

Consolidated Financial Statements of

SAIK'UZ FIRST NATION

And Independent Auditors' Report thereon

Year ended March 31, 2021

SAIK'UZ FIRST NATION

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the Saik'uz First Nation (the "Nation") are the responsibility of management and have been prepared in accordance with Canadian public sector accounting standards. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Nation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Chief and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the Nation. The accompanying Independent Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Nation's consolidated financial statements.



Chief



General Manager



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INDEPENDENT AUDITORS' REPORT

To the Members of Saik'uz First Nation

Opinion

We have audited the consolidated financial statements of Saik'uz First Nation (the "Nation"), which comprise:

- the consolidated statement of financial position as at March 31, 2021
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Nation as at March 31, 2021 and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the 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 these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the 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 Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 the 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 Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Nation to cease to continue as a going concern.



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- 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
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Nation 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.

KPMG LLP

Chartered Professional Accountants

Prince George, Canada

December 6, 2021

SAIK'UZ FIRST NATION

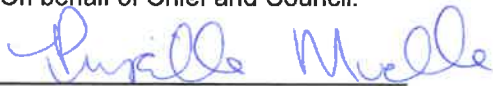
Consolidated Statement of Financial Position

March 31, 2021, with comparative information for 2020

	2021	2020
Financial assets:		
Cash	\$ 9,682,068	\$ -
Accounts receivable (note 2)	1,786,307	3,271,366
Guaranteed investment certificates	1,839,331	1,800,000
Four Rivers Co-operative equity	81,932	81,518
Investments in government business entities (note 3)	3,730,234	983,498
Ottawa Trust Fund (note 4)	982,879	994,236
	<u>\$ 18,102,751</u>	<u>\$ 7,130,618</u>
Liabilities:		
Bank overdraft	\$ -	\$ 518,622
Accounts payable and accrued liabilities (note 5)	685,168	559,074
Deferred revenue (note 6)	751,237	30,384
Long-term debt (note 7)	486,467	570,572
	<u>1,922,872</u>	<u>1,678,652</u>
Net financial assets	16,179,879	5,451,966
Non-financial assets:		
Prepaid expenses	12,646	7,876
Tangible capital assets (note 8)	18,637,204	19,329,884
	<u>18,649,850</u>	<u>19,337,760</u>
Contingent liabilities (note 11)		
Accumulated surplus (note 13)	<u>\$ 34,829,729</u>	<u>\$ 24,789,726</u>

See accompanying notes to consolidated financial statements.

On behalf of Chief and Council:





SAIK'UZ FIRST NATION

Consolidated Statement of Operations

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Revenue (note 10):		
Carrier Sekani Family Services	\$ 528,770	\$ 401,468
Carrier Sekani Tribal Council	5,350,957	3,332,692
Indigenous Services Canada	5,427,709	3,634,783
Other income (note 9)	4,511,495	4,695,310
Ottawa Trust Fund revenue	13,643	18,268
Prince George Nechako Aboriginal Employment and Training Association	333,932	375,953
Province of British Columbia	1,143,457	69,291
	17,309,963	12,527,765
Expenses (note 10):		
Administration	3,625,378	3,212,641
Catering	126,211	224,560
Daycare	314,041	312,099
Economic development	96,456	98,437
Education, training, and employment	928,583	979,896
Gaming	504,579	469,463
Health	415,674	433,666
Housing and membership	440,254	770,550
Land and resources	968,294	624,654
Language and culture	437,233	224,224
Operations and maintenance	372,033	391,389
Pathways Forward	36,536	-
Recreation	68,879	70,041
Social development	1,747,593	1,196,892
	10,081,744	9,008,512
Annual surplus before other income (expenses)	7,228,219	3,519,253
Other income (expenses):		
Recoveries by Government of Canada	(2,196)	(101,744)
Equity (loss) from investments in government business entities (note 3)	2,813,980	(583,241)
Annual surplus	10,040,003	2,834,268
Accumulated surplus, beginning of year	24,789,726	21,955,458
Accumulated surplus, end of year	\$ 34,829,729	\$ 24,789,726

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Consolidated Statement of Changes In Net Financial Assets

