

SIMPCW FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
Wednesday, March 31, 2021

EXHIBIT

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EXHIBIT A

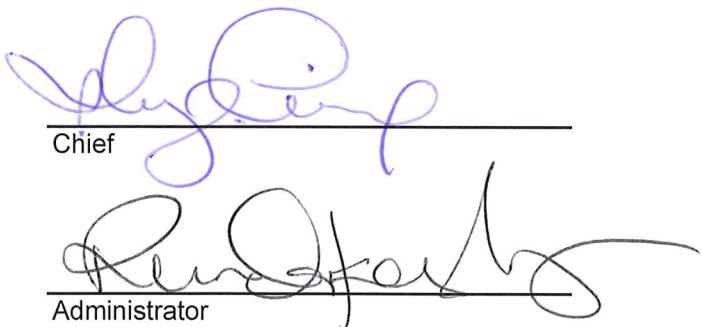
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The financial statements of SIMPCW FIRST NATION 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 integrity and reliability of SIMPCW FIRST NATION's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

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 Grant Thornton LLP in accordance with Canadian generally accepted auditing standards.



Handwritten signatures of the Chief and Administrator. The Chief's signature is in blue ink, and the Administrator's signature is in black ink. Both signatures are placed above their respective titles on a horizontal line.

Chief

Administrator



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INDEPENDENT AUDITOR'S REPORT

To the members of SIMPCW FIRST NATION

EXHIBIT A1

Opinion

We have audited the consolidated financial statements of SIMPCW FIRST NATION (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statement of accumulated surplus, consolidated statement of operations, consolidated statement of change in net financial assets and consolidated 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, 2021, 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

We draw attention to the fact the supplementary information included in Exhibits B1 to B3, C1 to C2, D1 to D2, and Schedules 1 to 37 do not form part of the financial statements. We have not audited or reviewed this supplementary information and, accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

The consolidated financial statements of the First Nation for the year ended March 31, 2020, were audited by Daley & Company CPA LLP who expressed an unmodified opinion on those statements on August 26, 2020. The partners and staff of Daley & Company CPA LLP joined Grant Thornton LLP on January 4, 2021.

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.

Independent Auditor's Report to the Members of SIMPCW FIRST NATION (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 (which is the group entity) to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Chief and Council 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

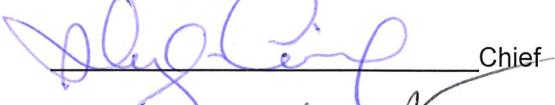
Kamloops, Canada
December 13, 2021

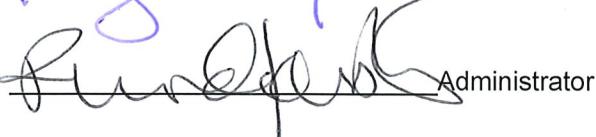
SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
March 31, 2021

FINANCIAL ASSETS	2021	2020
Cash	\$ 13,577,124	\$ 7,780,033
Term deposits	6,028,775	2,022,886
Restricted cash (Note A4)	366,163	196,742
Investments held in trust (Note A5)	3,896,409	3,504,832
Marketable securities (Note A6)	7,827,764	7,591,787
Grants and accounts receivable (Note A7)	1,053,958	1,007,575
Loan receivable (Note A8)	-	5,384
Investment in partnership (Note A9)	42,037,839	14,895,499
Investments and advances (Note A10)	(259,680)	57,201
Investments in controlled entities (Note A11)	<u>2</u>	<u>2</u>
	74,528,354	37,061,941
LIABILITIES		
Accounts payable and accruals	1,428,008	1,067,200
Prepaid rents	2,627	1,172
Term loans (Note A13)	-	13,154
Mortgages payable (Note A14)	981,181	157,378
Deferred revenue (Note A15)	4,748,460	2,914,671
	<u>7,160,276</u>	<u>4,153,575</u>
NET FINANCIAL ASSETS	67,368,078	32,908,366
NON-FINANCIAL ASSETS		
Tangible capital assets (Note A16)	9,300,679	7,309,441
Prepaid expenses	65,798	66,273
	<u>9,366,477</u>	<u>7,375,714</u>
ACCUMULATED SURPLUS (Note A17)	\$ 76,734,555	\$ 40,284,080

COMMITMENTS AND CONTINGENCIES (Note A18)

APPROVED BY THE BAND:


 Chief


 Administrator

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF ACCUMULATED SURPLUS
Year ended March 31, 2021

	2021	2020
ACCUMULATED SURPLUS, beginning of year	\$ 40,284,080	\$ 31,616,038
EXCESS OF REVENUE OVER EXPENSES	<u>36,450,475</u>	<u>8,668,042</u>
ACCUMULATED SURPLUS, end of year	\$ 76,734,555	\$ 40,284,080

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2021

	Budget	2021	2020
REVENUE:			
Government transfers:			
Indigenous Services Canada	\$ 2,280,833	4,727,097	\$ 2,997,071
First Nations Health Authority	1,456,433	1,648,212	1,506,436
Canada Mortgage & Housing Corporation	54,093	23,443	33,279
Province of B.C.	4,763,054	5,388,162	3,688,673
Fisheries & Oceans Canada	133,000	175,000	133,000
Other revenues:			
Rental	85,178	83,566	105,361
Impact Benefit Agreements	125,000	129,671	166,277
Investment income	300,500	980,854	435,283
Income - Ottawa Trust Funds	-	18,394	2,963
Income (loss) from investment in government business enterprise	-	27,822,340	5,266,097
BC First Nations Gaming Revenue Sharing			
Limited Partnership	414,000	125,986	427,924
Other	<u>5,698,061</u>	<u>4,385,861</u>	<u>3,083,037</u>
	<u>15,310,152</u>	<u>45,508,586</u>	<u>17,845,401</u>
EXPENSES:			
Band Revenue	192,776	543,947	55,336
Local Revenue	-	500	732
Band Government	1,656,544	2,131,802	2,433,107
Social Services	375,049	682,340	494,778
Education	1,707,043	1,660,395	1,555,985
Community Development	641,800	780,299	807,909
Natural Resources	2,177,560	2,065,977	2,252,611
Health	1,286,082	1,112,522	1,245,088
Housing	<u>251,579</u>	<u>80,329</u>	<u>331,813</u>
	<u>8,288,433</u>	<u>9,058,111</u>	<u>9,177,359</u>
EXCESS OF REVENUE OVER EXPENSES	\$ 7,021,719	\$ 36,450,475	\$ 8,668,042

