



**Skin Tyee Nation
Financial Statements**

March 31, 2021

Skin Tyee Nation
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For the year ended March 31, 2021

Management's Responsibility for Financial Reporting
Auditor's Report

SUMMARY FINANCIAL STATEMENTS

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**Skin Tyee Nation
March 31, 2021**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

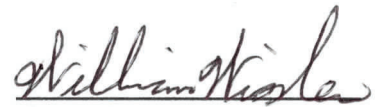
Chief and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the summary financial statements.

Chief and Council meet periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the summary financial statements and the external auditor's report.

The external auditors, Ribeyre Chang Haylock, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the summary financial statements. The external auditors have full and free access to financial management of Skin Tyee Nation and meet when required.



Chief



Councilor

INDEPENDENT AUDITOR'S REPORT

To: The Members of Skin Tyee Nation

Report on the Audit of the Consolidated Financial Statements Disclaimer of Opinion

We have been engaged to audit the consolidated financial statements of Skin Tyee Nation, which comprise the consolidated statement of financial position as at March 31, 2021 and March 31, 2020, and the consolidated statements of operations, change in net debt and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Entity. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

We were unable to obtain sufficient appropriate audit evidence supporting various expenditures occurred during the year. We were unable to confirm or verify by alternative means. As a result, we were unable to determine whether any adjustments might have been necessary in respect of Skin Tyee Nation's recorded expenditures and the elements making up the consolidated statement of financial position.

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

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



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

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

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

Our responsibility is to conduct an audit of the Entity in accordance with Canadian generally accepted auditing standards and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mike Chang, CPA, CA.

Port Coquitlam, B.C.
January 30, 2023

Ribeyre Chang Haylock
Chartered Professional Accountants

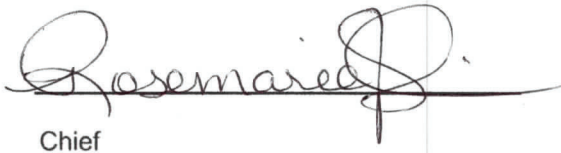
Skin Tyee Nation

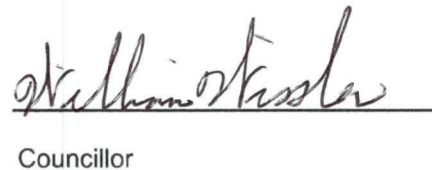
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31, 2021	Statement 1 - See Auditor's Report	
	2021	2020
Financial assets		
Cash - Note 3	\$ 165,624	\$ -
Restricted cash - Note 4	55,165	48,860
Accounts receivable - Note 5	510,011	181,274
Inventory	3,727	-
Investments - Note 6	2,181,542	5,705,708
Trust moneys - Note 7	10,072	9,541
Total financial assets	2,926,141	5,945,383
Liabilities		
Bank indebtedness - Note 3	\$ -	\$ 151,866
Accounts payable and accrued expenses	338,883	335,192
Deferred revenue - Note 8	25,000	-
Demand loan payable - Note 9	799,911	841,594
Long-term debt - Note 10	2,539,394	937,973
Total liabilities	3,703,188	2,266,625
(Debt) net financial assets	(777,047)	3,678,758
Non-financial assets		
Prepaid expenses and deposits	158,039	120,689
Tangible capital assets - Note 11	7,917,024	849,656
Total non-financial assets	8,075,063	970,345
Accumulated surplus	\$ 7,298,016	\$ 4,649,103

See accompanying notes

On behalf of Band Council:


Chief


Councillor

Skin Tyee Nation

CONSOLIDATED STATEMENT OF OPERATIONS

For the year ended March 31, 2021	Statement 2 - See Auditor's Report		
	Budget	2021	2020
Revenues			
Operating Fund			
Indigenous Services Canada	\$ 653,289	\$ 653,289	\$ 308,883
B.C. Gaming Revenue	296,636	296,636	276,749
Burns Lake Native Development Corp.	500	500	150,000
Carrier Sekani Family Services	184,100	184,096	172,801
Coastal Gaslink Pipeline Ltd.	171,300	171,324	52,230
Forestry	685,100	685,125	456,084
First Nation Education Steering Committee	36,830	36,830	25,801
Insurance proceeds received	-	-	199,681
Prince George Nechako Aboriginal			
Employment Training Association	40,700	40,675	20,882
Province of British Columbia	1,213,000	1,213,000	66,400
First Nation Health Authority	53,209	53,209	26,771
Miscellaneous income	218,300	218,317	120,816
Social Housing Fund	2,487	2,487	2,984
Investment Fund			
Interest income	55,900	55,879	74,809
Share of income, controlled entities	3,156,300	3,156,334	303,161
Trust Fund	531	531	565
Reimbursement (recovery) from funding agencies	-	17,835	(52,090)
	6,768,182	6,786,067	2,206,527
Expenses			
Operating Fund			
Band government	695,800	695,774	(190,457)
Economic development	997,500	997,458	972,594
Social services	323,400	323,422	448,894
Education and training	98,800	98,755	67,256
Community infrastructure	101,000	101,020	70,839
Investment Fund	1,892,300	1,892,328	91,997
Social Housing Fund	28,400	28,397	33,357
	4,137,200	4,137,154	1,494,480
Annual surplus	2,630,982	2,648,913	712,047
Accumulated surplus at beginning of year	4,649,103	4,649,103	3,937,056
Accumulated surplus at end of year	\$ 7,280,085	\$ 7,298,016	\$ 4,649,103

See accompanying notes

Skin Tyee Nation

CONSOLIDATED STATEMENT OF NET FINANCIAL ASSETS

For the year ended March 31, 2021	Statement 3 - See Auditor's Report		
	Budget	2021	2020
Annual surplus	\$ 2,630,982	\$ 2,648,913	\$ 712,047
Changes in tangible capital assets			
Acquisition of tangible capital assets	(490,043)	(490,043)	(37,969)
Amortization of tangible capital assets	96,166	96,166	84,215
Tangible capital assets of government unit	-	(6,673,491)	-
	(393,877)	(7,067,368)	46,246
Changes in other non-financial assets			
(Acquisition) use of prepaid asset - net	(37,350)	(37,350)	10,267
	(37,350)	(37,350)	10,267
(Decrease) increase in net financial assets	(431,227)	(7,104,718)	56,513
Net financial assets, beginning of year	3,678,758	3,678,758	2,910,198
(Debt) net financial assets at end of year	\$ 3,247,531	\$ (777,047)	\$ 3,678,758

See accompanying notes

Skin Tyee Nation

SUMMARY STATEMENT OF CASH FLOWS

For the year ended March 31, 2021

Statement 4 - See Auditor's Report

	2021	2020
OPERATING ACTIVITIES		
Revenue received	\$ 6,481,799	\$ 2,343,512
Expenses paid	(4,078,374)	(1,264,080)
Cash provided by operating activities	2,403,425	1,079,432
INVESTING ACTIVITIES		
Advances to investments	3,524,166	(1,160,687)
Purchase and construction of capital assets	(7,163,534)	(37,969)
Cash used in investing activities	(3,639,368)	(1,198,656)
FINANCING ACTIVITIES		
Repayment of demand loan	(41,683)	(47,958)
Repayment of long-term debt	(66,559)	(67,516)
Advances of long-term debt	1,667,980	-
Cash provided by (used in) financing activities	1,559,738	(115,474)
Increase (decrease) in cash during the year	323,795	(234,698)
(Bank indebtedness) cash, beginning of year	(103,006)	131,692
Cash (bank indebtedness), end of year	\$ 220,789	\$ (103,006)
Represented by		
Cash (bank indebtedness)	\$ 165,624	\$ (151,866)
Restricted cash	55,165	48,860
	\$ 220,789	\$ (103,006)

See accompanying notes

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These summary financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government entities, as defined in the CICA Public Sector Accounting and Auditing Handbook, which encompasses the following principles.

a) Fund accounting

The Skin Tyee 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 summary financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Skin Tyee Nation maintains the following funds:

- The Operating Fund which reports the general activities of the Nation administration.
- The Investment Fund which reports the Nation's investments in related entities.
- The Trust Fund which reports on trust funds owned by the Nation and held by a third party.
- The Social Housing Fund which reports on the housing activities related to CMHC funded housing.

b) Reporting entity and principles of financial reporting

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

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

- Operating Fund
- Investment Fund
- Trust Fund
- Social Housing Fund

The Skin Tyee Nation owns and controls the incorporated business, Skin Tyee Development Ltd. The business is included in the summary financial statements using the modified equity method. Skin Tyee Development Ltd. owns and controls the incorporated business Tyewood Forest Resources Incorporated.

