

**HALALT FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2020**

HALALT FIRST NATION
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March 31, 2020

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

The external auditors, Uvision Chartered Professional Accountants, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Halalt First Nation and meet when required.

On behalf of Halalt First Nation:

Jerry Morris Chief

Nikandie Councillor

____ Councillor _____ Councillor

September 01, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HALALT FIRST NATION

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of HALALT FIRST NATION which comprise the consolidated statement of financial position as at March 31, 2020 and the consolidated statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Qualified Opinion .

In our opinion, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of HALALT FIRST NATION as at March 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards (PSAS).

Basis for Qualified Opinion

The First Nation operations has not maintained records and supporting documentation that is adequate to provide sufficient evidence regarding existence and completeness of accounts payable and accounts receivable. Consequently, we were not able to determine whether any adjustments might be necessary to accounts receivable, accounts payable, consolidated revenue and expenditures and operating surplus.

In addition, we were unable to obtain audited financial statements supporting the nation's investment in the two partnerships of Hul'q'umi'num Fisheries Limited Partnership and Halalt Logging Contracting Limited Partnership, and one incorporated business of 1241478 B.C. LTD.. We were unable to satisfy ourselves as to the carrying value of the investment in the two partnerships and one incorporated business or the equity in earnings by other auditing procedures.

We conducted our audit in accordance with Canadian Generally Accepted Accounting Standards. Our responsibilities under those standards are further described in the Auditor's 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 qualified audit opinion.



CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, BC
September 01, 2021

HALALT FIRST NATION
Consolidated Statement of Financial Position
March 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash (Note 2)	1,916,018	2,146,337
Ottawa Trust (Note 4)	50,547	48,726
Accounts receivable (Note 3)	1,234,556	527,934
Funds held in trust (Note 16)	1,669,558	-
Investments (Note 5)	1,305,429	144,878
	<hr/>	<hr/>
	6,176,108	2,867,875
FINANCIAL LIABILITIES		
Accounts payable (Note 6)	353,144	795,252
Deferred capital contributions (Note 7)	1,698,881	1,793,263
Deferred revenue (Note 8)	1,669,558	-
Long-term debts (Note 11)	1,093,614	1,168,010
	<hr/>	<hr/>
	4,815,197	3,756,525
NET FINANCIAL ASSETS (NET DEBT)	<hr/>	<hr/>
	1,360,911	(888,650)
NON-FINANCIAL ASSETS		
Prepaid expenses	5,494	15,774
Tangible capital assets (Note 12)	3,483,065	3,712,642
	<hr/>	<hr/>
	3,488,559	3,728,416
ACCUMULATED SURPLUS (DEFICIT) (Note 9)	<hr/>	<hr/>
	4,849,470	2,839,766
Contingent liabilities (Note 15)		

Approved by Chief and Council

James Klemm Chief

Wekwila Councillor

____ Councillor

____ Councillor

HALALT FIRST NATION
Consolidated Statement of Operations
For the year ended March 31, 2020

	Budget (unaudited)	2020	2019
REVENUE			
Federal - ISC	1,255,436	2,524,446	3,042,494
Federal - CMHC	21,612	22,295	22,237
Federal - DFO	50,000	118,470	108,270
Federal - Other	90,000	100,777	138,431
Provincial	13,000	1,418,447	510,373
Rental	130,000	105,077	160,788
Ottawa Trust	1,400	1,821	1,045
Interest	4,000	42,110	19,870
Sales - Shellfish	200,000	169,540	146,039
Other	700,000	1,486,723	747,195
	2,465,448	5,989,706	4,896,742
EXPENSES			
Band	265,000	747,436	415,177
Education and training	510,000	636,992	615,414
Public works	80,000	527,634	229,536
Social housing	30,000	23,163	42,547
Social services	295,000	676,949	454,072
Land management	200,000	459,636	499,124
Economic development	800,000	678,616	902,437
Depreciation	250,000	229,576	239,125
	2,430,000	3,980,002	3,397,432
ANNUAL SURPLUS (DEFICIT)	35,448	2,009,704	1,499,310
ACCUMULATED SURPLUS (DEFICIT), at beginning of year		2,839,766	1,340,456
Adjustment		-	-
ACCUMULATED SURPLUS (DEFICIT), at end of year (Note 9)		4,849,470	2,839,766

