

Consolidated Financial Statements of

SAIK'UZ FIRST NATION

And Independent Auditor's Report thereon

Year ended March 31, 2023

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.

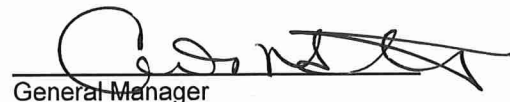
The Nation's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely 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 Auditor's 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 AUDITOR'S 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, 2023
- the consolidated statement of earnings for the year then ended
- the consolidated statement of changes in net debt 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, 2023 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 "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's 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.

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 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 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 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 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.

KPMG LLP

Chartered Professional Accountants

Prince George, Canada

September 8, 2023

SAIK'UZ FIRST NATION

Consolidated Statement of Financial Position

March 31, 2023, with comparative information for 2022

	2023	2022
Financial assets:		
Cash	\$ 24,235,486	\$ 16,740,917
Accounts receivable (note 2)	2,413,727	2,219,068
Guaranteed investment certificates	1,000,000	1,844,787
Four Rivers Co-operative equity	84,091	83,146
Investments in government business entities (note 3)	6,920,668	4,976,486
Ottawa Trust Fund (note 4)	975,711	978,756
	<u>\$ 35,629,683</u>	<u>\$ 26,843,160</u>
Liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 1,055,940	\$ 1,239,686
Deferred revenue (note 6)	813,030	1,862,976
Long-term debt (note 7)	367,646	428,026
	<u>2,236,616</u>	<u>3,530,688</u>
Net financial assets	33,393,067	23,312,472
Non-financial assets:		
Prepaid expenses	279,124	12,646
Tangible capital assets (note 8)	26,505,732	21,028,328
	<u>26,784,856</u>	<u>21,040,974</u>
Contingent liabilities (note 11)		
Accumulated surplus (note 12)	<u>\$ 60,177,923</u>	<u>\$ 44,353,446</u>

See accompanying notes to consolidated financial statements.

On behalf of Chief and Council:





SAIK'UZ FIRST NATION

Consolidated Statement of Earnings

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Revenue (note 10):		
Carrier Sekani Family Services	\$ 1,013,488	\$ 1,142,925
Carrier Sekani Tribal Council	12,770,612	2,866,452
Canada Mortgage Housing Corporation	1,799,784	2,258,266
Indigenous Services Canada	6,480,503	8,396,109
Other income (note 9)	3,860,238	4,365,467
Ottawa Trust Fund revenue	31,955	20,877
Prince George Nechako Aboriginal Employment and Training Association	305,475	528,107
Province of British Columbia	165,333	197,224
	26,427,388	19,775,427
Expenses (note 10):		
Administration	3,114,460	3,638,301
Catering	38,481	117,884
Daycare	588,486	643,749
Economic development	200,888	79,850
Education, training, and employment	2,053,959	2,525,800
Gaming	255,272	285,968
Health	529,444	551,069
Housing and membership	148,269	591,233
Land and resources	1,062,202	934,593
Language and culture	345,966	294,934
Operations and maintenance	556,410	452,894
Pathways Forward	91,507	149,076
Prevention	619,108	185,120
Recreation	54,503	44,091
Social development	1,870,577	1,317,330
	11,529,532	11,811,892
Annual surplus before other income	14,897,856	7,963,535
Other income:		
Equity from investments in government business entities (note 3)	926,621	1,087,878
Annual surplus	15,824,477	9,051,413
Accumulated surplus, beginning of year	44,353,446	35,302,033
Accumulated surplus, end of year	\$ 60,177,923	\$ 44,353,446

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Consolidated Statement of Changes in Net Debt

Year ended March 31, 2023, with comparative information for 2022

	Total 2023	Total 2022
Annual surplus	\$ 15,824,477	\$ 9,051,413
Acquisition of tangible capital assets	(6,296,709)	(3,118,348)
Amortization of tangible capital assets	819,305	727,224
	10,347,073	6,660,289
Acquisition of prepaid expenses	(279,124)	(12,646)
Use of prepaid expenses	12,646	12,646
	10,080,595	6,660,289
Net financial assets, beginning of year	23,312,472	16,652,183
Net financial assets, end of year	\$ 33,393,067	\$ 23,312,472

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Consolidated Statement of Cash Flows

