMENTS
March 31, 2020**

NOTE A17. CASH FLOW INFORMATION:

During the year, the Band paid interest on long-term debt of \$80,652 (2019 - \$55,050) and received interest of \$181,049 (2019 - \$154,106) from various sources.

SKEETCHESTN INDIAN BAND
SUMMARY SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2020

	Buildings	Bridges & Cattle Guards	Water System	Automotive Equipment	Band Operations			Assets Under Construction	Social Housing Operations Phase 6-11	Totals	
					Office Equipment	Equipment	Farm & Irrigation Equipment			2020	2019
Cost											
Balance beginning of year	\$ 7,356,601	\$ 614,324	\$ 2,142,035	\$ 1,726,168	\$ 698,722	\$ 356,319	\$ 181,062	\$ 668,708	\$ 164,847	\$ 3,510,985	\$ 18,755,176
Add: Additions during the year	-	-	-	-	9,899	-	-	-	3,381,122	-	3,391,021
Transfers	209,836	-	-	-	-	-	-	-	(209,836)	-	-
Balance, end of year	<u>7,566,437</u>	<u>614,324</u>	<u>2,142,036</u>	<u>1,726,168</u>	<u>708,621</u>	<u>356,319</u>	<u>181,062</u>	<u>668,708</u>	<u>164,847</u>	<u>4,506,691</u>	<u>22,146,197</u>
Accumulated amortization											
Balance, beginning of year	4,421,804	559,313	1,571,563	1,211,796	251,454	243,459	159,022	668,708	164,847	-	942,312
Add: Amortization	267,530	4,867	75,099	190,499	90,158	22,354	1,520	-	-	-	116,30
Balance, end of year	<u>4,689,334</u>	<u>564,180</u>	<u>1,646,662</u>	<u>1,402,295</u>	<u>341,612</u>	<u>265,813</u>	<u>160,542</u>	<u>668,708</u>	<u>164,847</u>	<u>-</u>	<u>1,059,042</u>
Net Book Value of Tangible Capital Assets	<u>\$ 2,877,103</u>	<u>\$ 50,144</u>	<u>\$ 495,373</u>	<u>\$ 323,873</u>	<u>\$ 367,009</u>	<u>\$ 90,506</u>	<u>\$ 20,520</u>	<u>\$ -</u>	<u>\$ 4,506,691</u>	<u>\$ 2,451,943</u>	<u>\$ 11,183,162</u>
											<u>\$ 8,560,898</u>

