
**YAKWEAKWIOOSE FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020**

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all of the notes to the financial statements, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of 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.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The internal controls are 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 financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control, and exercises these responsibilities through the Council. The Council reviews internal financial statements on a monthly basis and external audited financial statements yearly. The Council also discusses any significant financial reporting or internal control matters prior to its approval of the financial statements.

The external auditors, Manning Elliott LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to the financial management of the Yakweakwioose First Nation and we meet when required. The accompanying Independent Auditors' Report re-iterates management's responsibility for the financial statements, outlines the auditors' responsibilities, the scope of their examination and their opinion on the financial statements.

On behalf of the Yakweakwioose First Nation:



10/7/2020

Chilliwack, BC

INDEPENDENT AUDITORS' REPORT

To the Members of Yakweakwioose First Nation

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Yakweakwioose First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, changes in accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2020, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with ethical requirements that are relevant to our audit of the consolidated 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the First 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 First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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:

INDEPENDENT AUDITORS' REPORT

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Manning Elliott LLP

Manning Elliott LLP
Chartered Professional Accountants
Abbotsford, British Columbia
October 7, 2020

YAKWEAKWIOOSE FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2020

FINANCIAL ASSETS

Cash	\$ 9,368,095	\$ 6,442,683
Accounts receivable (Note 2)	112,680	140,839
Trust funds held by Federal Government (Note 3)	428	254
Investment in Government Business Enterprises (Note 4)	130,958	127,495
Investment in Government Business Partnerships (Note 5)	2,710,431	2,738,172
	<u>12,322,592</u>	<u>9,449,443</u>

FINANCIAL LIABILITIES

Accounts payable and accrued liabilities	108,867	76,825
Deferred revenue	12,511	15,000
Long term debt (Note 7)	817,659	211,551
	<u>939,037</u>	<u>303,376</u>

NET FINANCIAL ASSETS

11,383,555 9,146,067

NON-FINANCIAL ASSETS


Tangible capital assets (Note 8)	3,555,568	2,859,426
Prepaid expenses and deposits (Note 9)	327,684	19,468
	<u>3,883,252</u>	<u>2,878,894</u>

ACCUMULATED SURPLUS

\$ 15,266,807 \$ 12,024,961

Approved on behalf of Council

 Chief

 Councillor

____ Councillor

____ Councillor

YAKWEAKWIOOSE FIRST NATION
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2020

	Budget	2020	2019
REVENUE			
Federal Government			
Indigenous Services Canada	\$ 141,110	\$ 249,830	\$ 260,546
Ottawa Trust Revenue	-	174	170
Investment income	-	193,789	157,306
Sto:lo Nation - Brighter futures	6,300	6,294	5,521
First Nations Education Steering Committee	-	10,689	3,383
Other	55,830	57,837	55,782
Sto:lo Nation - HRDC	-	28,798	23,565
Sto:lo Nation - Nations Rebuilding	-	30,388	-
First Nations Gaming Revenue Sharing LP	248,307	248,307	-
University of the Fraser Valley	-	16,920	-
Rental revenue	32,125	32,125	-
Interest income	125,000	123,204	16,866
Income from CFB lands claim settlement (Note 10)	3,060,000	2,840,414	6,670,121
	3,668,672	3,838,769	7,193,260
EXPENSES (Note 11)			
Community operations	631,630	532,762	363,362
Tangible capital assets	-	64,161	50,765
	631,630	596,923	414,127
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	3,037,042	3,241,846	6,779,133
NET ASSETS - BEGINNING OF YEAR	12,024,961	12,024,961	5,245,828
NET ASSETS - END OF YEAR	\$ 15,062,003	\$ 15,266,807	\$ 12,024,961