Year ended March 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 15,824,477	\$ 9,051,413
Items not involving cash:		
Amortization	819,305	727,224
Equity from investments in government business entities	(926,621)	(1,087,878)
	15,717,161	8,690,759
Changes in non-cash operating working capital:		
Accounts receivable	(194,659)	(378,281)
Ottawa Trust Fund	3,045	4,123
Four Rivers Co-operative equity	(945)	(1,214)
Accounts payable and accrued liabilities	(183,746)	500,038
Guaranteed investment certificates	844,787	(5,456)
Deferred revenue	(1,049,946)	1,584,043
Prepaid expenses	(266,478)	-
	14,869,219	10,394,012
Financing:		
Repayment of long-term debt	(60,380)	(58,441)
Investing:		
Advances to government business entities	(1,017,561)	(158,374)
Acquisition of tangible capital assets	(6,296,709)	(3,118,348)
	(7,314,270)	(3,276,722)
Increase in cash	7,494,569	7,058,849
Cash, beginning of year	16,740,917	9,682,068
Cash, end of year	\$ 24,235,486	\$ 16,740,917

See accompanying notes to consolidated financial statements.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements

Year ended March 31, 2023

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 Nations 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, 2023

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 (99.99%)
- Tagi Resources Corporation (100%)
- Tagi Contracting Limited Partnership (99.99%)
- Tagi Contracting Corporation (100%)
- Tagi Forestry Limited Partnership. (99.99%)
- Tagi Forestry Corporation (100%)
- Tin Toh Forest Products Ltd. (100%)
- Tin Toh Forest Products LLP (99.99%)
- 0944099 BC Ltd. (100%)
- Tagi Tatuk Resort Limited Partnership (99.99%)
- Tagi Tatuk Resort Corporation (100%)
- 1404232 BC Ltd. (100%)
- Tagi Blackwater Services Limited Partnership (99.99%)
- Tagi Blackwater Services Inc. (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, 2023

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, 2023

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, 2023

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.

(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.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

1. Significant accounting policies (continued):

(l) Budget data:

A formal budget was not approved by Chief and Council for the 2023 fiscal year, therefore, a budget has not been presented.

(m) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

On April 1, 2021, the Nation adopted Public Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. Following the adoption of the standard, the Nation did not identify any legal obligations giving rise to a liability.

2. Accounts receivable:

	2023	2022
BC First Nations Gaming Revenue Sharing Limited Partnership	\$ 173,557	\$ -
Province of British Columbia	-	8,017
Carrier Sekani Family Services	646,522	707,994
First Nations Health Authority	102,928	-
Indigenous Services Canada	97,383	428,225
Member loans and staff advances	44,873	41,868
Nechako Lumber Co. Ltd	51,549	208,348
Carrier Sekani Tribal Council	196,220	18,000
Coastal GasLink	263,380	258,210
Prince George Nechako Aboriginal Employment and Training Association	116,823	187,828
Canada Revenue Agency	31,112	121,811
Other	689,380	238,767
	<u>\$ 2,413,727</u>	<u>\$ 2,219,068</u>

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

3. Investments in government business entities:

	Investments	Advances	2023	2022
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	2,623,956	18,366	2,642,322	2,359,576
Tagi Resources Limited Partnership	-	133,298	133,298	156,345
Tagi Forestry Limited Partnership	-	745	745	724
Tin Toh Forest Products Ltd.	68,910	-	68,910	68,910
Tin Toh Forest Products LLP	2,834,610	277,608	3,112,218	2,389,396
0944099 BC Ltd.	1,413	-	1,413	1,413
Tagi Tatuk Resort Limited Partnership	-	954,000	954,000	-
1404232 BC Ltd.	-	6,830	6,830	-
Tagi Blackwater Services Limited Partnership	-	810	810	-
	\$ 5,529,012	\$ 1,391,656	\$ 6,920,668	\$ 4,976,486

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

	2023
Tagi Contracting Limited Partnership	\$ 282,724
Tin Toh Forest Products LLP	643,897
	\$ 926,621

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

3. Investments in government business entities (continued):

	2023	2022
0944099 BC Ltd. (ownership 100%)		
Financial position:		
Assets	\$ 1,413	\$ 1,413
Equity	(1,413)	(1,413)
Results of operations:		
Revenues	-	324
Net earnings	-	324
Tin Toh Forest Products LLP (ownership 99.99%)		
Financial position:		
Assets	\$ 3,664,091	\$ 2,790,041
Liabilities	(968,050)	(737,899)
Equity	(2,696,040)	(2,052,142)
Results of operations:		
Revenues	3,859,851	3,698,387
Expenses	(3,215,954)	(3,374,871)
Net earnings	643,897	323,516
Tagi Contracting Limited Partnership (ownership 99.99%)		
Financial position:		
Assets	\$ 2,725,517	\$ 2,442,794
Liabilities	(101,562)	(101,562)
Equity	(2,623,955)	(2,341,232)
Results of operations:		
Revenues	282,829	764,449
Expenses	(105)	(87)
Net earnings	282,724	764,362