SKEETCHESTN INDIAN BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2020

	Band Revenue	Administration	Social Development	Social Housing	Education	Public Works	Housing & Capital Projects	Natural Resources	Total 2020	Total 2019
REVENUE:										
Indigenous Services Canada	\$ 657,727	\$ 295,376	\$ 505,795	\$ 143,982	\$ 1,340,570	\$ 502,786	\$ 60,351	\$ 59,490	\$ 2,764,368	\$ 2,275,865
Leases and rentals	-	-	-	100,751	-	39,900	59,108	-	900,717	847,968
CMHC	49,971	2,650	39,762	-	142,030	-	-	211,473	100,751	122,686
Province of BC	862,827	376,847	268,352	-	460,266	9,343	44,964	-	445,886	207,231
Consulting and contract	-	-	167,134	-	-	27,964	2,183,857	-	2,022,599	1,627,100
First Nations Health Authority	-	-	-	5,985	-	-	-	-	2,378,955	76,943
FCRSA	141,134	33,933	-	-	-	-	-	-	473,629	678,352
Interest	8,647,044	80,964	45,638	-	106,935	-	59,260	-	181,052	154,106
Other	<u>10,358,703</u>	<u>789,770</u>	<u>1,026,681</u>	<u>250,718</u>	<u>2,049,801</u>	<u>616,663</u>	<u>2,407,540</u>	<u>1,079,064</u>	<u>18,578,940</u>	<u>10,417,065</u>
EXPENSES:										
Administration fees (recovery)	11,000	(331,946)	101,237	17,414	91,261	-	-	56,773	(54,261)	(48,141)
Amortization	-	-	116,730	194,999	457,028	-	-	-	768,757	770,263
Assistance	-	-	429,787	-	-	-	-	-	429,787	365,540
Automotive	-	-	6,712	-	26,919	93,993	22,490	-	150,114	143,453
Bad debts and write downs (recovery)	8,801	-	-	-	-	-	-	-	8,801	(1,679)
Contract services	1,525,743	50,605	1,983	4,800	14,650	46,992	18,333	1,002,752	2,666,378	2,510,300
Education	12,060	-	3,575	-	397,376	-	-	-	409,436	387,032
Honorary	-	251,068	-	56,753	-	-	-	-	311,396	328,830
Insurance	-	14,033	-	16,169	22,755	25,005	2,081	-	80,023	67,929
Interest and bank charges	-	7,526	-	-	-	-	1	-	7,527	6,376
Interest on demand loans and long-term debt	-	-	-	38,058	-	42,594	-	-	80,652	55,050
Licences, dues and fees	15,787	-	-	-	7,110	-	-	-	22,897	23,246
Materials and supplies	34,735	99,629	10,891	15,600	140,509	67,139	63,366	-	431,889	509,778
Office and other (recovery)	143,070	76,061	117,355	-	(619)	7,413	7,844	-	351,124	176,168
Professional fees	218,323	55,693	-	4,200	-	-	-	-	278,216	247,248
Repairs and maintenance	-	-	6,938	63,734	10,185	-	25,210	-	105,087	105,325
Training	-	657	815	-	12,048	-	-	-	13,520	7,634
Travel	1,941	49,767	59,186	-	14,671	2,040	796	-	128,401	128,509
Utilities	-	31,261	4,545	-	32,539	116,213	690	-	185,248	184,932
Wages and benefits	<u>1,971,460</u>	<u>396,355</u>	<u>344,875</u>	<u>-</u>	<u>276,706</u>	<u>797,358</u>	<u>387,027</u>	<u>211,633</u>	<u>17,500</u>	<u>2,154,808</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 8,387,243	\$ 89,061	\$ (61,218)	\$ (25,987)	\$ 231,307	\$ (628,781)	\$ 2,054,986	\$ 2,039	\$ 10,048,660	\$ 2,338,432

SKEETCHESTN INDIAN BAND
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2019