Year ended March 31, 2021, with comparative information for 2020

	Total 2021	Total 2020
Annual surplus	\$ 10,040,003	\$ 2,834,268
Acquisition of tangible capital assets	(80,738)	(2,131,729)
Amortization of tangible capital assets	773,418	745,843
	10,732,683	1,448,382
Acquisition of prepaid expenses	(12,646)	(7,876)
Use of prepaid expenses	7,876	44,535
Increase in net financial assets	10,727,913	1,485,041
Net financial assets, beginning of year	5,451,966	3,966,925
Net financial assets, end of year	\$ 16,179,879	\$ 5,451,966

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Consolidated Statement of Cash Flows

Year ended March 31, 2021, with comparative information for 2020

	2021	2020
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 10,040,003	\$ 2,834,268
Items not involving cash:		
Amortization	773,418	745,843
(Equity) loss from investments in government business entities	(2,813,980)	583,241
	<u>7,999,441</u>	<u>4,163,352</u>
Changes in non-cash operating working capital:		
Accounts receivable	1,485,059	(948,539)
Ottawa Trust Fund	11,357	16,732
Four Rivers Co-operative equity	(414)	(796)
Accounts payable and accrued liabilities	126,094	(57,321)
Guaranteed investment certificates	(39,331)	-
Deferred revenue	720,853	30,384
Prepaid expenses	(4,770)	36,659
	<u>10,298,289</u>	<u>3,240,471</u>
Financing:		
Repayment of long-term debt	(84,105)	(180,804)
Treaty loan forgiveness	-	(1,889,719)
	<u>(84,105)</u>	<u>(2,070,523)</u>
Investing:		
Advances to government business entities	67,244	(187,123)
Acquisition of tangible capital assets	(80,738)	(2,131,729)
	<u>(13,494)</u>	<u>(2,318,852)</u>
Increase (decrease) in cash	10,200,690	(1,148,904)
Cash (bank overdraft), beginning of year	(518,622)	630,282
Cash (bank overdraft), end of year	<u>\$ 9,682,068</u>	<u>\$ (518,622)</u>

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2021

Nature of operations:

Saik'uz First Nation (the "Nation") provides local government, education and training, health services and social development services to its members and was established under the Indian Act (Canada).

1. Significant accounting policies:

These consolidated financial statements include the assets, liabilities, and results of operations of the Nation and all related entities and organizations subject to control by or responsibility of Chief and Council. No inclusion has been made of assets, liabilities, revenues or expenses of Nation members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government, as established by the Public Sector Accounting Board ("PSAB"). The Nation's significant accounting policies are as follows:

(a) Fund accounting:

The Nation used 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. The Nation maintains the following funds:

- The Operating fund, which reports the general activities on the Nation administration through a variety of programs.
- The Ottawa Trust fund, which reports on trust funds owned by the Nation and held in trust in the Consolidated Revenue Fund of the Government of Canada.

(b) Reporting entity and principles of consolidation:

The Nation reporting entity includes the Saik'uz First Nation government and all related entities which are either owned or controlled by the Nation.

All controlled entities are fully consolidated except for the commercial enterprises which meet the definition of a government business enterprise or government business partnership, which are included in these consolidated financial statements on a modified equity basis. Inter-entity balances and transactions are eliminated upon consolidation.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(b) Reporting entity and principles of consolidation (continued):

Under the modified equity method of accounting, only the Nation's investment in the government business enterprise or government business partnership and their share of the entities net income and other changes in equity are recorded. No adjustments are made for accounting policies of the entities that are different from those of the Nation.

Government business entities or partnerships which are partially or wholly-owned by the Nation and which are not dependent on the Nation for their continuing operations, included in the consolidated financial statements using the modified equity method are as follows:

- Saik'uz Development Corporation (100%)
- Saik'uz Yun K Ut (100%)
- Tagi Resources Limited Partnership (100%)
- Tin Toh Forest Products Ltd. (100%)
- Tin Toh Forest Products LLP (99.99%)
- 0944099 BC Ltd. (100%)

Entities which are not controlled or jointly controlled are accounted for at cost. These include:

- SCC Contracting Ltd.
- Desti Holdings Ltd.
- Lhai Ventures GP Corp.