YAKWEAKWIOOSE FIRST NATION
CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
EXCESS OF REVENUE OVER EXPENSES FOR THE YEAR	\$ 3,241,846	\$ 6,779,133
Purchase of tangible capital assets	(760,304)	(948,471)
Amortization on tangible capital assets	64,161	50,765
	(696,143)	(897,706)
Purchase of prepaid expenses and deposits	(327,683)	(19,468)
Use of prepaids expenses and deposits	19,468	-
	(1,004,358)	(917,174)
CHANGES IN NET FINANCIAL ASSETS	2,237,488	5,861,959
BALANCE, BEGINNING OF YEAR	9,146,067	3,284,108
BALANCE, END OF YEAR	\$ 11,383,555	\$ 9,146,067

YAKWEAKWIOOSE FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ 3,241,846	\$ 6,779,133
Item not affecting cash:		
Amortization of tangible capital assets	64,161	50,765
	3,306,007	6,829,898
Changes in non-cash working capital:		
Accounts receivable	28,159	(66,045)
Accounts payable and accrued liabilities	32,042	22,695
Deferred revenue	(2,489)	15,000
Prepaid expenses and deposits	(308,216)	(19,468)
	(250,504)	(47,818)
	3,055,503	6,782,080
CAPITAL AND INVESTING TRANSACTIONS		
Purchase of tangible capital assets	(760,304)	(948,471)
Change in government business enterprises and partnerships	24,278	(157,306)
	(736,026)	(1,105,777)
OTHER FINANCING ACTIVITIES		
Proceeds from long term debt	606,109	211,551
INCREASE IN CASH AND EQUIVALENTS DURING THE YEAR	2,925,586	5,887,854
CASH AND EQUIVALENTS, BEGINNING OF YEAR	6,442,937	555,083
CASH AND EQUIVALENTS, END OF YEAR	\$ 9,368,523	\$ 6,442,937
CASH CONSISTS OF THE FOLLOWING:		
Cash	\$ 9,368,095	\$ 6,442,683
Trust funds held by Federal Government	428	254
	\$ 9,368,523	\$ 6,442,937

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

NATURE OF OPERATIONS

Yakweawkwoose First Nation (the "First Nation") is located in the province of British Columbia and provides various services to its members. The First Nation is a member government of the Sto:lo Nation. Yakweawkwoose First Nation includes its members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS) prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Chartered Professional Accountants. Significant aspects of the accounting policies adopted by the First Nation are as follows:

(a) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations, committees and departments accountable for the administration of their financial affairs and resources to the First Nation which are owned or controlled by the First Nation.

(b) Principles of consolidation

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

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the Band.

Organizations accounted for on a modified equity basis include:

- Ch-ihl-kway-uhk Tribe Society
- Ch-ihl-kway-uhk Forestry Limited Partnership
- Ch-ihl-kway-uhk Forestry Ltd.
- Centre Creek Limited Partnership
- Centre Creek Management Ltd.
- Seven Generations Environmental Services Ltd.
- Ts'elxweyeqw Tribe Management Ltd.
- Ts'elxweyeqw Tribe Limited Partnership

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts which are held for the purpose of meeting short-term cash commitments.

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(d) Tangible capital assets

Tangible capital assets are initially stated at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset. The cost, less residual value, of the tangible capital assets are recognized at a nominal value. Infrastructure assets acquired prior to 1996 are the only assets where nominal values were assigned.

Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates:

Housing and buildings	40 years
Automotive and tractors	10 years
Office equipment	10 years
Sewer system	50 years

(e) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Investment and interest income earned are recognized in the period the income is earned.

Contracting and grant revenues are recognized as they become receivable under the terms of applicable agreements.

Revenues received which relate to a subsequent fiscal period are reflected as deferred revenue in the year of receipt and classified as such in the statement of financial position.

(f) Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(g) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or financial future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.

(h) Net financial assets

The First Nation's financial statements are presented to highlight net financial assets as the measurement of financial position. The net financial assets of the Band is determined by its financial assets less its liabilities. Net financial assets are comprised of two components, non-financial assets and accumulated surplus.