	Band Revenue	Administration	Social Development	Social Housing	Education	Public Works	Housing & Capital Projects	Natural Resources	Total 2019
REVENUE:									
Indigenous Services Canada	\$ 630,974	\$ 278,267	\$ 488,739	\$ 132,132	\$ 1,037,514	\$ 298,946	\$ 75,788	\$ 96,611	\$ 2,275,865
Leases and rentals	-	-	-	122,986	-	39,900	44,962	-	847,968
CMHC	-	1,325	38,836	-	167,070	-	-	-	122,986
Province of BC	-	-	274,432	-	455,661	56,671	83,888	-	207,231
Consulting and contract	756,448	-	49,527	-	-	27,416	-	-	1,627,100
First Nations Health Authority	-	-	-	-	-	-	-	-	76,943
FCRSA	-	-	-	-	-	-	-	-	678,352
Interest	125,206	24,238	-	4,628	-	-	-	34	154,106
Other	3,980,657	85,139	39,724	-	74,816	41,835	104,433	100,210	4,426,814
	<u>5,493,285</u>	<u>388,969</u>	<u>891,258</u>	<u>259,446</u>	<u>1,735,061</u>	<u>464,768</u>	<u>309,105</u>	<u>875,173</u>	<u>10,417,065</u>
EXPENSES:									
Administration fees (recovery)	11,216	(328,720)	75,515	17,434	79,168	10,000	1,920	85,326	(48,141)
Amortization	-	-	-	116,730	194,257	459,276	-	-	770,263
Assistance	-	-	365,540	-	-	-	-	-	365,540
Automotive	-	-	8,236	-	27,716	88,223	19,278	-	143,453
Bad debts and write downs (recovery)	(1,679)	-	549	8,800	1,617	222,653	40,542	-	(1,679)
Contract services	1,423,645	38,486	-	-	379,822	-	-	774,008	2,510,300
Education	7,210	-	5,158	-	67,670	-	-	-	387,032
Honorarium	-	256,002	-	12,241	18,560	21,871	1,704	-	328,830
Insurance	-	13,553	-	-	-	-	-	-	67,929
Interest and bank charges	-	6,376	-	-	-	-	-	-	6,376
Interest on demand loans and long-term debt	-	-	-	30,204	-	24,846	-	-	55,050
Licences, dues and fees	17,017	-	-	-	6,229	-	-	-	23,246
Materials and supplies	49,725	75,834	50,172	15,600	154,692	141,516	22,239	-	509,778
Office and other	57,384	68,144	42,956	-	-	1,588	6,096	-	176,168
Professional fees	209,395	34,453	-	3,400	-	-	-	-	247,248
Repairs and maintenance	-	-	4,764	73,480	20,492	-	6,589	-	105,325
Training	-	-	2,289	-	5,345	-	-	-	7,634
Travel	-	59,851	66,044	-	2,587	-	-	-	128,509
Utilities	-	30,751	5,030	-	29,764	118,834	553	-	184,932
Wages and benefits	-	418,746	271,003	-	689,196	396,777	335,118	-	2,110,840
	<u>1,773,913</u>	<u>673,476</u>	<u>897,256</u>	<u>277,889</u>	<u>1,677,115</u>	<u>1,485,584</u>	<u>434,066</u>	<u>859,334</u>	<u>8,078,633</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	\$ 3,719,372	\$ (284,507)	\$ (5,998)	\$ (18,443)	\$ 57,946	\$ (1,020,816)	\$ (124,961)	\$ 15,839	\$ 2,338,432

See accompanying notes to financial statements.

SKEETCHESTN INDIAN BAND
SUPPLEMENTARY FINANCIAL INFORMATION

March 31, 2020

EXHIBIT

SUPPLEMENTARY FINANCIAL INFORMATION:

J	INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT
J1	SCHEDULE OF REMUNERATION AND EXPENSES - CHIEF AND COUNCILLORS



INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members,
SKEETCHESTN INDIAN BAND

EXHIBIT J

We have reviewed the accompanying consolidated schedule of remuneration and expenses paid to elected officials ("the schedule") of the SKEETCHESTN INDIAN BAND for the year ended March 31, 2020. The schedule has been prepared by management of the SKEETCHESTN INDIAN BAND based on the First Nations Financial Transparency Act.

Management's Responsibility for Supplementary Schedules

Management of the SKEETCHESTN INDIAN BAND is responsible for the preparation of the schedule in accordance with the First Nations Financial Transparency Act, and for such internal control as management determines is necessary to enable the preparation of the schedule that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the schedule based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of the schedule in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on this schedule.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the schedule is not prepared, in all material respects, in accordance with the First Nations Financial Transparency Act.

Daley & Company LLP

Chartered Professional Accountants

SKEETCHESTN INDIAN BAND
SCHEDULE OF REMUNERATION AND EXPENSES
CHIEF AND COUNCILLORS
For the year ended March 31, 2020

Name of Individual	Position Title	Number of Months	Remuneration	Expenses
IGNACE, RON	CHIEF	12	\$ 64,633	\$ 3,326
DRANEY, DARREL	COUNCILLOR	12	62,762	3,432
DENEAULT, TERRY	COUNCILLOR	12	63,955	5,954
HEWITT, TRACEY	COUNCILLOR	12	63,363	2,570
GONZALES, MARSHALL	COUNCILLOR	12	63,515	3,026
Total			\$ 318,228	\$ 18,308