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2021

	Budget	2021	2020
EXCESS OF REVENUE OVER EXPENSES	\$ 7,021,719	\$ 36,450,475	\$ 8,668,042
Acquisition of tangible capital assets	(2,909,541)	(2,711,506)	(329,610)
Amortization of tangible capital assets	-	438,532	423,096
Change in prepaid expenses	-	475	13,025
Loss on disposal of assets	-	125,516	175,089
Proceeds on disposal of assets	<u>320,000</u>	<u>156,220</u>	-
INCREASE IN NET FINANCIAL ASSETS	4,432,178	34,459,712	8,949,642
NET FINANCIAL ASSETS, beginning of year	<u>32,908,366</u>	<u>32,908,366</u>	23,958,724
NET FINANCIAL ASSETS, end of year	<u>\$ 37,340,544</u>	<u>\$ 67,368,078</u>	\$ 32,908,366

SIMPCW FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2021

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Excess of revenue over expenses	\$ 36,450,475	\$ 8,668,042
Non-cash charges to operations:		
Amortization	438,532	423,096
Loss on disposal of assets	125,516	175,089
Earnings on investments and advances - Note A10	(125,986)	(427,922)
Reinvested income / losses from marketable securities	(235,976)	41,810
Reinvested income from Restricted cash / investments held in trust	(410,721)	(253,368)
Equity income from partnership	(27,822,340)	(5,266,097)
(Increase) decrease in:		
Grants and accounts receivable	(46,383)	(449,655)
Loan receivable	5,384	7,200
Prepaid expenses	475	13,025
Increase (decrease) in:		
Accounts payable and accruals	360,807	330,861
Deferred revenue	1,833,789	2,154,877
Prepaid rents	1,455	(27)
Cash flows from operations	<u>10,575,027</u>	<u>5,416,931</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from term loans and mortgage	844,256	-
Repayments on term loan	(13,154)	(59,046)
Mortgages payable reduction	(20,453)	(32,127)
Cash flows from (used in) financing	<u>810,649</u>	<u>(91,173)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Drawings from partnership	680,000	500,000
Investment and advances	442,867	413,637
Drawings from marketable securities	-	39,479
Restricted cash / investments held in trust	(150,277)	293,598
Cash flows used in investing	<u>972,590</u>	<u>1,246,714</u>
CASH FLOWS FROM CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	(2,711,506)	(329,610)
Proceeds from disposal of assets	156,220	-
Cash flows used in capital	<u>(2,555,286)</u>	<u>(329,610)</u>
INCREASE IN CASH RESOURCES	9,802,980	6,242,862
CASH RESOURCES, beginning of year	<u>9,802,919</u>	<u>3,560,057</u>
CASH RESOURCES, end of year	<u>\$ 19,605,899</u>	<u>\$ 9,802,919</u>
CASH RESOURCES IS REPRESENTED BY:		
Cash	\$ 13,577,124	\$ 7,780,033
Term deposits	<u>6,028,775</u>	<u>2,022,886</u>
	<u>\$ 19,605,899</u>	<u>\$ 9,802,919</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES:

These consolidated 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:

Simpcw First Nation 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 consolidated financial statements. Details of the operations of each fund are set out in the supplementary schedules. Simpcw First Nation 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 Post-1996 Program which reports the social housing assets of the First Nation, together with related activities.

b) Reporting Entity and Principles of Financial Reporting:

The Simpcw First Nation reporting entity includes the 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:

- Simpcw First Nation Band Operations Fund
- Simpcw First Nation Trust Fund
- Simpcw First Nation Capital Fund
- Simpcw First Nation Social Housing Fund - Post-1996 Program
- Simpcw Holdings Limited
- Simpcw Resources Ltd.

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 Simpcw First Nation and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. This includes:

- Simpcw Resources LLP (including the entity's interest in Estsek' Environmental Services LLP, Tmicw-kt Cultural Services (TCS) LLP, and Simpcw Ledcor Limited Partnership)
- Simpcw Resources (2020) LLP

Long-term investments in non-controlled entities and not subject to significant influence are recorded at cost.

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.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

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

c) Cash equivalents

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

d) Marketable Securities:

Marketable securities are recorded at the lower of cost and net realizable value.

e) Investments:

Investments are recorded at cost.

f) 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 revenue over expenses, provides the Change in Net Financial Assets for the year.

1) 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:

Roads and trails	10 to 75 years
Buildings and other	20 to 70 years
Water Systems	50 to 80 years
Automotive	5 to 10 years
Equipment	5 to 10 years

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

The First Nation 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 First Nation's ability to provide services. When assets no longer have any long-term service potential to the First Nation, 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.