(i) Financial instruments

The First Nation's financial instruments consist of cash, receivables, payables, and long term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of the instruments approximate their carrying values, unless otherwise noted.

2. ACCOUNTS RECEIVABLE

	2020	2019
Accounts receivable consists of the following:		
Due from members:		
Member loans	\$ -	\$ 3,700
Due from others:		
Other First Nation Organizations	3,777	114,523
Others	183	1,286
First Nations Health Authority	-	15,290
Indigenous Services Canada	108,720	6,040
	112,680	137,139
Total accounts receivable	\$ 112,680	\$ 140,839

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

3. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2019	Additions	Withdrawals	2020
Revenue fund	\$ 170	\$ 174	\$ -	\$ 344
Capital fund	84	-	-	84
	\$ 254	\$ 174	\$ -	\$ 428

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

Yakweakwioose First Nation's investments in government business enterprises consist of the following:

	2020	2019
Ch-ihl-kway-uhk Tribe Society 1/9 ownership	\$ 69,900	\$ 64,888
Ts'elxweyeqw Tribe Management Ltd. Ch-ihl-kway-uhk Forest Ltd. ownership	1/7 ownership 1/8	1
Ch-ihl-kway-uhk Forest Ltd. - shares Centre Creek Management Ltd. 1/8 ownership	1/8 ownership	10
Seven Generations Environmental Services Ltd. ownership	1/6	10
	55,288	56,837
	\$ 130,958	\$ 127,495

Ch-ihl-kway-uhk Tribe Society operates property rental and management activities.

Ts'elxweyeqw Tribe Management Limited is the general partner for Ts'elxweyeqw Tribe Limited Partnership and Ts'elxweyeqw Forestry Limited Partnership. Its financial information is consolidated into the financial information for Ts'elxweyeqw Tribe Limited Partnership in Note 5.

Ch-ihl-kway-uhk Forestry Ltd. is the general partner for Ch-ihl-kway-uhk Forestry Limited Partnership. Its financial information is consolidated into the financial information for Ch-ihl-kway-uhk Forestry Limited Partnership in Note 5.

Centre Creek Management Ltd. is the general partner for Centre Creek Limited Partnership. Its financial information is consolidated into the financial information for Centre Creek Limited Partnership in Note 5.

Seven Generations Environmental Services Ltd. is in the business of environmental monitoring.

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES *(Continued)*

The summary of the unaudited financial statements for the year ended March 31, 2020 is as follows:

	Ch-ihl-kway-uhk Tribe Society	Seven Generations Environmenta l Services Ltd.	2020	2019
Current assets	\$ 407,234	\$ 418,791	\$ 826,025	\$ 728,284
Capital assets	57	19,072	19,129	25,175
Due from related party	302,997	-	302,997	273,997
Total assets	\$ 710,288	\$ 437,863	\$ 1,148,151	\$ 1,027,456
Current liabilities	\$ 81,188	\$ 106,134	\$ 187,322	\$ 102,438
Due to shareholders	-	353,258	353,258	353,258
Total liabilities	81,188	459,392	540,580	455,696
Equity	629,100	(21,529)	607,571	571,760
Total liabilities and equity	\$ 710,288	\$ 437,863	\$ 1,148,151	\$ 1,027,456
Revenue	\$ 69,410	\$ 367,781	\$ 437,191	\$ 714,557
Expenses	24,302	377,077	401,379	673,754
Net income	\$ 45,108	\$ (9,296)	\$ 35,812	\$ 40,803

5. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS

	2020	2019
Ch-ihl-kway-uhk Forestry Limited Partnership		
11/89 ownership	\$ 126,792	\$ 89,326
Centre Creek Limited Partnership		
1/9 ownership	164,967	163,858
Ts'elxweyeqx Tribe Limited Partnership		
10/71 ownership	2,418,672	2,484,988
	\$ 2,710,431	\$ 2,738,172

Ch-ihl-Kway-Uhk Forestry Limited Partnership is in the business of developing, operating and participating in various forestry operations and activities in and around Chilliwack, B.C.