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, 2023 for Saik'uz Development Corporation Ltd., Tagi Resources Limited Partnership, Tagi Resources Corporation, Tagi Forestry Limited Partnership, Tagi Forestry Corporation, Tagi Contracting Corporation, Tagi Forestry Corporation, Tin Toh Forest Products Ltd., Lhai Ventures GP Corp., Saik'uz Yun K Ut, Tagi Tatuk Resort Limited Partnership, Tagi Tatuk Resort Corporation, Tagi Blackwater Services Limited Partnership, Tagi Blackwater Services Inc. and 1404232 BC Ltd. therefore not included in the listing above

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

4. Ottawa Trust Fund:

	Capital	Revenue	2023	2022
Balance, beginning of year	\$ 777,179	\$ 201,577	\$ 978,756	\$ 982,879
Interest	-	31,955	31,955	20,877
Withdrawal	-	(35,000)	(35,000)	(25,000)
	\$ 777,179	\$ 198,532	\$ 975,711	\$ 978,756

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:

	2023	2022
Trade payables	\$ 685,552	\$ 864,935
Accrued payables	40,450	155,224
Wages and benefits	329,938	219,527
	\$ 1,055,940	\$ 1,239,686

6. Deferred revenue:

	2023	2022
Canada Mortgage and Housing Corporation - Rapid Housing	\$ -	\$ 1,750,923
First Nations Health Authority	152,928	-
Indigenous Services Canada - planning design	400,176	-
Northern Health Authority	50,000	-
First Peoples' Heritage, Language and Culture Council	-	112,053
Prince George Nechako Aboriginal Employment and Training Association	85,000	-
Province of British Columbia	36,971	-
Other	87,955	-
	\$ 813,030	\$ 1,862,976

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

7. Long-term debt:

	2023	2022
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 April 2023.	\$ 615	\$ 51,988
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 April 2023.	367,031	376,038
	<u>\$ 367,646</u>	<u>\$ 428,026</u>

Provided the lenders do not demand repayment of the loans in full and the loans are renewed under similar terms, principal repayments over the next five years are as follows:

2024	\$ 10,155
2025	9,993
2026	10,467
2027	10,965
2028	11,486
Thereafter	314,580
	<u>\$ 367,646</u>

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

8. Tangible capital assets:

2023						
	Land	Buildings and infrastructure	Engineered structures	Equipment	Automotive equipment	Total
Cost:						
Balance, beginning of year	\$ 67,000	\$ 24,504,661	\$ 9,143,518	\$ 523,887	\$ 938,576	\$ 35,177,642
Additions	-	5,489,736	267,116	84,967	454,890	6,296,709
Balance, end of year	67,000	29,994,397	9,410,634	608,854	1,393,466	41,474,351
Accumulated amortization:						
Balance, beginning of year	-	9,350,126	3,896,215	402,018	500,955	14,149,314
Amortization expenses	-	543,389	104,854	22,709	148,353	819,305
Balance, end of year	-	9,893,515	4,001,069	424,727	649,308	14,968,619
Net book value, end of year	\$ 67,000	\$ 20,100,882	\$ 5,409,565	\$ 184,127	\$ 744,158	\$ 26,505,732
2022						
	Land	Buildings and infrastructure	Engineering structures	Equipment	Automotive equipment	Total
Cost:						
Balance, beginning of year	\$ 67,000	\$ 21,576,150	\$ 9,079,333	\$ 398,235	\$ 938,576	\$ 32,059,294
Additions	-	2,928,511	64,185	125,652	-	3,118,348
Balance, end of year	67,000	24,504,661	9,143,518	523,887	938,576	35,177,642
Accumulated amortization:						
Balance, beginning of year	-	8,845,593	3,790,437	285,105	500,955	13,422,090
Amortization expenses	-	504,533	105,778	116,913	-	727,224
Balance, end of year	-	9,350,126	3,896,215	402,018	500,955	14,149,314
Net book value, end of year	\$ 67,000	\$ 15,154,535	\$ 5,247,303	\$ 121,869	\$ 437,621	\$ 21,028,328