2) 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 First Nation's interest in reserve lands is not reflected in these financial statements, as no consideration was paid by the First Nation to acquire these lands.

g) Accrual Method:

The accrual method is used in accounting for all funds.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

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

h) 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.

i) Replacement Reserve:

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

j) Deferred Revenue:

Revenue is recorded in the period to which it relates.

k) Revenue Recognition:

The Simpcw First Nation 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 agreements.

Amounts received from Indigenous Services Canada (ISC) are reported in accordance with the terms of the funding arrangement. Amounts specified as set funding 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 funding are recognized as revenue as program terms and conditions are met and delivered. Any resulting surpluses may be retained by the First Nation provided delivery of the program is complete at March 31. Any resulting deficits are the responsibility of the First Nation. 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.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria 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.

Housing rents are reported monthly on the basis of the lease agreement.

Own source revenues derived from such sources as resource based revenues, interest income, etc. are reported on an accrual basis.

l) 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.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A2. FINANCIAL INSTRUMENTS:

Fair Value of Financial Assets and Financial Liabilities:

The carrying values of cash, term deposits, grants and accounts receivable, loan receivable, accounts payable and accrued liabilities and demand loans 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 values of term loans and mortgages payable approximate fair value as the terms and conditions of the borrowing arrangements are comparable to current market terms and conditions for similar items.

Interest Risk:

Demand loans, term loan and mortgages have fixed interest rates and interest expense will decrease with principal repayment of the loans.

Credit Risk:

The First Nation 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.

NOTE A3. FUTURE ACCOUNTING CHANGES:

PS 3400 Revenues

This section establishes standards on how to account for and report on revenue. This section applies to fiscal years beginning on or after April 1, 2023, with early adoption permitted.

PS 3450 Financial instruments

This section establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. This section applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted. Adoption of this standard requires corresponding adoption of PS 1201 Financial Statement Presentation, PS 2601 Foreign Currency Translation and PS 3041 Portfolio Investments in the same fiscal period.

PS 1201 Financial Statement Presentation

This section revises the general reporting principles and standards for the disclosure of information in the financial statements. This section applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

PS 2601 Financial Currency Translation

This section revises and replaces the existing Section PS 2600 Foreign Currency Translation. This section applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

PS 3401 Portfolio investments

This section revises and replaces the existing Section PS 3040 Portfolio Investments. This section applies to fiscal years beginning on or after April 1, 2022, with early adoption permitted.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A4. RESTRICTED CASH:	2021	2020
Operating reserve	\$ 610	\$ 630
Replacement reserve	112,631	111,861
Ottawa Trust Funds	<u>252,922</u>	<u>84,251</u>
	<u><u>\$ 366,163</u></u>	<u><u>\$ 196,742</u></u>

a) Operating Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, after the payment of all costs and expenditures 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 CMHC.

	2021	2020
Balance, beginning of year	\$ -	\$ -
Allocation for the year	<u>-</u>	<u>-</u>
Balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
The Operating Reserve is represented by:		
Cash	<u><u>\$ 610</u></u>	<u><u>\$ 630</u></u>

b) Replacement Reserve Fund:

Under the terms of the agreement with Canada Mortgage & Housing Corporation, the Replacement Reserve account is to be credited in the amount of \$4,350 annually plus interest. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts of instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by Canada Mortgage & Housing Corporation from time to time. Withdrawals are credited to interest first and then principal.

	2021	2020
Balance, beginning of year	\$ 124,092	\$ 117,362
Allocation for the year	4,350	6,350
Interest income	725	1,078
Approved expenditures	<u>(2,369)</u>	<u>(698)</u>
Balance, end of year	<u><u>\$ 126,798</u></u>	<u><u>\$ 124,092</u></u>
The Replacement Reserve is represented by:		
Cash and equivalents	<u><u>\$ 112,631</u></u>	<u><u>\$ 111,861</u></u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A4. RESTRICTED CASH (continued):

c) 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 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.

NOTE A5. INVESTMENTS HELD IN TRUST:

2021

2020

Simpcw Trust (see Schedule 10 for revenue and expenses):

	Market Value (March 31, 2021)		
Cash and cash equivalents	\$ 347,443	\$ 347,443	\$ 263,976
Marketable Securities:			
Fixed income	1,602,135	1,645,394	1,292,127
Common stocks and equivalents	1,578,150	1,124,460	1,245,833
Common shares (U.S. Dollar account)	<u>963,496</u>	<u>779,112</u>	<u>702,896</u>
	<u>\$ 4,491,224</u>	<u>\$ 3,896,409</u>	<u>\$ 3,504,832</u>

Simpcw First Nation has entered into various accommodation agreements with proponents wishing to develop projects in Simpcw First Nation's traditional territory. Simpcw Trust (the "Trust") was established on January 1, 2009 to hold payments received pursuant to the agreements and any income therefrom for the benefit of current and future generations of Simpcw First Nation. 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 interest of the First Nation and its members.

Distributions from the trust may only be made in areas of community development which includes social services, transportation for members, support for families for hardship, housing, elders, children, youth and family development, health, education and training, economic development, disaster relief and fire control, cultural awareness, recreation and recreational infrastructure, improvement to reserve lands, preparation and advancement of claims, justice and police and acquisition of fee simple lands for community benefits.

NOTE A6. MARKETABLE SECURITIES:

The market value of the marketable securities, at March 31, 2021, is \$8,436,390 (2020 - \$6,952,811).

NOTE A7. GRANTS AND ACCOUNTS RECEIVABLE:

2021

2020

Grants and Accounts Receivable	\$ 1,230,979	\$ 1,184,596
Less: Allowance for doubtful accounts	<u>(177,021)</u>	<u>(177,021)</u>
	<u>\$ 1,053,958</u>	<u>\$ 1,007,575</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A8. LOAN RECEIVABLE:	2021	2020
Band members, repaid during the year	\$ <u> </u> -	\$ <u> </u> 5,384

NOTE A9. INVESTMENT IN PARTNERSHIP:	2021	2020
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Simpcw Resources LLP, unsecured, noninterest bearing, no stated terms of repayment. No amounts are due within the year.