HALALT FIRST NATION

Consolidated Statement of Changes in Net Financial Assets (Net Debt)
For the year ended March 31, 2020

	<i>Budget</i>	2020	2019
ANNUAL SURPLUS (DEFICIT)	35,448	2,009,704	1,499,310
Tangible capital assets			
Acquisition of tangible capital assets	-	-	-
Proceeds on disposal of tangible capital assets	-	-	-
Amortization of tangible capital assets	250,000	229,576	239,125
Write-downs on tangible capital assets	-	-	-
(Gain) loss on disposal of tangible capital assets	-	-	-
	250,000	229,576	239,125
Assets under construction			
Acquisition of prepaid expense	-	(5,494)	(15,774)
Consumption of supplies inventories	-	-	-
Use of prepaid expense	-	15,774	-
	-	10,280	(15,774)
CHANGE IN NET FINANCIAL ASSETS (NET DEBT)	285,448	2,249,561	1,722,662
NET FINANCIAL ASSETS (NET DEBT), at beginning of year		(888,650)	(2,611,312)
Transfers from Reserves		-	-
NET FINANCIAL ASSETS (NET DEBT), at end of year		1,360,911	(888,650)

HALALT FIRST NATION
Consolidated Statement of Cash Flows
For the year ended March 31, 2020

	2020	2019
OPERATING ACTIVITIES		
Annual surplus (deficit)	2,009,704	1,499,310
Items not affecting cash		
Amortization of tangible capital assets	229,576	239,125
(Gain) loss on disposal of tangible capital assets	-	-
Change in non-cash charges to operations		
Ottawa Trust	(1,821)	(1,045)
Accounts receivable	(706,623)	215,095
Funds held in trust	(1,669,558)	-
Prepaid expenses	10,280	(15,774)
Accounts payable	(442,108)	177,187
Deferred capital contributions	(94,382)	(94,382)
Deferred revenue	1,669,558	-
	1,004,626	2,019,516
CAPITAL TRANSACTIONS		
Proceeds on disposal of tangible capital assets	-	-
Acquisition of tangible capital assets	-	-
Assets under construction	-	-
	-	-
INVESTING TRANSACTIONS		
Long term Investments	(1,160,551)	(36,663)
FINANCING TRANSACTIONS		
Mortgages payable	(74,396)	(74,940)
Transfers from Reserves	-	-
	(74,396)	(74,940)
INCREASE (DECREASE) IN CASH DURING YEAR	(230,321)	1,907,913
CASH, at beginning of year	2,146,337	238,422
CASH, at end of year	1,916,018	2,146,337

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

b. Reporting Entity and Principles of Financial Reporting

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

- Halalt First Nation Government Administration
- Halalt First Nation Trusts Fund
- CMHC Housing Program

All inter-entity balances have been eliminated on consolidation, but in order to present the results of operations for each specific fund, transactions amongst funds have not necessarily been eliminated on the individual schedules.

Incorporated business entities, which are owned or controlled by Halalt First Nation and which are dependent on the First Nation for their continuing operations, are consolidated in the consolidated financial statements.

Incorporated business entities, which are owned or controlled by Halalt First Nation and which are not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method.

Investments in non-controlled entities and subject to significant influence are included in the consolidated financial statements using the modified equity method.

Investments in non-controlled entities and not subject to significant influence are recorded at cost. These include:

- Hul'q'umi'num Fisheries Limited Partnership - 20% interest

c. Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short term cash commitments.

d. Financial Instruments

The carrying amounts for accounts receivable, grants receivable and accounts payable and accrued liabilities approximate fair value because of the short-term nature of these instruments.