(c) Cash and cash equivalents:

Cash and cash equivalents consist of cash, bank overdrafts and investments in money market or other short-term instruments or investments with a maturity of less than 90 days.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(d) Financial instruments:

Financial instruments originating in a non-arms length transaction are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Nation has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the effective interest rate method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Nation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Nation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(e) 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.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(f) Tangible capital assets:

Tangible capital assets are stated at cost, less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation with a corresponding amount recorded as revenue. Tangible capital assets under construction are not amortized until the asset is available for use.

Amortization is provided using the declining balance method and following annual rates:

Asset	Rate
Automotive equipment	20%
Buildings and infrastructure	4%
Engineered structures	2%
Equipment	20%

When management determines that a tangible capital asset no longer contributes to the Nation's ability to provide goods and services or that the value of the future benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is written down.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets.

(g) Revenue recognition:

Government transfers and grant revenue are recognized as the Nation becomes entitled to the funding under the terms of applicable funding agreements and are recorded in the period in which the resources are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or which stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving rise to an obligation have been met.

Other income, including interest, rent and own source are recognized in the period the services are provided and the related proceeds are received or receivable.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(h) Funding recoveries and reimbursements:

Funding received from government sources in the form of conditional transfer payments are subject to recovery, by the Crown, of unexpended balances or unallowable expenses. The Crown may also reimburse over expenditures upon determining adherence to the terms and conditions of payment for a specific purpose. Recoveries and reimbursements are accounted for when they are paid or payable or received or receivable.

(i) Allocation of expenses:

Management records a number of its expenses by program. The cost of each program includes the personnel, premises and other expenses that are directly related to providing the program.

Management allocates certain of its general support expenses by identifying the appropriate basis of allocating each expenses.

(j) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (a) an environmental standard exists,
- (b) contamination exceeds the environmental standard,
- (c) the organization is directly responsibly or accepts responsibility for the liability,
- (d) future economic benefits will be given up, and
- (e) a reasonable estimate of the liability can be made.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

1. Significant accounting policies (continued):

(k) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Items subject to such estimates and assumptions include the carrying amounts of tangible capital assets; provisions for impairment of accounts receivable; and accrued liabilities. Actual results could differ from those estimates.

(l) Budget data:

A formal budget was not approved by Chief and Council for the 2021 fiscal year, therefore, a budget has not been presented.

2. Accounts receivable:

	2021	2020
Prince George Nechako Aboriginal Employment and Training Association	\$ -	\$ 50,934
Province of British Columbia	87,200	-
Carrier Sekani Family Services	106,202	-
Indigenous Services Canada	31,000	35,630
Member loans and staff advances	34,114	19,990
Nechako Lumber Co. Ltd	89,580	68,615
Carrier Sekani Tribal Council	1,241,099	2,746,295
Other	197,112	398,247
	1,786,307	3,319,711
Allowance for doubtful accounts	-	(48,345)
	\$ 1,786,307	\$ 3,271,366

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Investments in government business entities:

	Investments	Advances	2021	2020
Lhai Ventures GP Corp.	\$ 1	\$ (1)	\$ -	\$ -
Saik'uz Development Corporation	120	-	120	120
Saik'uz Yun K Ut	2	-	2	2
Tagi Contracting Limited Partnership	1,576,870	-	1,576,870	-
Tagi Resources Limited Partnership	-	153,472	153,472	152,774
Tin Toh Forest Products Ltd.	68,910	-	68,910	68,910
Tin Toh Forest Products LLP	1,867,521	62,250	1,929,771	761,840
0944099 BC Ltd.	1,089	-	1,089	(148)
	\$ 3,514,513	\$ 215,721	\$ 3,730,234	\$ 983,498

The Nation's share of the earnings in its equity accounted investee for the year was:

	2021
0944099 BC Ltd.	\$ 1,237
Tagi Contracting Limited Partnership	1,576,870
Tin Toh Forest Products LLP	1,235,873
	\$ 2,813,980

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Investments in government business entities (continued):