Partnership units (99.99%)	\$ 999	\$ 999
Partnership interest:		
Balance, beginning of year	14,894,500	10,128,403
Net income allocation	27,822,340	5,266,097
Drawings	(680,000)	(500,000)
Balance, end of year	42,036,840	14,894,500
	\$ 42,037,839	\$ 14,895,499

Financial information for Simpcw Resources LLP:

	2021	2020
Assets	\$ 73,741,559	\$ 22,426,485
Liabilities	31,700,822	7,529,314
Equity	\$ 42,040,737	\$ 14,897,171
Revenues	\$ 108,036,434	\$ 35,815,946
Expenses	80,211,311	30,549,322
Net income	\$ 27,825,123	\$ 5,266,624

Simpcw Resources LLP is domiciled in Canada and has a registered office at 6580 Dunn Lake Road, Barriere, BC. The Partnership is engaged in logging operations, gravel operations and other environmental contract work. The Partnership is controlled by Simpcw First Nation (Limited Partner 99.99%). Net income of the Partnership is allocated to the respective Partners annually.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A10. INVESTMENTS AND ADVANCES:	2021	2020
a) <u>All Nations Trust Company:</u>		
2,057 Common shares, par value \$10.01	\$ 20,570	\$ 20,570
b) <u>Community Futures Development Corporation of Central Interior First Nations:</u>		
Loan Administration Agreement, direct loans to a maximum of \$5,000 and Micro Lending Circles of up to \$4,000, direct loans at 12% per annum and on Micro Lending Circles interest at a percentage of prime per annum		
Cash and equivalents	<u>21,993</u>	<u>22,346</u>
c) <u>BC First Nations Gaming Revenue Sharing Limited Partnership:</u>		
0.47% interest in partnership:		
Balance, beginning of year	14,275	-
Net income allocation	<u>125,986</u>	427,922
Contributions	-	100
Drawings	<u>(442,514)</u>	<u>(413,747)</u>
Balance, end of year	<u>(302,253)</u>	<u>14,275</u>
Share in the General Partner, BCFN GRS GP Inc., a corporation incorporated under the BC Business Corporations Act. Share represents a 0.47% interest in the Company at March 31, 2020.	<u>10</u>	<u>10</u>
TOTAL INVESTMENTS AND ADVANCES	\$ (259,680)	\$ 57,201

NOTE A11. INVESTMENTS IN CONTROLLED ENTITIES:	2021	2020
Simpcw Resources Ltd. (100%):		
Shares	\$ 1	\$ 1
Simpcw Holdings Limited (100%):		
Shares	<u>1</u>	<u>1</u>
TOTAL INVESTMENTS IN CONTROLLED ENTITIES	\$ 2	\$ 2

Shares for these entities are held in trust by specified Band Members under a trust agreement.

NOTE A12. LINE OF CREDIT:

Under a line of credit arrangement with the Royal Bank of Canada, the First Nation may borrow up to \$150,000 on such terms as the First Nation and the bank may mutually agree upon. This arrangement does not have a termination date and can be withdrawn at the bank's option. At March 31, 2021, the unused portion of the credit line was \$150,000.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A13. TERM LOANS:		2021	2020
<u>Capital fund:</u>			
Ford Credit, repaid during the year.		\$ -	\$ 8,970
Royal Bank of Canada loan repaid during the year.		- -	2,092
Royal Bank of Canada loan repaid during the year.		- -	2,092
		<u>\$ -</u>	<u>\$ 13,154</u>

NOTE A14. MORTGAGES PAYABLE:		2021	2020
<u>Social Housing Operations:</u>			
Canada Mortgage and Housing Corporation, repayable in monthly installments of \$1,583 including interest at 1.14% per annum, secured by buildings with a carrying value of \$185,032 due June 2021.		\$ 95,298	\$ 113,109
Canada Mortgage and Housing Corporation, repayable in monthly installments of \$285 including interest at 1.83% per annum, secured by a building with a carrying value of \$61,587, due December 2024.		41,627	44,269
		<u>136,925</u>	<u>157,378</u>
<u>Band Operations:</u>			
Canada Mortgage and Housing Corporation, repayable in monthly installments of \$3,785 including interest at 1.30% per annum, secured by a building with a carrying value of \$1,188,617, due April 2027.		844,256	- -
		<u>\$ 981,181</u>	<u>\$ 157,378</u>

The mortgages are guaranteed by Indigenous Services Canada.

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

2022	\$ 132,916
2023	37,847
2024	38,358
2025	69,457
2026	39,508
Thereafter	<u>666,095</u>
Total	<u>\$ 984,181</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A15. DEFERRED REVENUE:	2021	2020
Amounts deferred are summarized below:		
Kinder Morgan Canada Inc.	\$ 168,462	\$ 125,645
Province of B.C. - Land Selection Agreement	406,550	406,550
Trans Mountain Emergency Operation Centre	761,329	783,902
Minister of Transportation and Infrastructure	1,368,421	1,497,851
Province of B.C. - Economic Reconciliation Contribution Agreement	1,000,000	-
Ministry of Children and Family Development	1,034,334	-
Miscellaneous projects	<u>9,364</u>	<u>100,723</u>
	<u><u>\$ 4,748,460</u></u>	<u><u>\$ 2,914,671</u></u>

a) Kinder Morgan Canada Inc.:

The First Nation has received \$520,000 in prior years and \$75,533 in the current year as a result of signing a Mutual Benefits Agreement with Kinder Morgan Canada Inc. The payments are to be applied towards program costs as they are incurred. As of March 31, 2021 \$427,071 in costs have been incurred.

b) Province of B.C. - Land Selection Agreement

The Province of B.C. and the First Nation have signed a Land Selection Agreement as part of accommodation measures for the Valemount Glacier Destination resort. The Province has agreed to transfer \$1.5 million worth of Crown land to the First Nation. At March 31, 2021, the parcels to be transferred have been identified and valued at \$1,093,450. The First Nation has accepted an amendment to the original agreement whereby the remaining value of the transfer (\$406,550) has been accepted in cash as "residual funds" to be used for survey costs and property transfer taxes to be paid by the First Nation as part of the legal transfer of the identified parcels. This amount has been deferred and will be applied towards these costs as they are incurred.

c) Trans Mountain Emergency Operation Centre

The First Nation has received \$950,189 as a result of signing a Mutual Benefits Agreement with Trans Mountain Pipeline LP. The payments are to be applied towards program costs as they are incurred. As of March 31, 2021 \$188,860 in costs have been incurred.

d) Minister of Transportation and Infrastructure

The First Nation has signed a Memorandum of Agreement with the Province of BC related to tenure to certain road areas within the Reserve that form part of Dunn Lake Road. Under this Agreement they have received \$1,497,851 for additional benefits to Simpcw First Nation. These additional benefits are for various specific projects and have been deferred and will be applied towards the costs of these projects as they are incurred. As of March 31, 2021 \$129,430 in costs have been incurred.

e) Province of B.C. - Economic Reconciliation Contribution Agreement

The Province of B.C. and the First Nation have signed a Letter of Agreement as part of an economic reconciliation initiative. The Province has agreed to transfer \$1 million to provide capacity to the First Nation to support forestry and stewardship opportunities including the purchase of timber volume. As of March 31, 2021, no costs have been incurred.

f) Ministry of Children and Family Development

The First Nation has signed a Funding Agreement with the Province of B.C. for a child care space creation project. Under this Agreement the First Nation is eligible to receive up to \$1,591,283. As of March 31, 2021, the First Nation has received \$1,034,334 and no costs have been incurred.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A15. DEFERRED REVENUE (continued):

g) Miscellaneous projects and ISC funding

The First Nation has received contributions for various projects that have not commenced as of March 31, 2021. These projects will be completed in the next fiscal year and the payments will be applied towards project costs as they are incurred.

NOTE A16. TANGIBLE CAPITAL ASSETS:

2021

2020

Tangible capital assets at net book value consist of the following:

Roads	\$ 411,068	\$ 347,611
Buildings and other	1,759,814	2,051,562
Buildings under construction	2,364,532	239,922
Water systems	2,798,424	2,864,215
Land	605,577	681,722
Automotive	882,107	748,612
Equipment	<u>479,157</u>	<u>375,797</u>
	<u>\$ 9,300,679</u>	<u>\$ 7,309,441</u>

For additional information, see the Consolidated Schedule of Tangible Capital assets (Appendix 1).

NOTE A17. ACCUMULATED SURPLUS:

2021

2020

Accumulated surplus consists of individual fund surpluses and reserves as follows:

Surplus from operations	<u>\$ 57,588,421</u>	<u>\$ 23,072,767</u>
Invested in tangible capital assets	<u>8,319,498</u>	<u>7,138,909</u>
Investments in controlled entities	<u>2</u>	<u>2</u>
 Funded Reserves:		
Replacement Reserve Fund (CMHC) (Note A4)	126,798	124,092
Ottawa Trust Funds	<u>252,922</u>	<u>84,251</u>
	<u>379,720</u>	<u>208,343</u>
 Committed Reserves (Note A19):		
Own source revenue reserves	6,550,505	6,359,227
Simpcw Trust	<u>3,896,409</u>	<u>3,504,832</u>
	<u>10,446,914</u>	<u>9,864,059</u>
	<u>\$ 76,734,555</u>	<u>\$ 40,284,080</u>

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A18. COMMITMENTS AND CONTINGENCIES:

Lease Commitments:

The First Nation leases office equipment and automobiles under long-term agreements which expire between June 2021 and August 2024.

Future minimum lease payments as at March 31, 2021, are as follows:

2022	\$ 132,673
2023	69,396
2024	58,680
2025	<u>24,450</u>
	 <u>\$ 285,199</u>

Other Commitments:

Planning and design has started on a new multi-purpose facility. The budget for construction of the facility is \$16,530,000. The planning and design phase began in January 2020 and no expected completion date has been established. As at March 31, 2021, \$862,612 of costs have been incurred. Grants from various sources have been secured totalling approximately \$13,744,000. The remaining costs are to be paid from cash on hand.

Contingencies:

- a) The First Nation 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 overexpended may be reimbursed by Indigenous Services Canada to the First Nation. No amounts have been recorded in the financial statements as refundable or reimbursable.
- b) Social Housing Mortgages:
The First Nation is guarantor of various Capital Housing mortgages, secured by Ministerial guarantees, totaling \$251,750.
- c) Pension Plan:
The First Nation 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 \$45,828 (2020 - \$46,630).
- d) Guarantee:
The First Nation has guaranteed a loan to the Royal Bank of Canada on behalf of Simpcw Resources LLP in the amount of \$900,000. The balance of the loan as of March 31, 2021 is \$729,881. The First Nation has not charged a guarantee fee for this loan.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A19. COMMITTED RESERVES:

The First Nation has set up reserves for future education, social development, health and other needs of Band members. These reserves are funded from Health surpluses and funds received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement.