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

9. Other income:

	2023	2022
Aboriginal Head Start	\$ 91,177	\$ 106,750
BC First Nations Gaming Revenue Sharing Limited Partnership	677,528	285,968
Busing	-	25,000
Catering	555	71,012
Coastal Gaslink	140,000	299,400
First Nations Health Authority	72,151	482,658
First Nation Education Steering Committee	128,531	160,991
Interest	308,165	67,985
Language programs	-	230,852
Nechako Lumber Co. Ltd.	721,440	1,380,518
L'hai Ventures Limited Partnership	290,786	44,158
Other	954,313	547,784
Property and equipment rentals	342,697	260,463
Facility rentals	132,895	200,795
Wellness programs	-	164,634
First Peoples' Cultural Council	-	36,499
	<u>\$ 3,860,238</u>	<u>\$ 4,365,467</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:

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 cash flow 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, 2023

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) Daycare:

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

d) 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.

e) 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.

f) 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.

g) 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.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

h) 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.

i) 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.

j) Language and Culture

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

k) Operations and Maintenance

The Operations and Maintenance department is responsible for the general upkeep and maintenance of community buildings, municipal services, roads and bridges, water, and waste water.

l) Pathways Forward:

Pathways Forward 2.0 is focused on economic, social, cultural, governance, and political development within the Nation.

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

m) Prevention:

The Prevention department is used to fund child and family services managed and controlled by the Nation to support early intervention and alternatives to traditional institutional care and foster care, such as the placement of children with family members in a community setting.

n) Recreation:

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

o) 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, 2023

10. Segmented information (continued):

	2023						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Revenue:							
Carrier Sekani Family Services	\$ -	\$ -	\$ 49,286	\$ -	\$ -	\$ -	\$ 514,324
Carrier Sekani Tribal Council	81,220	-	-	-	-	-	-
Indigenous Services Canada	1,799,063	-	-	66,666	693,520	-	503,085
Other	951,043	570	130,673	155,100	121,242	677,528	98,158
Prince George Nechako Aboriginal Employment and Training Association	-	-	130,000	-	175,475	-	-
Province of British Columbia	-	-	109,358	-	16,000	-	-
Ottawa Trust Funds	31,955	-	-	-	-	-	-
Total revenue	2,863,281	570	419,317	221,766	1,006,237	677,528	1,115,567

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2023								Total
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Prevention	Recreation	Social development	
Revenue (continued):									
Carrier Sekani Family Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 449,878	\$ -	\$ -	\$ 1,013,488
Carrier Sekani Tribal Council	-	1,147,517	-	-	11,541,875	-	-	-	12,770,612
Indigenous Services Canada	349,345	-	7,851	970,554	-	-	-	2,090,419	6,480,503
Other	333,607	1,070,096	270,917	60	-	-	21,244	30,000	3,860,238
Prince George Nechako Aboriginal Employment and Training Association	-	-	-	-	-	-	-	-	305,475
Province of British Columbia	-	-	-	-	39,975	-	-	-	165,333
Ottawa Trust Funds	-	-	-	-	-	-	-	-	31,955
Canada Mortgage and Housing Corporation	1,799,784	-	-	-	-	-	-	-	1,799,784
Total revenue	2,482,736	2,217,613	278,768	970,614	11,581,850	449,878	21,244	2,120,419	26,427,388

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2023						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Expenses:							
Amortization	819,305	-	-	-	-	-	-
Contract Services	121,943	-	1,210	-	32,609	5,382	48,061
Honoraria	241,564	-	4,900	-	35,795	-	25,868
Insurance	238,821	1,141	-	-	-	-	1,606
Materials and supplies	78,969	-	69,509	717	47,479	136,083	41,137
Office and other	147,726	250	8,733	3,020	1,364,420	-	7,538
Professional services	162,167	-	50,200	120,177	75	-	22,841
Program allowances	25,749	-	2,812	-	-	-	-
Repairs and maintenance	126,743	33	13,094	293	276	772	22,042
Telephone and utilities	106,498	900	16,899	1,800	40,432	-	30,205
Travel and training	74,406	336	26,490	9,958	386,611	4,496	42,589
Wages and benefits	970,569	35,821	394,639	64,923	146,262	108,539	287,557
Total expenses	3,114,460	38,481	588,486	200,888	2,053,959	255,272	529,444
Annual surplus (deficit) before the under noted items	(251,179)	(37,911)	(169,169)	20,878	(1,047,722)	422,256	586,123
Transfers	5,601,148	-	(28,785)	271,453	(30,553)	(422,256)	(446,123)
Equity from investments in government business entities	-	-	-	926,621	-	-	-
Surplus (deficit)	\$ 5,349,969	\$ (37,911)	\$ (197,954)	\$ 1,218,952	\$ (1,078,275)	\$ -	\$ 140,000