	2021	2020
0944099 BC Ltd.		
Financial position:		
Assets	\$ 1,089	\$ -
Liabilities	-	148
Equity	(1,089)	(148)
Results of operations:		
Revenues	1,237	-
Expenses	-	395
Net earnings (loss)	1,237	(395)
Tin Toh Forest Products Ltd.		
Financial position:		
Assets	\$ 4,094	\$ 4,094
Equity	(4,094)	(4,094)
Results of operation:		
Expenses	-	1
Net loss	-	(1)
Tin Toh Forest Products LLP		
Financial position:		
Assets	\$ 2,677,862	\$ 1,679,527
Liabilities	(802,341)	(1,041,991)
Equity	(1,875,521)	(637,536)
Results of operations:		
Revenues	3,970,679	3,030,894
Expenses	(2,733,569)	(3,425,944)
Net earnings (loss)	1,237,110	(395,050)
Tagi Contracting Limited Partnership		
Financial position:		
Assets	\$ 1,645,545	\$ -
Liabilities	68,675	-
Equity	1,576,870	-
Results of operations:		
Revenues	1,576,892	-
Expenses	(22)	-
Net earnings	1,576,870	-

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

3. Investments in government business entities (continued):

Shares and partnership units are held by the Nation, as represented by Chief and Council, on behalf of and for the benefit of the Saik'uz First Nation membership.

There were no material operations in the fiscal year ended March 31, 2021 for Saik'uz Development Corporation Ltd., Lhai Ventures GP Corp. and Saik'uz Yun K Ut.

4. Ottawa Trust Fund:

	Capital	Revenue	2021	2020
Balance, beginning of year	\$ 777,179	\$ 217,056	\$ 994,236	\$ 1,010,968
Interest	-	13,643	13,643	18,268
Withdrawal	-	(25,000)	(25,000)	(35,000)
	\$ 777,179	\$ 205,699	\$ 982,879	\$ 994,236

The Ottawa Trust Funds arise from monies 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 and 69 of the "Indian Act".

5. Accounts payable and accrued liabilities:

	2021	2020
Trade payables	\$ 393,996	\$ 324,909
Indigenous Service Canada payable	46,072	46,072
Accrued payables	155,556	15,000
Wages and benefits	89,544	173,093
	\$ 685,168	\$ 559,074

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

6. Deferred revenue:

	2021	2020
Indigenous Services Canada - Community Plan	\$ 472,304	\$ -
Indigenous Services Canada - Emergency Preparedness	255,197	-
Indigenous Services Canada - Community Support	2,587	-
Prince George Nechako Aboriginal Employment and Training Association	21,149	30,384
	<u>\$ 751,237</u>	<u>\$ 30,384</u>

7. Long-term debt:

	2021	2020
Demand loan repaid during the year.	\$ -	\$ 4,185
Demand loan repayable in monthly instalments of \$4,358 including interest at 3.21% per annum, secured by a Government of Canada ministerial guarantee, renewal due March 2023.	101,739	149,935
Demand loan repaid during the year.	-	23,430
Term loan repayable in monthly instalments of \$2,200 including interest at 4.65% per annum, secured by a Government of Canada ministerial guarantee, due March 2023.	384,727	393,022
	<u>\$ 486,467</u>	<u>\$ 570,572</u>

Provided the lenders do not demand repayment of the loans in full, principal repayments over the next two years are due as follows:

2022	\$ 58,457
2023	428,010
	<u>\$ 486,467</u>

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

8. Tangible capital assets:

		2021					
		Land	Buildings and infrastructure	Engineered structures	Equipment	Automotive equipment	Total
Cost:							
Balance, beginning of year	\$	67,000	\$ 21,532,650	\$ 9,079,333	\$ 398,235	\$ 901,338	\$ 31,978,556
Additions		-	43,500	-	-	37,238	80,738
Balance, end of year		67,000	21,576,150	9,079,333	398,235	938,576	32,059,294
Accumulated amortization:							
Balance, beginning of year		-	8,320,038	3,682,500	258,334	387,800	12,648,672
Amortization expenses		-	525,555	107,937	26,771	113,155	773,418
Balance, end of year		-	8,845,593	3,790,437	285,105	500,955	13,422,090
Net book value, end of year	\$	67,000	\$ 12,730,557	\$ 5,288,896	\$ 113,130	\$ 437,621	\$ 18,637,204
		2020					
		Land	Buildings and infrastructure	Engineering structures	Equipment	Automotive equipment	Total
Cost:							
Balance, beginning of year	\$	67,000	\$ 19,897,704	\$ 9,079,333	\$ 382,436	\$ 420,354	\$ 29,846,827
Additions		-	1,634,946	-	15,799	480,984	2,131,729
Balance, end of year		67,000	21,532,650	9,079,333	398,235	901,338	31,978,556
Accumulated amortization:							
Balance, beginning of year		-	7,815,952	3,572,360	232,670	281,847	11,902,829
Amortization expenses		-	504,086	110,140	25,664	105,953	745,843
Balance, end of year		-	8,320,038	3,682,500	258,334	387,800	12,648,672
Net book value, end of year	\$	67,000	\$ 13,212,612	\$ 5,396,833	\$ 139,901	\$ 513,538	\$ 19,329,884