The reserves are summarized as follows:

Own source revenue reserves:

Future Generations	\$ 521,720
Legal Defense	459,113
Rights & Titles Research	551,166
Community Development	1,887,200
Heritage	215,170
School	44,341
Band Administration	1,023,045
Health Board	1,104,630
Unfunded Programs	524,570
TransAlta	<u>219,550</u>
	 <u>\$ 6,550,505</u>

Simpcw Trust:

These funds consist of monies received from Kinder Morgan Canada Inc. under the Mutual Benefits Agreement and Canadian Hydro Developer's Inc. under the Impact Benefit Agreement. See Note A5 for further detail.

\$ 3,896,409

NOTE A20. SEGMENTED INFORMATION:

The Simpcw First Nation is a First Nation government institution that provides a range of programs and services to its members, including band revenue, administration, social development, education, community development, capital works and natural resources. For management reporting purposes the First Nation's 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 First Nation is involved in annually and on an on-going basis relating to the overall objectives of the First Nation.

Band Government:

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.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A20. SEGMENTED INFORMATION (continued):

Local Revenue:

Local Revenue assists in the maintenance of roads, streets and facilities through revenue raised under local revenue laws. Local Revenues have been prepared by management in accordance with Local Revenue Financial Reporting Standards.

Social Services:

Social Services 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.

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.

Community Development:

Community development 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.

Natural Resources:

Natural Resources 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.

Health:

Health supports the concept of promoting holistic health, and the Community Health Plan, which is based on health needs identified by a community needs assessment. It provides services to the community with programs such as home and community care, addictions counselling and public health services, as well as children, adult and elder wellness prevention and education programs.

Housing:

Housing is responsible for the administration and management of Social Housing units, Band-owned housing units and renovation projects for private homeowners.

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).

NOTE A21. ECONOMIC DEPENDENCE:

The First Nation receives a major portion of its core program revenues pursuant to a Funding Arrangement with Indigenous Services Canada.

SIMPCW FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Year ended March 31, 2021

NOTE A22. RELATED PARTY TRANSACTIONS:

The First Nation paid \$139,359 (2020 - \$33,464) for environmental services to Estsek' Environmental Services LLP, a partnership owned 50% by Simpcw Resources LLP. As at March 31, 2021, an amount payable of \$60,879 (2020 - \$16,577) is owing to Estsek' Environmental Services LLP and is subject to normal trade terms.

The First Nation paid \$39,616 (2020 - \$9,128) for archaeological services to Tmicw-Kt Cultural Services LLP, a partnership owned 50% by Simpcw Resources LLP. As at March 31, 2021, an amount payable of \$13,046 (2020 - \$32,224) is owing to Tmicw-Kt Cultural Services LLP and is subject to normal trade terms.

NOTE A23. COMPARATIVE FIGURES:

Some of the comparative figures have been reclassified to conform to the current year's presentation.

SIMPCW FIRST NATION
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
Year ended March 31, 2021

	Band Operations								Simpcw Holdings Limited	Social Housing Operations	Totals	
	Roads and trails	Land	Buildings and other	Buildings under construction	Water Systems	Automotive	Equipment	Land	Post-1996 Program (Buildings)	2021	2020	
	Cost											
Balance, beginning of year	\$ 741,618	\$ 373,568	\$ 4,027,871	\$ 239,922	\$ 3,683,907	\$ 1,902,459	\$ 1,109,834	\$ 308,154	\$ 490,848	\$ 12,878,181	\$ 12,945,569	
Add: Additions during the year	74,471	-	-	2,124,610	-	283,054	229,371	-	-	2,711,506	329,610	
Less: Disposals during the year	-	(76,145)	(228,435)	-	-	-	-	-	-	(304,580)	(396,998)	
Balance, end of year	<u>816,089</u>	<u>297,423</u>	<u>3,799,436</u>	<u>2,364,532</u>	<u>3,683,907</u>	<u>2,185,513</u>	<u>1,339,205</u>	<u>308,154</u>	<u>490,848</u>	<u>15,285,107</u>	<u>12,878,181</u>	
Accumulated amortization												
Balance, beginning of year	394,007	-	2,241,027	-	819,692	1,153,847	734,037	-	226,130	5,568,740	5,367,553	
Add: Amortization	11,014	-	68,060	-	65,791	149,559	126,011	-	18,097	438,532	423,096	
Less: Disposals during the year	-	-	(22,844)	-	-	-	-	-	-	(22,844)	(221,909)	
Balance, end of year	<u>405,021</u>	<u>-</u>	<u>2,286,243</u>	<u>-</u>	<u>885,483</u>	<u>1,303,406</u>	<u>860,048</u>	<u>-</u>	<u>244,227</u>	<u>5,984,428</u>	<u>5,568,740</u>	
Net Book Value of Tangible Capital Assets												
	<u><u>\$ 411,068</u></u>	<u><u>\$ 297,423</u></u>	<u><u>\$ 1,513,193</u></u>	<u><u>\$ 2,364,532</u></u>	<u><u>\$ 2,798,424</u></u>	<u><u>\$ 882,107</u></u>	<u><u>\$ 479,157</u></u>	<u><u>\$ 308,154</u></u>	<u><u>\$ 246,621</u></u>	<u><u>\$ 9,300,679</u></u>	<u><u>\$ 7,309,441</u></u>	

Buildings under construction are not amortized until they are put into use.