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2023								
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Prevention	Recreation	Social development	Total
Expenses (continued):									
Amortization	-	-	-	-	-	-	-	-	819,305
Contract Services	17,383	35,928	5,876	-	12,245	25,380	2,055	-	308,072
Honoraria	300	5,740	164,907	-	7,750	25,197	-	10,051	522,072
Insurance	13,247	5,207	-	18,417	-	1,943	-	-	280,382
Materials and supplies	3,065	70,048	6,417	64,681	21,437	56,863	11,153	11,842	619,400
Office and other	41,891	73,765	-	3,024	2,900	-	1,223	-	1,654,490
Professional services	35,379	113,830	2,048	7,738	19,435	46,178	10,021	100	590,189
Program allowances	302	-	-	150	-	194,333	-	1,657,282	1,880,628
Repairs and maintenance	(21,610)	87,120	2,637	130,970	-	3,877	-	954	367,201
Telephone and utilities	8,312	1,800	1,800	118,618	-	1,239	900	2,458	331,861
Travel and training	4,486	86,098	2,182	(131)	27,740	116,662	1,712	4,676	788,311
Wages and benefits	45,514	582,666	160,099	212,943	-	147,436	27,439	183,214	3,367,621
Total expenses	148,269	1,062,202	345,966	556,410	91,507	619,108	54,503	1,870,577	11,529,532
Annual surplus (deficit) before the under noted items	2,334,467	1,155,411	(67,198)	414,204	11,490,343	(169,230)	(33,259)	249,842	14,897,856
Transfers	(4,883,680)	2,286,579	(28,596)	(12,415)	(2,151,599)	(138,879)	-	(16,294)	-
Equity from investments in government business entities	-	-	-	-	-	-	-	-	926,621
Surplus (deficit)	\$ (2,549,213)	\$ 3,441,990	\$ (95,794)	\$ 401,789	\$ 9,338,744	\$ (308,109)	\$ (33,259)	\$ 233,548	\$ 15,824,477

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2022						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Revenue:							
Carrier Sekani Family Services	\$ -	\$ -	\$ 33,608	\$ -	\$ -	\$ -	\$ 512,746
Carrier Sekani Tribal Council	154,840	-	-	-	-	-	-
Indigenous Services Canada	2,857,439	-	-	93,236	1,143,462	-	50,000
Other	1,879,137	71,534	408,672	20,020	108,421	285,968	466,731
Prince George Nechako Aboriginal Employment and Training Association	-	-	280,295	-	247,812	-	-
Province of British Columbia	-	-	133,236	-	63,988	-	-
Ottawa trust funds	20,877	-	-	-	-	-	-
Total revenue	4,912,293	71,534	855,811	113,256	1,563,683	285,968	1,029,477

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2022								Total
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Prevention	Recreation	Social development	
Revenue (continued):									
Carrier Sekani Family Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 596,571	\$ -	\$ -	\$ 1,142,925
Carrier Sekani Tribal Council	-	922,502	-	-	1,789,110	-	-	-	2,866,452
Indigenous Services Canada	1,065,740	162,650	7,940	1,130,358	-	-	-	1,885,284	8,396,109
Other	286,910	558,464	248,138	-	-	-	28,122	3,350	4,365,467
Prince George Nechako Aboriginal Employment and Training Association	-	-	-	-	-	-	-	-	528,107
Province of British Columbia	-	-	-	-	-	-	-	-	197,224
Ottawa trust funds	-	-	-	-	-	-	-	-	20,877
Canada Mortgage and Housing Corporation	2,258,266	-	-	-	-	-	-	-	2,258,266
Total revenue	3,610,916	1,643,616	256,078	1,130,358	1,789,110	596,571	28,122	1,888,634	19,775,427