The Skin Tyee Nation owns and controls the incorporated businesses, STFN Resorts Ltd. and Natanlii Developments Ltd. Natanlii Developments Ltd. is included in the summary financial statements using the modified equity method.

STFN Resorts Ltd. no longer meets the definition of a government business enterprise as the Entity is unable to maintain its operations and meet its liabilities from revenues received outside of the First Nation. The Entity has been consolidated with the financials of Skin Tyee First Nation.

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

1. Continued...

The Skin Tyee Nation owns a 14.18% interest in Chinook Comfor Limited Partnership. The business is included in the summary financial statements using the modified equity method.

c) Fixed assets

Fixed assets are valued at either cost or estimated cost and recorded in the Operating Fund or Social Housing Fund as required.

The acquisition costs of fixed assets and payments on capital debt, which are not funded from capital financing sources, are charged to operations and matched with the applicable revenue source in the year of expenditure. These expenditures are also recorded as an addition to assets of the Operating Fund with a corresponding increase in Operating Fund - unrestricted equity.

Fixed assets acquired as part of the Social Housing Fund are recorded as assets of that Fund.

d) Depreciation

Fixed assets are recorded and depreciated with a corresponding reduction in Equity in Fixed Assets. Assets are depreciated over their expected useful life using the declining balance method at the following rates:

Buildings and infrastructure	4%
Computer equipment	30%
Equipment	20%
Vehicles	30%

Social Housing assets acquired under Canada Mortgage and Housing Corporation sponsored housing programs are depreciated at a rate equivalent to the annual principal reduction in the related long-term debt, as required for Canada Mortgage and Housing Corporation reporting purposes. To be consistent, housing assets in the Capital Fund are also depreciated at a rate equivalent to the annual principal reduction in the related long-term debt.

e) Revenue recognition

Revenue is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue in the year of receipt and classified as such on the Summary Statement of Financial Position.

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

1. Continued...

f) Use of estimates

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

2. ECONOMIC DEPENDENCE

The Skin Tyee Nation receives a major portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada.

3. CASH (BANK INDEBTEDNESS)

	2021	2020
Cash on hand	\$ 168,534	\$ (136,866)
Line of credit advances	(2,910)	(15,000)
Cash (bank indebtedness)	\$ 165,624	\$ (151,866)

Line of credit advances consists of an unsecured line of credit with a limit of \$150,000, due on demand and payable in interest only payments at lender's prime plus 1% and an unsecured line of credit with a limit of \$125,000, due on demand and payable in interest only payments at lender's prime plus 3.25%.

4. RESTRICTED CASH

Restricted cash is comprised of the following:

	2021	2020
Replacement reserve account - Social Housing	\$ 55,165	\$ 48,860

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

5. ACCOUNTS RECEIVABLE

	2021	2020
Indigenous Services Canada	\$ 17,835	\$ 13,323
Canada Mortgage and Housing Corporation	-	36,229
Carrier Sekani Family Services	145,539	114,248
Cheslatta First Nation	15,000	15,000
Coastal GasLink Pipeline	37,275	-
Province of British Columbia	30,000	15,000
First Nations Education Stering Committee	10,161	6,457
First Nations Health Authority	19,380	-
The Prince George Nechako Aboriginal Employment & Training Association	-	17,234
Nation members loans	138,785	98,923
Nation members loans allowance	(91,746)	(89,907)
Advances to employees	19,650	11,900
New Gold Inc.	-	25,875
Other	214,804	(33,554)
Other allowances	(46,672)	(49,454)
	\$ 510,011	\$ 181,274

6. INVESTMENTS

	2021	2020
Investments consist of the following:		
Burns Lake Native Development Corporation (3%) 32,109 shares at cost	\$ 6	\$ 6
STFN Development Ltd. (100%) 120 common shares	12	12
Advances - net	312	312
	324	324
Natanlii Development Ltd. 80 Class A Common shares (80%)	80	80
Due from Natanlii Development Ltd.	1,649,000	695,229
Accumulated deficit	(233,815)	(211,915)
	1,415,265	483,394
Subtotal	\$ 1,415,595	\$ 483,724