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Interests in partnerships

Interests in partnerships, except for business partnerships, are using the proportionate consolidation method. Business partnerships are accounted for by the modified equity method applied using the entity's share of the business.

f. Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. The cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Housing	4%
Infrastructure	4%
Social Housing	20 years
Equipment	30%
Boats	20%
Vehicles	15%

In the year of acquisition, 50% of the normal amortization is recorded.

g. Reserve funds

Reserve funds represent the replacement and operating reserve funds required under the terms of the agreement with Canada Mortgage and Housing Corporation.

h. Revenue Recognition

Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing that the transfers are authorized, all eligibility criteria have been met by the Nation, and reasonable estimates of the amounts can be made. Government transfers received for which the Nation has not met all eligibility requirements are recorded as deferred revenue. Government transfers include financial transfer agreement payments, band trust revenue payments, contribution arrangements, and other federal and provincial grants.

Grant revenue is recognized in the financial statements as the related expenditures are incurred and when the terms and conditions of the funding are satisfied. Other income is recorded as revenue when earned.

i. Use of Estimates

The preparation of 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 disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant estimates include assumption used in estimating provisions for accrued liabilities and estimating the useful lives of tangible capital assets. Actual results could differ from those estimates.

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

2. CASH AND CASH EQUIVALENTS

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Halalt First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement and Operating Fund. Cash and cash equivalents is comprised of the following:

	2020	2019
Unrestricted - Operating	1,830,141	2,062,148
Restricted - CMHC Phases 3 & 5	85,877	84,189
Restricted - CMHC Phases I-III	-	-
	1,916,018	2,146,337

3. ACCOUNTS RECEIVABLE

	2020	2019
Federal government		
Indigenous Services Canada	768,734	54,185
Other government organizations	193,002	135,699
Goods and services tax	11,922	8,951
Canada Mortgage and Housing Corporation	32,260	13,005
	1,005,918	211,840
Members	-	122,893
Other	228,638	193,201
	1,234,556	527,934

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

4. OTTAWA TRUST FUNDS

	March 31, 2019	Additions	Withdrawals	March 31, 2020
Capital	24,664	-	-	24,664
Revenue	24,062	1,821	-	25,883
	48,726	1,821	-	50,547

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.

5. INVESTMENT AND ADVANCES

	2020	2019
Hul'q'umi'num Fisheries Limited Partnership - 20% interest	5,000	5,000
Halalt Logging Contracting LP - Advance	168,299	139,878
1241478 BC LTD - 100% owned	1,132,130	-
	1,305,429	144,878

The Halalt Logging Contracting Limited Partnership was set up on April 5, 2017 for the development of truck log hauling located on reserve.

The First Nation owns 99% of the Limited Partnership as a Limited Partner and HLC General Partner LTD., a wholly owned government business enterprise, owns 1% of the Limited Partnership as a General Partner.

The 1241478 B.C. Ltd. was incorporated on February 20, 2020 to purchase and hold the title of lands and buildings.

The financial information of the Limited Partnership and the Incorporation is not available as of the date of this report.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Trades payable	302,737	756,541
Accrued salaries and benefits payable	19,503	662
Indigenous Services Canada	-	-
Other accrued liabilities	30,904	38,049
	353,144	795,252

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions represent government contributions which were provided to assist in the purchase or construction of tangible capital assets.

The changes in the deferred contributions balance for the year are as follows:

	Balance March 31, 2019	Funding Received 2020	Revenue Recognized 2020	Balance March 31, 2020
INAC - Capital Project #8444 Community Waterworks System	1,793,263	-	94,382	1,698,881

8. DEFERRED REVENUE

Deferred revenue by program is detailed as follows:

	2020	2019
Ministry of Indigenous Relations and Reconciliation	1,669,558	-
	1,669,558	-

9. ACCUMULATED SURPLUS (DEFICIT)

	Operating	Trust	Housing	2020 Total	2019
Accumulated Surplus (Deficit), at the beginning of year	2,442,235	48,726	357,013	2,839,766	1,340,456
Annual Surplus (Deficit)	2,007,906	1,821	(24)	2,009,704	1,499,310
Adjustments	-	-	-	-	-
Accumulated Surplus (Deficit), at the end of year	4,450,141	50,547	356,989	4,849,470	2,839,766

10. TREATY NEGOTIATIONS

Treaty negotiations for Halalt First Nation are being carried on by the Hul'qumi'num Treaty Group. Budget 2019 from the Federal Government is committed to forgive all outstanding loans and to reimburse Indigenous governments that have already repaid these loans. As at March 31, 2020, the Treaty Group loan balance is \$0 (\$36,116,188 in 2019) to the Federal Government for advances made under the treaty process.