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2022						
	Administration	Catering	Daycare	Economic development	Education, Training, & Employment	Gaming	Health
Expenses:							
Amortization	727,224	-	-	-	-	-	-
Contract Services	127,177	55,780	73,183	-	14,357	-	99,180
Honoraria	206,752	-	12,265	-	18,300	-	3,060
Insurance	222,440	-	-	-	-	-	-
Materials and supplies	95,092	4,644	83,075	597	53,420	126,103	35,407
Office and other	177,322	570	12,224	1,068	2,055,892	-	60,273
Professional services	991,539	-	9,183	5,975	-	-	25,138
Program allowances	428	-	-	-	-	34,625	-
Repairs and maintenance	81,745	225	9,022	-	2,212	125,240	18,467
Telephone and utilities	87,155	-	16,247	900	19,590	-	27,216
Travel and training	84,619	2,002	10,135	1,139	271,794	-	31,974
Wages and benefits	836,808	54,663	418,415	70,171	90,235	-	250,354
Total expenses	3,638,301	117,884	643,749	79,850	2,525,800	285,968	551,069
Annual surplus (deficit) before the under noted items	1,273,992	(46,350)	212,062	33,406	(962,117)	-	478,408
Equity from investments in government business entities	-	-	-	1,087,878	-	-	-
Surplus (deficit)	\$ 1,273,992	\$ (46,350)	\$ 212,062	\$ 1,121,284	\$ (962,117)	\$ -	\$ 478,408

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

10. Segmented information (continued):

	2022								Total
	Housing and membership	Land and resources	Language and culture	Operations and maintenance	Pathways Forward	Prevention	Recreation	Social development	
Expenses (continued):									
Amortization	-	-	-	-	-	-	-	-	727,224
Contract Services	9,066	103,249	5,863	11,480	30,039	7,908	(1,412)	110	535,980
Honoraria	-	750	58,532	-	5,000	-	-	2,100	306,759
Insurance	10,155	3,620	-	700	-	-	-	-	236,915
Materials and supplies	1,595	45,717	9,138	23,614	287	29,454	2,034	26,914	537,091
Office and other	234	88,632	629	3,023	-	-	936	529	2,401,331
Professional services	-	75,129	8,264	-	-	-	7,306	-	1,122,534
Program allowances	-	-	15,035	571	-	-	-	1,120,557	1,171,216
Repairs and maintenance	364,606	12,058	766	156,748	-	-	137	2,474	773,700
Telephone and utilities	2,244	750	900	116,750	-	-	900	1,718	274,370
Travel and training	1,917	49,223	3,702	-	-	147,758	1,600	658	606,521
Wages and benefits	201,416	555,465	192,105	140,008	113,750	-	32,590	162,270	3,118,250
Total expenses	591,233	934,593	294,934	452,894	149,076	185,120	44,091	1,317,330	11,811,892
Annual surplus before the under noted items	3,019,683	709,023	(38,856)	677,464	1,640,034	411,451	(15,969)	571,304	7,963,535
Equity from investments in government business entities	-	-	-	-	-	-	-	-	1,087,878
Surplus (deficit)	\$ 3,019,683	\$ 709,023	\$ (38,856)	\$ 677,464	\$ 1,640,034	\$ 411,451	\$ (15,969)	\$ 571,304	\$ 9,051,413

SAIK'UZ FIRST NATION

Notes to Consolidated Financial Statements (continued)

Year ended March 31, 2023

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, 2023, the maximum liability for the line of credit and lease facility is \$240,000 and \$100,000, respectively.

12. Accumulated surplus:

	2023	2022
Operating fund:		
Administration	498,853	683,623
Catering	(116,722)	(78,811)
Daycare	338,451	536,405
Economic development	4,279,549	3,060,597
Education, training, and employment	(2,120,792)	(1,042,517)
Health	1,552,031	1,412,031
Housing and membership	(280,108)	2,269,105
Land and resources	8,652,283	5,210,293
Language and culture	77,119	172,913
Operations and maintenance	1,296,110	894,321
Pathways Forward	18,151,865	8,813,121
Prevention	103,342	411,451
Recreation	(125,077)	(91,818)
Social development	580,555	347,007
	32,887,459	22,597,721
Invested in tangible capital assets	26,138,086	20,600,302
Ottawa Trust funds	975,711	978,756
Treaty	176,667	176,667
	60,177,923	44,353,446

13. 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.