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

9. Other income:

	2021	2020
Aboriginal Head Start	\$ 113,123	\$ 89,568
British Columbia Gaming	504,579	469,463
Busing	(10,636)	68,633
Catering	109,490	184,057
Carrier Sekani Tribal Council treaty negotiation loan forgiveness	-	1,889,719
Canadian Mortgage and Housing Corporation	37,628	17,073
Coastal Gaslink	456,998	-
First Nations Health Authority	390,612	44,183
Interest	68,796	53,805
Language programs	320,120	212,531
Nechako Lumber Co. Ltd.	1,020,662	715,570
New Relationship Trust	-	20,000
Other	1,145,619	517,510
Property and equipment rentals	295,378	331,286
Wellness programs	59,126	81,912
	<u>\$ 4,511,495</u>	<u>\$ 4,695,310</u>

10. Segmented information:

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function and department. For each segment separately reported, the segment revenue and expenditure represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies in note 1. The segments and services provided are as follows:

a) Administration and Finance:

The Administration department ensures the efficient performance of all of Saik'uz First Nation's departments. Employees in the Administration department act as a connecting link between the different departments, but also between the membership, Chief and Council, and other staff. The Finance department is responsible for management of the organization's cashflow and ensuring there are enough funds available to meet the day-to-day payments. Where there are cash needs beyond day-to-day working capital, the finance department advises on and sources longer-term financing.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

b) Catering:

The Catering department is responsible for the preparation and serving of food to attendees at catered events at any of the Saik'uz offices. The Catering department additionally, seeks out opportunities through off-site catering events and provides support to the community through the organization and distribution of food hampers in times of need.

c) Culture and Language:

The Culture & Language department seeks to preserve, document, and share knowledge of the Saik'uz language and cultural practices for current and future generations.

d) Daycare:

The Saik'uz Daycare provides childcare support to parents and guardians of pre-school-aged children in the Saik'uz area.

e) Economic Development:

The Economic Development department deploys programs, policies, and other activities to improve the economic well-being and quality of life for the Saik'uz community and membership.

f) Education, Training, and Employment:

The Education, Training, & Employment department administers, coordinates support and assistance, and advocates and establishes policy for members attending education of all levels, regardless of age. It also provides these services for members seeking to improve their employability or meet employment requirements.

g) Gaming:

BC First Nations Gaming Revenue Sharing Limited Partnership Agreement will facilitate the achievement of providing a consistent, sustainable and long-term source of funding and support in furtherance of self-government and self-determination for all First Nations communities in British Columbia. These funds are to be used for Health and wellness; Infrastructure, safety, transportation and housing; Economic and business development; Education, language, culture, and training; Community development and environmental protection; Capacity building, fiscal management and governance; Permitted Investments, and Permitted Expenses.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

h) Health:

The Health department seeks to promote and safeguard the health of the Saik'uz First Nation membership by advocating for, assisting access to, and providing or coordinating health services to those in need.

i) Housing and Membership:

The Housing & Membership department collaborates with the Housing Committee to provide safe housing for Saik'uz community members, collect rents, conduct repairs, and otherwise manage the state of housing in the community. Additionally, Housing & Membership assists members in obtaining or renewing their Status or Secured Status cards and with other needs pertaining to their status as a Registered Indian.

j) Land and Resources:

The Land & Resources is responsible for the management of the land and resources within Saik'uz territory through advocacy, negotiation, monitoring, documentation, and knowledge-sharing.

k) Recreation:

The Recreation department is responsible for engaging the community on healthy lifestyle choices and for providing and facilitating recreational opportunities for youth.

l) Social Development:

The Social Development department focuses on providing the Nation members in need with a system of supports to help them achieve their social economic potential.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2021						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Revenue:							
Carrier Sekani Family Services	\$ (12,205)	\$ -	\$ 15,975	\$ -	\$ -	\$ -	\$ 525,000
Carrier Sekani Tribal Council	(525)	-	-	-	-	-	-
Indigenous Services Canada	2,310,907	-	18,278	141,896	613,454	-	-
Other	1,395,428	119,376	185,204	20,225	37,768	504,579	472,136
Prince George Nechako Aboriginal Employment and Training Association	-	-	93,593	-	225,018	-	-
Province of British Columbia	-	-	59,757	-	128,700	-	-
Total revenue	3,693,605	119,376	372,807	162,121	1,004,940	504,579	997,136

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2021								
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Recreation	Social development	Treaty	Total
Revenue (continued):									
Carrier Sekani Family Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 528,770
Carrier Sekani Tribal Council	-	1,329,899	-	-	4,021,583	-	-	-	5,350,957
Indigenous Services Canada	7,202	-	-	632,464	-	-	1,703,508	-	5,427,709
Other	391,712	854,160	489,322	2,068	-	38,837	680	-	4,511,495
Prince George Nechako Aboriginal Employment and Training Association	15,321	-	-	-	-	-	-	-	333,932
Province of British Columbia	-	955,000	-	-	-	-	-	-	1,143,457
Ottawa Trust Funds	13,643	-	-	-	-	-	-	-	13,643
Total revenue	427,878	3,139,059	489,322	634,532	4,021,583	38,837	1,704,188	-	17,309,963

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2021						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Expenses:							
Amortization	773,418	-	-	-	-	-	-
Contract Services	17,084	50,008	7,326	7,280	17,141	-	4,388
Honoraria	184,281	-	-	-	450	-	-
Insurance	180,221	-	-	-	-	-	382
Materials and supplies	226,005	3,406	20,310	7,955	30,215	504,579	32,902
Office and other	43,891	10,476	2,904	837	341,391	-	7,501
Professional services	1,162,980	-	5,640	29,151	-	-	17,050
Program allowances	34,058	-	249	-	-	-	29,189
Repairs and maintenance	70,762	1,242	3,584	-	52	-	22,927
Telephone and utilities	66,262	-	11,450	450	23,874	-	14,257
Travel and training	30,749	4,489	2,284	1,151	366,896	-	26,594
Wages and benefits	835,667	56,590	260,294	49,632	148,564	-	260,484
Total expenses	3,625,378	126,211	314,041	96,456	928,583	504,579	415,674
Annual surplus before the under noted items	68,227	(6,835)	58,766	65,665	76,357	-	581,462
Recoveries by Government of Canada	-	-	-	-	-	-	-
Equity from investments in government business entities	-	-	-	2,813,980	-	-	-
Surplus (deficit)	\$ 68,227	\$ (6,835)	\$ 58,766	\$ 2,879,645	\$ 76,357	\$ -	\$ 581,462

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2021								Total
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Recreation	Social development	Treaty	
Expenses (continued):									
Amortization	-	-	-	-	-	-	-	-	773,418
Contract Services	61,233	300,208	26,746	1,823	1,289	2,038	-	-	496,564
Honoraria	-	-	-	-	-	-	-	-	184,731
Insurance	-	3,839	-	-	-	-	-	-	184,442
Materials and supplies	3,820	22,688	53,576	47,030	1,480	11,264	58,298	-	1,023,528
Office and other	2,983	93,486	1,165	2,251	-	1,372	91	-	508,348
Professional services	-	111,492	123,388	7,500	-	1,226	2,662	-	1,461,089
Program allowances	-	-	34,341	97	-	-	1,555,572	-	1,653,506
Repairs and maintenance	126,548	7,549	805	89,666	-	1,038	1,119	-	325,292
Telephone and utilities	60	450	450	87,154	-	300	300	-	205,007
Travel and training	14,147	20,063	70,608	5,163	-	2,486	2,973	-	547,603
Wages and benefits	231,463	408,519	126,154	131,349	33,767	49,155	126,578	-	2,718,216
Total expenses	440,254	968,294	437,233	372,033	36,536	68,879	1,747,593	-	10,081,744
Annual surplus before the under noted items	(12,376)	2,170,765	52,089	262,499	3,985,047	(30,042)	(43,405)	-	7,228,219
Recoveries by Government of Canada	-	-	-	-	-	-	(2,196)	-	(2,196)
Equity from investments in government business entities	-	-	-	-	-	-	-	-	2,813,980
Surplus (deficit)	\$ (12,376)	\$ 2,170,765	\$ 52,089	\$ 262,499	\$ 3,985,047	\$ (30,042)	\$ (45,601)	\$ -	\$ 10,040,003