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2021

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2021	Total 2020
REVENUE:												
Indigenous Services												
Canada First Nations	\$ 2,815,931	\$ -	\$ 454,017	\$ 542,384	\$ 136,874	\$ 402,545	\$ 35,280	\$ 52,696	\$ 287,370	\$ -	\$ 4,727,097	\$ 2,997,071
Health Authority	156,220	-	-	-	-	-	5,000	1,486,992	-	-	1,648,212	1,506,436
CMHC	-	-	-	-	-	-	-	-	23,443	-	23,443	33,279
Province of B.C.	4,551,925	-	-	180,000	233,200	151,457	258,000	13,580	-	-	5,388,162	3,688,673
Fisheries & Oceans Canada	-	-	-	-	-	-	175,000	-	-	-	175,000	133,000
Rental	-	-	28,750	-	-	-	-	-	54,816	-	83,566	105,361
Impact Benefit Agreements	-	-	129,671	-	-	-	-	-	-	-	129,671	166,277
Investment income	-	-	829,636	-	-	-	-	-	941	168,671	999,248	438,246
Income (loss) from G.B.E.'s	-	-	-	-	-	-	27,822,340	-	-	-	27,822,340	5,266,097
BC First Nations Gaming Revenue												
Sharing Limited Partnership	125,986	-	-	-	-	-	-	-	-	-	125,986	427,924
Other	227,652	70,362	284,270	590,143	824,526	60,133	2,158,868	152,343	17,564	-	4,385,861	3,083,037
	<u>7,877,714</u>	<u>70,362</u>	<u>1,726,344</u>	<u>1,312,527</u>	<u>1,194,600</u>	<u>614,135</u>	<u>30,454,488</u>	<u>1,705,611</u>	<u>384,134</u>	<u>168,671</u>	<u>45,508,586</u>	<u>17,845,401</u>
EXPENSES:												
Administration fees	-	-	22,789	-	1,326	-	1,964	-	-	-	26,079	100,620
Amortization	-	-	224,054	-	22,960	121,193	21,684	15,381	33,258	-	438,530	423,096
Assistance	-	-	600	130,587	-	-	-	-	-	-	131,187	209,435
Bad debts and writedowns (recoveries)	-	-	-	-	-	-	-	-	-	-	-	11,654
Contract services	-	-	128,847	24,062	12,626	-	52,998	(77)	-	-	218,456	244,699
Distributions	352,500	-	-	-	-	-	-	-	-	-	352,500	-
Fees and tuition	-	-	6,220	-	390,146	-	-	-	-	-	396,366	449,674
Honorarium	-	-	303,118	-	-	-	2,871	-	-	-	305,989	310,246
Insurance	-	-	16,550	-	-	69,633	13,844	-	7,088	-	107,115	82,131
Interest and bank charges	-	-	8,657	-	-	-	-	-	2,788	-	11,445	14,823
Loss on disposal of assets	125,516	-	-	-	-	-	-	-	-	-	125,516	175,089
Materials and supplies	3,450	-	288,723	216,764	206,932	199,838	135,432	177,355	(39,928)	-	1,188,566	1,067,319
Office and other	3,174	500	125,869	13,611	167	-	-	9,600	-	-	152,921	125,347
Professional fees	57,085	-	237,640	77,917	43,691	18,389	558,404	77,704	15,954	-	1,086,784	1,230,850
Repairs and maintenance	1,800	-	43,721	-	(5,095)	-	-	16,066	2,369	-	58,861	122,496
Training	-	-	7,650	15,300	139,579	-	2,075	83,852	617	-	249,073	463,513
Travel	322	-	44,343	4,796	5,013	247	204,573	32,150	4,205	-	295,649	436,811
Utilities	100	-	43,444	7,187	-	103,827	29,302	12,783	-	-	196,643	194,580
Wages and benefits	-	-	629,577	192,116	843,050	267,172	1,042,830	687,708	53,978	-	3,716,431	3,514,976
	<u>543,947</u>	<u>500</u>	<u>2,131,802</u>	<u>682,340</u>	<u>1,660,395</u>	<u>780,299</u>	<u>2,065,977</u>	<u>1,112,522</u>	<u>80,329</u>	<u>-</u>	<u>9,058,111</u>	<u>9,177,359</u>
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	<u>7,333,767</u>	<u>69,862</u>	<u>(405,458)</u>	<u>630,187</u>	<u>(465,795)</u>	<u>(166,164)</u>	<u>28,388,511</u>	<u>593,089</u>	<u>303,805</u>	<u>168,671</u>	<u>36,450,475</u>	<u>8,668,042</u>
INTERFUND TRANSFERS	<u>(5,794,528)</u>	<u>-</u>	<u>725,303</u>	<u>368,472</u>	<u>1,520,588</u>	<u>692,448</u>	<u>751,743</u>	<u>888,773</u>	<u>264,345</u>	<u>-</u>	<u>(582,856)</u>	<u>75,077</u>
ANNUAL SURPLUS	<u>\$ 1,539,239</u>	<u>\$ 69,862</u>	<u>\$ 319,845</u>	<u>\$ 998,659</u>	<u>\$ 1,054,793</u>	<u>\$ 526,284</u>	<u>\$ 29,140,254</u>	<u>\$ 1,481,862</u>	<u>\$ 568,150</u>	<u>\$ 168,671</u>	<u>\$ 35,867,619</u>	<u>\$ 8,743,119</u>