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

6. Continued...

	2021	2020
Balance forward	\$ 1,415,595	\$ 483,724
BC First Nations Gaming Revenue Sharing LP 1 partnership unit at cost	100	-
BC First Nations GRS GP Inc. Shares at cost	10	-
Skin Tyee Horizon North Camp Services Limited Partnership 51 partnership units at cost (51%)	5	-
Chinook Comfor Limited Partnership 1,415 partnership units (14.18%)	1,415	1,415
Accumulated surplus	764,417	385,817
	765,832	387,232
STFN Resorts Inc.		
100 Class A Common shares	-	1
100 Class B Common shares	-	1
100 Class C Common shares	-	1
Due from STFN Resorts Inc.	-	5,914,924
Accumulated deficit	-	(1,080,175)
	-	4,834,752
	\$ 2,181,542	\$ 5,705,708

Advances are unsecured, non-interest bearing and have no stated terms of repayment.

Shares are held in trust by certain band members under trust agreements.

Financial information for each of the entities for their respective periods ending March 31, 2021 is as follows:

	Assets	Liabilities	Revenue	Income (loss)
Natanlii Development Ltd. (80%)	\$ 1,233,127	\$ 1,466,862	\$ 1,441,142	\$ (21,900)
Chinook Comfor Limited Partnership	1,221,920	456,591	891,519	398,670

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

7. TRUST MONEYS

	March 31, 2020	Additions	Withdrawals	March 31, 2021
Revenue	\$ 9,541	\$ 531	\$ -	\$ 10,072

The trust funds 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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

8. DEFERRED REVENUE

	2021	2020
Province of BC - Chesletta Consultation	\$ 25,000	\$ -

9. DEMAND LOAN

	2021	2020
Demand loan payable with blended monthly payments of \$6,885 including interest at lender's prime rate plus 1% per annum secured by guarantee for on-reserve housing loan program.	\$ 776,010	\$ 810,132
Demand loan payable with blended monthly payments of \$358 including interest at fixed rate of 6.24% per annum secured by a vehicle.	23,901	31,462
	\$ 799,911	\$ 841,594

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

10. LONG-TERM DEBT

	2021	2020
Mortgage payable with annual payments of \$71,316 including interest at 3.41% per annum, due on December 1, 2027.	\$ 871,414	\$ 911,291
Mortgage payable.	-	26,682
Loan payable with monthly payments of \$7,828 including interest at 7.80% per annum, due on May 23, 2037.	861,685	-
Mortgage payable with monthly payments of \$3,249 including interest at prime plus 0.1% per annum, due on demand.	532,577	-
Loan payable with monthly payments of \$6,000 due on May 1, 2024.	233,718	-
Canada Emergency Business Account loan (CEBA) - interest free until December 31, 2023, then interest only payments at 5% per annum until the full principal is due on December 31, 2025.	40,000	-
	\$ 2,539,394	\$ 937,973

Scheduled principal repayments for the next five years are as follows:

2022	\$ 157,822
2023	160,793
2024	163,760
2025	111,015
2026	95,050
	<u>\$ 688,441</u>

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

11. TANGIBLE CAPITAL ASSETS

	2021								2020	
	Beginning Cost	Additions	Disposals	Ending Cost	Beginning Accumulated Depreciation	Depreciation	Disposals	Ending Accumulated Depreciation	Net Book Value	Net Book Value
Capital Fund										
Buildings and infrastructure	\$ 937,736	\$ 24,000	\$ -	\$ 961,736	\$ (330,361)	\$ (19,024)	\$ -	\$ (349,385)	\$ 612,351	\$ 607,375
Land	55,000	-	-	55,000	-	-	-	-	55,000	55,000
Computer equipment	63,319	4,328	-	67,647	(53,725)	(2,934)	-	(56,659)	10,988	9,594
Furniture and office	53,611	6,675	-	60,286	(34,893)	(3,849)	-	(38,742)	21,544	18,718
Tools and equipment	73,500	403,040	-	476,540	(38,235)	(25,569)	-	(63,804)	412,736	35,265
Vehicles	125,151	52,000	-	177,151	(73,774)	(18,108)	-	(91,882)	85,269	51,377
	1,308,317	490,043	-	1,798,360	(530,988)	(69,484)	-	(600,472)	1,197,888	777,329
Investment Fund										
Buildings	6,019,084	32,498	-	6,051,582	(52,247)	(55,704)	-	(107,951)	5,943,631	-
Computer equipment	29,398	1,868	-	31,266	(14,699)	(7,817)	-	(22,516)	8,750	-
Furniture and equipment	321,081	46,062	-	367,143	(53,538)	(58,092)	-	(111,630)	255,513	-
Land	223,948	-	-	223,948	-	-	-	-	223,948	-
Parking lot upgrades	-	251,718	-	251,718	-	(10,069)	-	(10,069)	241,649	-
	6,593,511	332,146	-	6,925,657	(120,484)	(131,682)	-	(252,166)	6,673,491	-
Social Housing Fund										
Buildings and infrastructure	343,931	-	-	343,931	(271,604)	(26,682)	-	(298,286)	45,645	72,327
	\$ 8,245,759	\$ 822,189	\$ -	\$ 9,067,948	\$ (923,076)	\$ (227,848)	\$ -	\$ (1,150,924)	\$ 7,917,024	\$ 849,656

