

SAIK'UZ FIRST NATION

NOTES

MARCH 31, 2013

4. PROPERTY AND EQUIPMENT

	Opening Balance	Property and Equipment			Accumulated Amortization			Net Book Value	
	\$	Additions	Disposals	Closing Balance	Opening Balance	Annual Amortization	Closing Balance	2013	2012
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	239,000	-	-	239,000	-	-	-	239,000	239,000
Buildings	15,901,616	791,029	-	16,692,645	3,882,501	639,107	4,521,608	12,171,037	12,019,115
Engineering Structures	9,047,429	-	-	9,047,429	1,678,242	368,459	2,046,701	7,000,728	7,369,187
Equipment	1,323,467	65,829	-	1,389,296	960,833	105,341	1,066,174	323,122	362,634
	26,511,512	856,858	-	27,368,370	6,521,576	1,112,907	7,634,483	19,733,887	19,989,936

SAIK'UZ FIRST NATION

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MARCH 31, 2013

5. BANK INDEBTEDNESS

	2013	2012
Demand loan	\$ 200,000	\$ 175,000
Bank overdraft	<u>43,791</u>	<u>122,878</u>
	<u>\$ 243,791</u>	<u>\$ 297,878</u>

Royal Bank of Canada demand loan, interest at prime plus 2.2% per annum; secured by a general security agreement.

6. BANK AND OTHER LOANS

	2013	2012
	\$	\$
Royal Bank of Canada loans are secured by a general security agreement covering all property, a guarantee and postponement of claim in the amount not less than \$975,000 provided by Saik'uz Development Corporation, and a general assignment of debt.		
Demand loan, \$2,445/month including interest at 3.73% per annum.	125,440	149,597
Demand loan, \$2,250/month including interest at 3.87% per annum.	170,500	190,476
Demand loan, \$4,322/month including interest at 2.82% per annum.	451,545	487,003
Demand loan.	-	315,971
Demand loan, \$4,860/month including interest at 3.25% per annum.	383,924	428,958
Demand loan, \$1,029/month including interest at prime plus 3.05% per annum.	37,186	46,891

SAIK'UZ FIRST NATION

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MARCH 31, 2013

6. BANK AND OTHER LOANS continued

British Columbia Treaty Commission advances for the purpose of treaty negotiations with the governments of Canada and British Columbia. Repayment provisions are provided in Section 4.6.1 of the August, 1994 agreement. Repayment extension to November 3, 2016.

<u>1,889,718</u>	<u>1,889,718</u>
<u>3,058,313</u>	<u>3,508,614</u>

Scheduled principal repayment during the next five years is as follows:

2014	\$ 142,400
2015	147,500
2016	152,700
2017	2,039,505
2018	<u>140,940</u>
	<u>\$ 2,623,045</u>

7. PREPAID EXPENSES

	2013	2012
Kenny Dam Road case	\$ 517,159	\$ 488,917
Rio Tinto Alcan case	-	20,948
Post Secondary allowances	10,670	16,970
Social Assistance allowances	32,776	40,170
Ministry of Forests deposit	-	22,550
Other	<u>-</u>	<u>5,955</u>
	<u>\$ 560,605</u>	<u>\$ 595,510</u>

SAIK'UZ FIRST NATION

NOTES

MARCH 31, 2013

8. INVESTMENTS

Investment in the following Nation entities is as follows:

	2013	2012
	\$	\$
Tin Toh Forest Products Ltd.		
Investment in shares, at cost	100	100
Net equity	63,942	65,679
Advances	701,455	460,205
Allowance	-	-235,537
	<u>765,497</u>	<u>290,447</u>
Bednesti Lake Resort (2002) Ltd.		
Advances	-	2,783,057
Allowance	-	-1,561,790
	<u>-</u>	<u>1,221,267</u>
Saik'uz Development Corporation		
Investment in shares, at cost	120	120
Advances	-	804,122
Allowance	-	-705,389
	<u>120</u>	<u>98,853</u>
Jaboon Holdings Ltd.		
Investment in shares, at cost	120	120
Advances	31,000	31,000
	<u>31,120</u>	<u>31,120</u>
Saik'uz Yun K Ut		
Investment in shares, at cost	<u>2</u>	<u>2</u>
Vanderhoof & District Co-op Association		
Investment in shares, at equity value	<u>75,852</u>	<u>75,261</u>
	<u>872,591</u>	<u>1,716,950</u>

SAIK'UZ FIRST NATION

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MARCH 31, 2013

9. EQUITY IN PROPERTY AND EQUIPMENT

	2013	2012
Opening balance	\$ 18,733,902	\$ 19,753,260
Contributions from operations	856,858	-
Principal repayment	124,626	121,957
Amortization	<u>-1,112,907</u>	<u>-1,141,315</u>
	<u>\$ 18,602,479</u>	<u>\$ 18,733,902</u>

10. CONTINGENT LIABILITY

Guarantor of line of credit for Tin Toh Forest Products Ltd. to \$250 000. At March 31, 2013, the outstanding balance was nil.

11. BUDGET INFORMATION

Budget information is not provided as a budget has not been approved by the Nation's Chief and Council.