Centre Creek Partnership is in the business of purchasing or otherwise acquiring real and personal property of all kinds located in the Chilliwack River Valley. The partnership is also responsible for managing the acquired properties.

Ts'elxweyeqx Tribe Limited Partnership (TTLP) is in the business of managing the activities of Ts'elxweyeqx Forestry Limited Partnership to ensure the protection of the tribe's interests and heritage.

During the year, the TTM and TTLP changed their year ends from March to December. The operating results include the nine months ended December 31, 2019.

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

5. INVESTMENT IN GOVERNMENT BUSINESS PARTNERSHIPS *(Continued)*

The summary of the unaudited financial statements for the year ended March 31, 2020 is as follows:

	Ch-ihl-kway- uhk (consolidated)	Centre Creek (consolidated)	Ts'elxweyeqx Tribe (consolidated)	2020	2019
Current assets	\$ 1,137,988	\$ 26,979	\$ 15,274,047	\$ 16,439,014	\$ 17,267,997
Capital assets	-	2,336,554	51,782	2,388,336	2,365,744
Due from related parties	55,375	-	1,338,351	1,393,726	1,350,852
Total assets	\$ 1,193,363	\$ 2,363,533	\$ 16,664,180	\$ 20,221,076	\$ 20,984,593
Current liabilities	\$ 68,177	\$ 235,977	\$ 450,150	\$ 754,304	\$ 483,254
Due to related parties	-	704,804	-	704,804	1,500,432
Total liabilities	68,177	940,781	450,150	1,459,108	1,983,686
Equity	1,125,186	1,422,752	16,214,030	18,761,968	19,000,907
Total liabilities and equity	\$ 1,193,363	\$ 2,363,533	\$ 16,664,180	\$ 20,221,076	\$ 20,984,593
Revenue	\$ 630,502	\$ 114,000	\$ 2,474,434	\$ 3,218,936	\$ 2,561,552
Expenses	323,961	103,919	1,502,461	1,930,341	1,480,787
	\$ 306,541	\$ 10,081	\$ 971,973	\$ 1,288,595	\$ 1,080,765

6. BANK INDEBTEDNESS

The First Nation has available a line of credit with the Royal Bank of Canada to a maximum of \$150,000 bearing interest at the bank's prime rate plus 0.50% per annum. As at March 31, 2020, the First Nation had not drawn on this credit facility.

7. LONG TERM DEBT

	2020	2019
All Nations Trust Company, payable in blended monthly payments of \$4,028 at 0.98% per annum, maturing April 1, 2045, secured by a Ministerial Guarantee from Indigenous Services Canada	\$ 817,659	\$ 211,551

Subsequent to year end, the First Nation received the remaining loan proceeds of \$244,486 from All Nations Trust Company amounting to total long term debt of \$1,062,145.

Anticipated annual principal repayments over the next five years and thereafter are as follows:

2021	\$ 34,908
2022	38,440
2023	38,819
2024	39,201
2025	39,587
Thereafter	871,190
	<u>\$ 1,062,145</u>

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

8. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Buildings	\$ 434,802	\$ 676	\$ 434,126	\$ 24,104
Housing	1,519,879	246,249	1,273,630	934,281
Office equipment	6,679	1,303	5,376	2,873
Tractors, vans, & mowers	204,195	48,778	155,417	174,448
Sewer system	1,835,061	148,042	1,687,019	1,723,720
	\$ 4,000,616	\$ 445,048	\$ 3,555,568	\$ 2,859,426

9. PREPAID EXPENSES AND DEPOSITS

Prepaid expenses	\$ 27,684	\$ 19,468
Deposits on purchase of land	300,000	-
	\$ 327,684	\$ 19,468

During the year, the First Nation purchased 3 lots located on the First Nation's reserve land. The purchase contracts have certain terms and conditions to be prior to closing. As at March 31, 2020, these terms and conditions have not been completed.