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

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12. REPLACEMENT RESERVE FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, Skin Tyee Nation Social Housing must set aside funds annually for the non-annual expenditures of the Program for the repair, maintenance and replacement of worn out assets.

As at March 31, 2021, cash and term deposits required to fund the Replacement Reserve Fund were deficient by \$3,542 (2020 - \$4,351).

13. SUBSIDY SURPLUS FUND

In accordance with the terms and conditions of the "Operating Agreement" with Canada Mortgage and Housing Corporation, Skin Tyee Nation Social Housing is permitted to set aside an amount of \$500 per housing unit for the purpose of meeting future requirements of income listed over and above the maximum federal assistance. The Fund may be replenished to its original limit from subsequent operating surpluses.

The Skin Tyee Nation has not set aside any surpluses for application to the Subsidy Surplus Fund.

14. BUDGET INFORMATION

The budget information disclosed has been approved by the Skin Tyee Nation Chief and Council. Individual program operations not showing budget information does not mean budgets were not prepared but rather that their amounts were not readily determinable.

15. CONTINGENT LIABILITY

The Nation has provided an unlimited guarantee of mortgage on behalf of an enterprise entity under the Nation's control. As at March 31, 2021, the balance owing on the mortgage was \$532,577 (2020 - \$544,583).

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

16. EXPENSES BY OBJECT

	2021	2020
Accommodation	\$ 12,570	\$ 28,264
Automotive	16,035	14,389
Bad debts (recovery)	(943)	(381)
Bank charges and interest	17,994	19,133
Consulting	6,703	4,302
Depreciation	96,166	84,215
Education	49,038	57,067
Equipment	4,739	5,634
Gifts and donations	576,105	57,657
Homemaking	56,710	33,755
Honoraria	23,400	38,375
Insurance	27,970	15,177
Interest on long-term debt	55,878	74,809
Materials and supplies	154,335	69,846
Meals and entertainment	23,654	9,467
Office and other	37,516	18,262
Professional fees	34,529	28,883
Program expenditures	90,728	125,738
Property taxes	548	489
Repairs and maintenance	77,165	76,666
STFN Resorts Inc.	1,818,616	-
Subcontractors	76,611	400
Travel	30,535	62,458
Utilities	42,007	37,292
Wages and benefits	805,314	629,037
Water testing	3,231	3,546
	\$ 4,137,154	\$ 1,494,480

17. FINANCIAL INSTRUMENTS

Risk management policy

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

Credit risk

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

Skin Tyee Nation

NOTES TO FINANCIAL STATEMENTS

March 31, 2021

See Auditor's Report

17. Continued...

Liquidity risk

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

Market risk

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

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

	Carrying Amount	Contractual cash flows	Within 1 year	2 to 5 years	Subsequent
Accounts payable and accrued expenses	\$ 338,883	\$ 338,883	\$ 338,883	\$ -	\$ -
Demand loan	799,911	799,911	86,916	347,664	365,331
Long-term debt	2,539,394	2,539,394	157,822	530,619	1,850,953
	<u>\$ 3,678,188</u>	<u>\$ 3,678,188</u>	<u>\$ 583,621</u>	<u>\$ 878,283</u>	<u>\$ 2,216,284</u>

18. CONTINGENCIES

The Band has been named as a defendant in a legal action claiming wrongful dismissal of a former employee. An estimate cannot be made of any contingent losses.

The Band has been named as a defendant in a legal action for human rights complaint of a former employee. An estimate cannot be made of any contingent losses.