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

11. LONG TERM DEBT

	2020	2019
All Nations Trust - mortgage repayable at \$777 per month including interest @ 2.39% per annum, maturing January 1, 2028. Secured by a ministerial guarantee from Indigenous & Northern Affairs Canada and a first mortgage on Phase I housing units.	66,615	74,256
All Nations Trust - mortgage repayable at \$508 per month including interest @ 2.5%, maturing June 1, 2033. Secured by a ministerial guarantee from Indigenous & Northern Affairs Canada and a first mortgage on Phase II housing units.	68,751	73,074
All Nations Trust - mortgage repayable at \$1,055 per month including interest @ 1.04% per annum, maturing October 1, 2035. Secured by a ministerial guarantee from Indigenous & Northern Affairs Canada and a first mortgage on Phase III housing units.	182,052	192,755
CMHC - mortgage repayable at \$2,025 per month including interest @ 1.85%, the mortgage was paid off.	-	10,077
CMHC - mortgage repayable at \$231 per month including interest @ 1.08%, the mortgage was paid off.	-	2,760
Bank of Montreal - mortgage repayable at \$6,835 per month including interest @ 5.4%, maturing June 30, 2053. Secured by Guarantee for On-Reserve Housing Loan Program (ORHLP).	776,196	815,088
	1,093,614	1,168,010

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

2021	76,000
2022	78,000
2023	80,000
2024	82,000
2025	84,000
Thereafter	693,614

	2020	2019
Interest expense for the year on long-term debt	51,803	64,895

HALALT FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

12. TANGIBLE CAPITAL ASSETS

	Housing	Social Housing	Infra-structure	Equipment	Boats	Vehicle	2020	2019
							Total	Total
Cost								
Opening Balance	108,161	1,259,116	4,237,529	125,640	-	-	57,000	5,787,446
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-	-
Closing balance	108,161	1,259,116	4,237,529	125,640	-	-	57,000	5,787,446
Accumulated Amortization								
Opening Balance	82,332	650,609	1,175,604	114,706	-	-	51,554	2,074,805
Amortization	5,408	62,956	157,936	2,187	-	-	1,089	229,576
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Closing balance	87,740	713,565	1,333,540	116,893	-	-	52,643	2,304,381
Net book value	20,421	545,551	2,903,989	8,747	-	-	4,357	3,483,065
								3,712,642

The Chemainus River flooding in February 2020 caused negative impacts to Halalt First Nation, including damages to various properties. Halalt First Nation worked closely with the insurance company towards restoration of the impaired assets. The impairment was not recorded for the year because insurance proceeds and other financial aids from local government were received. The impaired assets were brought back to use, as of the date of the financial statements. (Note 19)

HALALT FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

13. SEGMENT DISCLOSURE

Halalt First Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. For each segment separately reported, the segment revenue and expenses 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 as described in Note 1. The segment results for the period are as follows:

	Band		Education & Training		Public Works		Social Housing	
	2020	2019	2020	2019	2020	2019	2020	2019
REVENUES								
Indigenous Services Canada	405,662	357,963	441,129	543,278	1,345,905	122,777	-	-
Rental	37,016	54,377	-	-	-	-	68,061	102,852
Other	1,195,852	566,638	1,082,493	488,672	50,120	11,072	22,294	22,237
	1,638,530	978,978	1,523,622	1,031,950	1,396,025	133,849	90,355	125,089
EXPENSES								
Salaries and benefits	163,442	108,274	130,064	99,416	25,285	18,579	-	-
Consultants and Professional fees	154,130	50,077	142,460	65,364	304,589	152,157	5,000	5,000
Debt servicing	46,205	58,077	-	-	-	-	5,423	6,091
Amortization	-	-	-	-	-	-	62,956	62,956
Other	333,483	100,360	830,265	693,934	338,954	69,822	12,740	31,456
	697,260	316,788	1,102,789	858,714	668,828	240,558	86,119	105,503
	ANNUAL SURPLUS (DEFICIT)		941,270	662,190	420,833	173,236	727,197	(106,709)
							4,236	19,586