See accompanying notes to financial statements

SIMPCW FIRST NATION
STATEMENT OF FINANCIAL ACTIVITIES - SEGMENTED
Year ended March 31, 2020

	Band Revenue	Local Revenue	Band Government	Social Services	Education	Community Development	Natural Resources	Health	Housing	Other	Total 2020
REVENUE:											
Indigenous Services											
Canada	\$ 22,776	\$ -	\$ 946,900	\$ 359,888	\$ 1,147,434	\$ 380,945	\$ -	\$ 139,128	\$ -	\$ -	\$ 2,997,071
First Nations											
Health Authority	-	-	-	-	-	-	-	1,506,436	-	-	1,506,436
CMHC	-	-	-	-	-	-	-	-	33,279	-	33,279
Province of B.C.	1,593,737	-	-	30,000	288,574	1,585,333	178,000	13,029	-	-	3,688,673
Fisheries & Oceans Canada	-	-	-	-	-	-	133,000	-	-	-	133,000
Rental	200	-	32,787	-	-	-	-	-	72,374	-	105,361
Impact Benefit Agreements	-	-	166,277	-	-	-	-	-	-	-	166,277
Investment income	52,234	-	381,971	-	-	-	-	-	1,078	2,963	438,246
Income from G.B.E.'s	-	-	-	-	-	-	5,266,097	-	-	-	5,266,097
BC First Nations Gaming Revenue											
Sharing Limited Partnership	427,924	-	-	-	-	-	-	-	-	-	427,924
Other	114,127	64,861	193,914	155,475	397,579	27,656	1,972,718	128,647	28,060	-	3,083,037
	2,210,998	64,861	1,721,849	545,363	1,833,587	1,993,934	7,549,815	1,787,240	134,791	2,963	17,845,401
EXPENSES:											
Administration fees	1,209	-	30,904	-	1,150	(30)	66,021	1,366	-	-	100,620
Amortization	-	-	212,622	-	17,874	121,755	8,831	13,429	48,585	-	423,096
Assistance	-	-	141,200	68,235	-	-	-	-	-	-	209,435
Bad debts and writedowns (recoveries)	(2,585)	-	-	-	-	-	14,239	-	-	-	11,654
Contract services	-	-	179,957	24,632	36,911	-	1,216	1,983	-	-	244,699
Distributions	-	-	-	-	-	-	-	-	-	-	-
Fees and tuition	-	-	62,599	-	387,075	-	-	-	-	-	449,674
Honorarium	-	-	307,956	-	-	-	2,290	-	-	-	310,246
Insurance	1,299	-	22,541	-	-	41,703	1,659	-	14,929	-	82,131
Interest and bank charges	282	-	12,275	-	-	-	-	-	2,266	-	14,823
Loss on disposal of assets	-	-	-	-	-	1,661	-	-	173,428	-	175,089
Materials and supplies	6,741	-	143,429	170,610	83,756	188,459	230,399	196,406	47,519	-	1,067,319
Office and other	3,881	500	101,079	10,287	-	-	-	9,600	-	-	125,347
Professional fees	14,318	-	276,639	18,718	11,050	44,877	787,917	54,025	23,306	-	1,230,850
Repairs and maintenance	12,330	-	39,411	-	36,359	-	16,688	17,010	698	-	122,496
Training	-	232	84,167	26,011	193,183	-	38,526	114,233	7,161	-	463,513
Travel	-	-	202,391	21,067	35,986	3,744	121,018	52,605	-	-	436,811
Utilities	1,448	-	31,005	7,966	-	126,990	23,368	3,803	-	-	194,580
Wages and benefits	16,413	-	584,932	147,252	752,641	278,750	940,439	780,628	13,921	-	3,514,976
	55,336	732	2,433,107	494,778	1,555,985	807,909	2,252,611	1,245,088	331,813	-	9,177,359
EXCESS (SHORTFALL) OF REVENUE OVER EXPENSES	2,155,662	64,129	(711,258)	50,585	277,602	1,186,025	5,297,204	542,152	(197,022)	2,963	8,668,042
INTERFUND TRANSFERS	(740,841)	-	(43,789)	-	(32,865)	210,512	(17,287)	651,623	47,724	-	75,077
ANNUAL SURPLUS (DEFICIT)	\$ 1,414,821	\$ 64,129	\$ (755,047)	\$ 50,585	\$ 244,737	\$ 1,396,537	\$ 5,279,917	\$ 1,193,775	\$ (149,298)	\$ 2,963	\$ 8,743,119

See accompanying notes to financial statements

SIMPCW FIRST NATION

SUPPLEMENTARY FINANCIAL INFORMATION

March 31, 2021

EXHIBIT

SUPPLEMENTARY FINANCIAL INFORMATION:

K	INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT
K1	SCHEDULE OF REMUNERATION AND EXPENSES - CHIEFS AND COUNCILLORS



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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

EXHIBIT K

To the Members,
SIMPCW FIRST NATION

We have reviewed the accompanying consolidated schedule of remuneration and expenses paid to elected officials ("the schedule") of the SIMPCW FIRST NATION for the year ended March 31, 2021. The schedule has been prepared by management of the SIMPCW FIRST NATION based on the First Nations Financial Transparency Act.

Management's Responsibility for the Schedule

Management of the SIMPCW FIRST NATION 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.

Kamloops, Canada
December 13, 2021

Grant Thornton LLP
Chartered Professional Accountants

SCHEDULE OF REMUNERATION AND EXPENSES
CHIEFS AND COUNCILLORS
For the year ended March 31, 2021

Name of Individual	Position Title	Number of Months	Remuneration	Expenses
Ron Lampreau Jr	Councillor	12	\$ 43,212	\$ 11,212
George Lampreau	Councillor	12	59,335	1,364
Christine Donald	Councillor	12	20,784	2,371
Christine Donald	Wages	12	46,769	-
Shelly Loring	Chief	12	59,284	797
Alison Green	Councillor	12	23,918	1,816
Alison Green	Wages	12	39,071	-
Jules Philip	Councillor	12	52,545	1,847
Martha Matthew	Councillor	12	38,941	1,911
Total			\$ 383,859	\$ 21,318