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2020						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Revenue:							
Carrier Sekani Family Services	\$ 25,645	\$ -	\$ 39,787	\$ -	\$ -	\$ -	\$ 258,719
Carrier Sekani Tribal Council	21,045	-	-	-	-	-	58,157
Indigenous Services Canada	1,060,440	-	-	96,666	490,969	-	-
Other	1,192,123	208,024	123,577	463	92,062	469,463	127,134
Prince George Nechako Aboriginal Employment and Training Association	-	-	108,967	-	125,413	-	-
Province of British Columbia	-	-	69,099	-	-	-	-
Total revenue	2,299,253	208,024	341,430	97,129	708,444	469,463	444,010

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2020								
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Recreation	Social development	Treaty	Total
Revenue (continued):									
Carrier Sekani Family Services	\$ -	\$ 58,157	\$ -	\$ -	\$ -	\$ 19,160	\$ -	\$ -	\$ 401,468
Carrier Sekani Tribal Council	-	65,450	-	-	3,188,040	-	-	-	3,332,692
Indigenous Services Canada	507,142	150,000	-	320,193	-	-	1,009,373	-	3,634,783
Other	352,828	15,708	212,531	2,364	-	5,074	4,240	1,889,719	4,695,310
Prince George Nechako Aboriginal Employment and Training Association	141,573	-	-	-	-	-	-	-	375,953
Province of British Columbia	-	192	-	-	-	-	-	-	69,291
Ottawa trust funds	18,268	-	-	-	-	-	-	-	18,268
Total revenue	1,019,811	289,507	212,531	322,557	3,188,040	24,234	1,013,613	1,889,719	12,527,765

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2020						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Expenses:							
Amortization	745,843	-	-	-	-	-	-
Contract Services	75,842	86,638	3,222	679	6,987	-	3,609
Honoraria	244,850	-	-	-	150	-	780
Insurance	134,093	-	-	-	-	-	1,526
Materials and supplies	247,519	24,031	15,009	1,667	47,520	469,463	48,479
Office and other	237,571	17,565	500	1,458	308,208	-	-
Professional services	463,319	-	-	19,601	2,700	-	61,740
Program allowances	45,997	-	10,460	-	21,124	-	907
Repairs and maintenance	91,757	-	4,918	-	-	-	3,798
Telephone and utilities	154,998	-	8,911	150	1,702	-	22,536
Travel and training	176,633	4,251	3,410	10,231	417,591	-	57,404
Wages and benefits	594,219	92,075	265,669	64,651	173,914	-	232,887
Total expenses	3,212,641	224,560	312,099	98,437	979,896	469,463	433,666
Annual surplus before the under noted items	(913,388)	(16,536)	29,331	(1,308)	(271,452)	-	10,344
Recoveries by Government of Canada	(101,744)	-	-	-	-	-	-
Loss from investments in government entities	-	-	-	(583,241)	-	-	-
Surplus (deficit)	\$ (1,015,132)	\$ (16,536)	\$ 29,331	\$ (584,549)	\$ (271,452)	\$ -	\$ 10,344