HALALT FIRST NATION

Notes to Consolidated Financial Statements

For the year ended March 31, 2020

13. SEGMENT DISCLOSURE (Continued)

	Capital Projects			Social Services			Land Management			Economic Development		
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
REVENUES												
Indigenous Services Canada	-	-	331,750	442,675	-	-	1,575,801	-	-	-	-	-
Rental	-	-	-	-	-	-	-	-	-	-	-	3,559
Other	-	-	26,878	-	200,103	200,103	782,443	782,443	404,737	404,737	-	-
	-	-	358,628	442,675	200,103	1,775,904	782,443	782,443	408,296	408,296	-	-
EXPENSES												
Salaries and benefits	-	-	84,958	38,996	39,072	57,261	43,847	43,847	50,448	50,448	-	-
Consultants and Professional fees	-	-	5,761	40,180	136,773	226,419	252,558	252,558	264,483	264,483	-	-
Debt servicing	-	-	-	-	-	323	175	175	404	404	-	-
Amortization	-	-	-	-	-	-	166,620	166,620	176,169	176,169	-	-
Other	-	-	251,111	214,180	121,984	147,039	322,147	322,147	659,966	659,966	-	-
	-	-	341,830	293,356	297,829	431,042	785,347	785,347	1,151,470	1,151,470	-	-
ANNUAL SURPLUS (DEFICIT)												
	-	-	16,798	149,319	(97,726)	1,344,862	(2,904)	(2,904)	(743,174)	(743,174)	-	-

HALALT FIRST NATION
Notes to Consolidated Financial Statements
For the year ended March 31, 2020

14. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	2020	2019
Consultants	806,601	581,776
Depreciation	229,576	239,125
Government transfer	695,237	658,780
Interest and bank charges	51,803	64,895
Materials and supplies	269,547	181,164
Professional fees	194,670	221,904
Wages and benefits	486,668	372,974
Other	1,245,900	1,076,814
	<hr/>	<hr/>
	3,980,002	3,397,432

15. CONTINGENT LIABILITY

Halalt First Nation has a contingent liability of \$573,487 for various on-reserve housing loan guarantees.

16. GOVERNMENT TRANSFER

Halalt First Nation received funding of \$2,749,000 as per the Executed Incremental Treaty Agreement dated February 20, 2020, on completion of the purchase of the following property:

- 8377 CHEMAUINUS ROAD, CHEMAINUS, BC V0R 1K5
- 8397 CHEMAUINUS ROAD, CHEMAINUS, BC V0R 1K5
- 8421 CHEMAUINUS ROAD, CHEMAINUS, BC V0R 1K5

As of March 31, 2020, Halalt First Nation has purchased property 8377 CHEMAUINUS ROAD and the remaining balance of funds are to be held in Trust for the purchase of another property until December 31, 2020 otherwise returned to Her Majesty the Queen in Right of the Province of British Columbia represented by the Deputy Minister for the Ministry of Indigenous Relations and Reconciliation.

17. ECONOMIC DEPENDENCE

Halalt First Nation receives a majority portion of its revenue pursuant to a funding arrangement with Indigenous Service Canada.

18. BUDGET FIGURES

The budget figures were not audited nor reviewed but compiled from information provided by First Nation management.

19. SUBSEQUENT EVENTS

The Band evaluated its March 31, 2020 financial statements for subsequent events to the date the financial statements were issued. As of this date, the global outbreak of the coronavirus disease (COVID-19) has caused economic uncertainties that are likely to have a material impact on the annual surplus of the Band and a material negative impact on the Government Business Partnerships of the Band for the year ending March 31, 2020.

The extent that the effects of COVID-19 may have on the Band and its operations for the year ending March 31, 2020 cannot be determined at this time.

The Band received insurance proceed due to the Chemainus River flooding occurred in February 2020, after the fiscal year of 2021.

The Band also received financial aid from the Disaster Financial Assistance of the provincial government after the fiscal year of 2021.

20. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.