10. SETTLEMENT TRUST FUNDS

During 2015, the Band reached a settlement with the Federal Government related to lands in Chilliwack under claim by Skowkale and two other First Nations. The settlement required the Federal Government to provide joint lands to the three First Nations as well as a cash settlement, which is intended to cover the legal costs incurred as well as compensation.

During the fiscal year, the Band sold land for proceeds of \$2,840,414 (2019- \$6,670,121). These funds have been internally restricted for the Band's tangible capital asset replacement reserve.

The remaining cash settlement is being held in trust for the benefit of the three First Nations.

YAKWEAKWIOOSE FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

11. EXPENSE BY OBJECT

	2020	2019
Amortization on tangible capital assets	\$ 64,161	\$ 50,765
Band distribution	75,000	80,000
Donations	31,137	17,415
Insurance	34,558	15,601
Interest and bank charges	18,799	1,967
Maintenance	87,628	50,132
Office and miscellaneous	14,602	6,324
Other operating expenses	12,386	14,246
Professional fees	26,016	46,978
Telephone	7,960	659
Travel expenses	49,567	47,252
Utilities	5,397	2,857
Wages and benefits	169,712	79,931
	\$ 596,923	\$ 414,127

12. COVID RISK

The COVID-19 pandemic is causing significant financial and social dislocation. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak. The First Nation continues to monitor and assess the impact COVID-19 will have on its business activities. The extent of the effect of the COVID-19 pandemic on the First Nation is uncertain.

13. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation. This reclassification had no impact on previously stated total financial assets, total non-financial assets, total liabilities, accumulated surplus and annual surplus.

14. SEGMENTED INFORMATION

The Yakweakwioose First Nation is a government institution that provides a range of programs and services to its members, including community operations, government business enterprises, capital projects, and tangible capital assets. For management reporting purposes, the First Nation's operations and activities are organized and reported by fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

First Nation services are provided for departments and their activities are reported in these funds. Certain departments have been separately disclosed in the segmented information.

(continues)

YAKWEAKWIOOSE FIRST NATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2020

14. SEGMENTED INFORMATION CONT'D

	Community Operations	Government Business Enterprises	Capital Projects	Tangible Capital Asset Fund	2020	2019
Revenue						
Federal Government	\$ 149,638	\$ -	\$ 100,366	\$ -	\$ 250,004	\$ 260,546
Provincial Government	-	-	-	-	-	-
Other	<u>554,562</u>	<u>193,789</u>	<u>-</u>	<u>2,840,414</u>	<u>3,588,765</u>	<u>6,932,714</u>
	<u>704,200</u>	<u>193,789</u>	<u>100,366</u>	<u>2,840,414</u>	<u>3,838,769</u>	<u>7,193,260</u>
Expenditures						
Amortization	-	-	-	64,161	64,161	50,765
Other operating	363,050	-	-	-	363,050	283,431
Wages and benefits	<u>169,712</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,712</u>	<u>79,931</u>
	<u>532,762</u>	<u>-</u>	<u>-</u>	<u>64,161</u>	<u>596,923</u>	<u>414,127</u>
Annual Surplus (Deficit)	171,438	193,789	100,366	2,776,253	3,241,846	6,779,133
Transfer between funds	-	-	-	-	-	-
Surplus, Beginning of year	<u>(216,478)</u>	<u>3,512,654</u>	<u>1,823,767</u>	<u>6,905,018</u>	<u>12,024,961</u>	<u>5,245,828</u>
Accumulated Surplus(Deficit), end of year	<u>\$ (45,040)</u>	<u>\$ 3,706,443</u>	<u>\$ 1,924,133</u>	<u>\$ 9,681,271</u>	<u>\$ 15,266,807</u>	<u>\$ 12,024,961</u>