12. SEGMENT DISCLOSURE

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as described in note one. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results for the period are as follows:

SAIK'UZ FIRST NATION
SEGMENT DISCLOSURE

MARCH 31, 2013

	Administration Development	Capital Community	Economic	Housing Infrastructure	Other Assistance	Training Amortization	Total 2013	Total 2012
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUE								
Government of Canada	365,863	169,494	-	284,354	163,860	-	2,910,102	2,758,669
Province of BC	-	-	-	-	10,000	-	25,084	19,046
CSFS	-	204,922	-	-	-	-	204,922	180,292
PGNAETA	-	-	-	-	-	154,492	284,492	386,134
Other	919,634	53,921	233,122	272,827	85,355	-	2,011,518	1,701,431
	1,285,497	355,948	233,122	272,827	259,215	154,492	5,436,118	5,025,572
EXPENDITURE								
AANDC recovery	-	-	-	-	1,888	-	98,306	-
Advances to Band entities	180,584	-	-	-	-	-	180,584	190,429
Amortization	-	-	-	-	-	1,112,907	1,112,907	1,141,315
Contract services	29,233	11,292	91,642	5,689	77,836	28,000	262,081	296,073
Honoraria	150,013	92	-	-	-	-	150,105	160,333
Insurance	64,541	-	-	29,500	848	-	94,889	66,514
Maintenance and repairs	8,216	14,282	-	45,572	39,994	-	188,399	152,585
Materials and supplies	7,687	10,188	8,620	23,943	144,058	23,636	349,441	415,897
Office and other	74,875	22,898	15,120	215	-	-	232,131	357,386
Professional services	145,586	-	-	-	-	-	145,586	75,611
Program allowances	-	-	-	-	-	-	1,410,629	1,511,853
Telephone and utilities	29,921	800	-	95,085	-	310	129,166	153,254
Travel and training	48,977	26,088	-	5,110	18,797	41,626	172,671	158,120
Wages and benefits	193,183	235,250	8,745	100,196	12,980	69,245	916,302	987,396
	932,816	320,890	124,127	291,569	296,401	162,817	5,443,197	5,666,766
REVENUE OVER EXPENDITURE	352,681	35,058	108,995	12,807	-37,186	-8,325	-7,079	-641,194
TRANSFERS	-260,967	-23,204	-	55,545	-	240	-	-
ANNUAL SURPLUS (DEFICIT)	91,714	11,854	108,995	68,352	-37,186	-8,085	-7,079	-641,194

CARLYLE SHEPHERD & CO.

CHARTERED ACCOUNTANTS



SAIK'UZ FIRST NATION

NOTES

MARCH 31, 2013

13. NOTE RECEIVABLE

The note receivable represents the balance outstanding on the sale of Bednesti Resort assets. Interest at 5% per annum only is payable to August, 2013. Principal payments of \$5,000/month plus interest at 5% per annum are payable commencing September 2013.

14. RELATED PARTY TRANSACTIONS

A management fee of \$658,157 was charged to a related entity.

15. OPERATING SURPLUS (DEFICIT)

	2013	2012
	\$	\$
Administration	\$ 682,527	\$ 590,814
Capital Development	26,699	12,398
Community Health	47,720	35,868
Education	29,030	13,117
Other	-42,521	-164,517
Social Services	156,102	138,388
Treaty	<u>-1,713,052</u>	<u>-1,713,052</u>
	<u>\$ -813,495</u>	<u>\$ -1,086,984</u>

REVIEW ENGAGEMENT REPORT

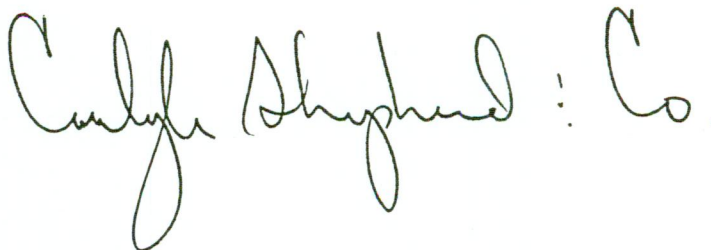
To the Membership of Saik'uz First Nation

We have reviewed the Schedules of Salaries, Honoraria and Travel of Saik'uz First Nation for the year ended March 31, 2013. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Nation.

A review does not constitute an audit and consequently we do not express an audit opinion on these schedules.

Based on our review, nothing has come to our attention that causes us to believe that these schedules are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Prince Rupert BC
June 24, 2012

A handwritten signature in cursive script that reads "Carlyle Shepherd : Co."

SAIK'UZ FIRST NATION
SCHEDULE OF SALARIES, HONORARIA AND TRAVEL
YEAR ENDED MARCH 31, 2013

Council Member	Term (Months)	Honoraria and Salaries \$	Travel \$	Total \$
Alexis, Benji	2	3,600	1,337	4,937
David, Wayne	10	18,000	1,995	19,995
George, Albert	2	3,600	1,494	5,094
Johnny, Alison	10	18,000	216	18,216
McIntosh, Cora	12	21,600	1,882	23,482
Quaw, Marlene	10	18,000	65	18,065
Raymond, Denise	2	3,600	640	4,240
		<u>86,400</u>	<u>7,629</u>	<u>94,029</u>
Chief				
Thomas, Jacqueline	10	45,600	6,054	51,654
Thomas, Stanley	2	9,600	1,419	11,019
		<u>55,200</u>	<u>7,473</u>	<u>62,673</u>
TOTAL		<u>141,600</u>	<u>15,102</u>	<u>156,702</u>

There is no other remuneration.