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

10. Segmented information (continued):

	2020								Total
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Recreation	Social development	Treaty	
Expenses (continued):									
Amortization	-	-	-	-	-	-	-	-	745,843
Contract Services	46,258	31,431	9,009	15,159	-	3,016	3,000	-	284,850
Honoraria	-	-	23,148	-	-	-	-	-	268,928
Insurance	-	-	-	-	-	-	-	-	135,619
Materials and supplies	24,352	43,736	12,572	38,673	-	13,087	(2,265)	-	983,843
Office and other	933	9,903	451	6,585	-	-	-	-	583,174
Professional services	15,202	174,688	21,577	31,571	-	40	500	-	790,938
Program allowances	-	-	35,501	1,238	-	-	1,030,871	-	1,146,098
Repairs and maintenance	426,289	7,973	-	72,727	-	1,678	1,516	-	610,656
Telephone and utilities	598	300	150	110,170	-	150	150	-	299,815
Travel and training	1,273	35,863	37,363	2,543	-	6,902	3,523	-	756,987
Wages and benefits	255,645	320,760	84,453	112,723	-	45,168	159,597	-	2,401,761
Total expenses	770,550	624,654	224,224	391,389	-	70,041	1,196,892	-	9,008,512
Annual surplus before the under noted items	249,261	(335,147)	(11,693)	(68,832)	3,188,040	(45,807)	(183,279)	1,889,719	3,519,253
Recoveries by Government of Canada	-	-	-	-	-	-	-	-	(101,744)
Loss from investments in government entities	-	-	-	-	-	-	-	-	(583,241)
Surplus (deficit)	\$ 249,261	\$ (335,147)	\$ (11,693)	\$ (68,832)	\$ 3,188,040	\$ (45,807)	\$ (183,279)	\$ 1,889,719	\$ 2,834,268

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

11. Contingent liabilities:

The Nation has entered into contribution agreements with various government agencies. Funding received under these contribution agreements is subject to repayment if the Nation fails to comply with the terms and conditions of the agreements.

The Nation is contingently liable for a line of credit and lease facility agreement on behalf of Tin Toh Forest Products LLP. As at March 31, 2021, the maximum liability for the line of credit and lease facility would be \$240,000 and \$100,000, respectively.

The Nation owns a building that management has determined is contaminated. As at March 31, 2021, the Nation has no current plans to disturb and remediate the contamination. The extent of the impact has not yet been determined.

12. Financial risks and concentration of risk:

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

(a) Market risk:

On March 11, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This has resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on the Nation is not known at this time. The current challenging economic climate may lead to adverse changes in cash flows, working capital levels and/or debt balances, which may also have a direct impact on the operating results and financial position of the Nation in the future.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Nation is mainly exposed to credit risk with respect to its accounts receivable and advances receivable from government business entities. The Nation assesses on a continuous basis accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Nation at March 31, 2021 is the carrying value of accounts receivable. The carrying amount of accounts receivable is valued with consideration for allowance for doubtful accounts. The amount of any related impairment loss is recognized in the consolidated statement of operations. Subsequent recoveries of impairment losses related to accounts receivable are credited to the consolidated statement of operations.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

12. Financial risks and concentration of risk: (continued):

(c) Liquidity risk:

Liquidity risk is the risk that the Nation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Nation manages its liquidity risk by monitoring its operating requirements.

(d) Interest rate risk:

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Financial assets and financial liabilities with variable interest rates expose the Nation to cash flow interest rate risk. The Nation is exposed to this risk through its interest on the long-term debt.

There has been no change to the Nation's risk exposures from 2020.

13. Accumulated surplus:

	2021	2020
Operating fund:		
Administration	1,855,073	1,123,414
Catering	(32,461)	(25,626)
Daycare and headstart	324,343	265,577
Economic development	1,939,313	(940,332)
Education	(80,400)	(156,757)
Health	933,623	395,662
Housing and membership	(1,222,882)	(1,210,506)
Land and resources	4,501,270	2,330,505
Language and culture	211,769	159,680
Operations and maintenance	216,857	(45,642)
Pathways	7,173,087	3,188,040
Recreation	(75,849)	(45,807)
Social development	(224,297)	(178,697)
	15,519,446	4,859,511
Invested in tangible capital assets	18,150,737	18,759,312
Ottawa Trust funds	982,879	994,236
Treaty	176,667	176,667
	34,829,729	24,789,726

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2021

14. Comparative information:

The consolidated financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year annual surplus.