

MALAHAT FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2018

MALAHAT FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

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MALAHAT FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2018

The accompanying consolidated financial statements of Malahat First Nation are the responsibility of management and have been approved by the 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 CPA 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, Reid Hurst Nagy Inc., 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 Malahat First Nation and meet when required.

On behalf of Malahat First Nation:

 _____, Councilor

 _____, Councilor

 _____, Councilor

Independent Auditor's Report

To the Members of
Malahat First Nation

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Malahat First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the consolidated 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 First Nation'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 consolidated financial statements.

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

Basis for Qualified Opinion

Malahat First Nation holds investment and liability in Government Business Enterprises and Government Business Partnerships. We were unable to satisfy ourselves as to the carrying value of these investments and liabilities because financial statements for some of these entities have not been audited or not available since incorporation. Consequently, we were not able to determine whether any adjustments might be necessary to the investment and liability in Government Business Enterprises and Government Business Partnerships and the net income (loss) from Government Business Enterprises and Government Business Partnerships.

Qualified opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Malahat First Nation as at March 31, 2018 and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Reid Hurst Nagy Inc.




REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, B.C.
August 9, 2018

MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018

	2018	2017
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	678,261	149,544
Marketable securities (Note 3)	360,882	358,894
Accounts receivable (Note 4)	434,292	708,814
Note receivable (Note 5)	36,705,078	15,162,900
Due from related entities (Note 6)	253,444	243,355
Investment in Government Business Enterprises (Note 7)	-	49,383
Investment in Government Business Partnerships (Note 8)	41,976	41,976
Federal trust funds (Note 9)	490,899	490,441
Funds held in trust (Note 10)	6,116,015	3,315,334
	45,080,847	20,520,641
LIABILITIES		
Accounts payable and accrued liabilities (Note 11)	656,290	559,263
Deferred revenue (Note 12)	2,826,468	1,283,196
Due to related entities (Note 13)	3,568,515	2,218,996
Liability in Government Business Enterprises (Note 7)	6,299,991	-
Liability in Government Business Partnerships (Note 8)	83,994	83,994
Long-term debt (Note 14)	1,581,153	1,333,461
Promissory notes (Note 15)	37,371,608	15,838,277
	52,388,019	21,317,187
NET DEBT	(7,307,172)	(796,546)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 17)	6,571,718	3,571,689
Prepaid expenses	38,812	31,141
	6,610,530	3,602,830
ACCUMULATED SURPLUS (DEFICIT) (Note 16)	(696,642)	2,806,284

APPROVED ON BEHALF OF THE MALAHAT FIRST NATION

 , Councilor
 , Councilor
 , Councilor

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
	\$	\$
ANNUAL SURPLUS (DEFICIT)	(3,502,926)	717,313
Acquisition of tangible capital assets	(3,260,278)	(723,851)
Amortization of tangible capital assets	260,249	217,510
Disposition of net tangible capital assets	-	1,100
	(3,000,029)	(505,241)
Acquisition of prepaid assets	(38,812)	(31,141)
Use of prepaid assets	31,141	106,876
	(7,671)	75,735
(DECREASE) INCREASE IN NET FINANCIAL ASSETS	(6,510,626)	287,807
NET DEBT, BEGINNING OF YEAR	(796,546)	(1,084,353)
NET DEBT, END OF YEAR	(7,307,172)	(796,546)

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED SUMMARY STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
REVENUE			
Indigenous Services Canada	5,297,931	5,297,931	1,839,171
ISC - Reimbursement (Recovery)	-	(1,171)	-
Canada Mortgage and Housing Corporation	616,675	66,729	196,311
Fisheries and Oceans Canada	44,880	44,880	50,880
First Nation Health Authority	8,802	8,802	9,343
Natural Resources Canada	-	9,000	6,750
Ottawa Trust Fund	-	22,510	19,676
Province of BC	515,000	515,000	268,784
Funding from First Nation Organizations	184,219	182,968	203,200
Net income (loss) from Government Business Enterprises	-	(6,349,374)	126,916
Gain on disposal of tangible capital assets	-	-	1,548
Other Funding Recovery	-	(6,750)	-
Other Revenue	2,193,282	3,239,020	2,916,526
Rental income	99,630	99,970	92,472
Deferred revenue - prior year	1,087,398	1,283,196	880,341
Deferred revenue - current year	-	(2,826,468)	(1,283,196)
	10,047,817	1,586,243	5,328,722
EXPENSES			
Indian Government Services	1,499,601	1,750,978	1,418,913
Health	8,802	17,882	12,877
Housing	1,194,871	518,930	616,004
Education, Employment and Training	865,425	811,202	876,122
Social Development	310,714	278,125	185,312
Economic Development	1,673,333	1,323,057	1,067,577
Community Infrastructure	4,495,071	371,239	402,795
Ottawa Trust Fund	-	11,026	9,709
Housing Reserves	-	6,730	22,100
	10,047,817	5,089,169	4,611,409
ANNUAL SURPLUS (DEFICIT)	-	(3,502,926)	717,313
ACCUMULATED SURPLUS, BEGINNING OF YEAR	-	2,806,284	2,088,971
ACCUMULATED SURPLUS (DEFICIT), END OF YEAR	-	(696,642)	2,806,284

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
	\$	\$
OPERATING ACTIVITIES		
Annual surplus (deficit)	(3,502,926)	717,313
Items not affecting cash		
Amortization	260,249	217,510
Gain on disposal of tangible capital assets	-	(1,548)
	(3,242,677)	933,275
Change in non-cash items on statement of financial position		
Accounts receivable	274,522	(98,769)
Prepaid expenses	(7,671)	75,735
Accounts payable and accrued liabilities	97,028	18,967
Deferred revenue	1,543,272	402,855
Federal trust fund	(458)	(257)
Investment in Government Business Enterprises	6,349,374	(126,916)
	5,013,390	1,204,890
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(3,260,278)	(723,851)
Proceeds from disposition of tangible capital assets	-	2,648
	(3,260,278)	(721,203)
FINANCING ACTIVITIES		
Due from related entities	(10,089)	(39,959)
Due to related entities	1,349,519	1,365,316
Principal repayment on long-term debt	(402,750)	(77,797)
Proceed from long-term debt	650,442	91,042
Proceed from promissory notes	22,000,000	-
Note receivable	(21,542,178)	359,382
Principal repayment on promissory notes	(466,669)	(397,156)
Term deposits	(1,988)	299,410
Funds held in trust	(2,800,682)	(2,070,656)
	(1,224,395)	(470,418)
INCREASE IN CASH AND CASH EQUIVALENTS	528,717	13,269
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	149,544	136,275
CASH AND CASH EQUIVALENTS, END OF YEAR	678,261	149,544

The accompanying notes are an integral part of the financial statements

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

1.i NATURE OF OPERATIONS

Malahat First Nation (the "First Nation") is an Indian Band as defined by the Indian Act. The First Nation manages various programs offered by Indigenous Services Canada (ISC) (formerly Indigenous and Northern Affairs Canada) and other funding agents to benefit its members. The First Nation also represents its members in the negotiation of treaty settlements and specific land claims.

1.ii BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of CPA Canada.

(a) Reporting Entity

The First Nation reporting entity includes the Malahat First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of Consolidation

The consolidated financial statements reflect the assets, liabilities, revenues, and expenses of entities which are controlled by the First Nation. Controlled entities are consolidated, except for government business enterprises and government business partnerships, which are accounted for by the modified equity method. All inter-fund and inter-organization transactions and balances have been eliminated on consolidation.

The First Nation records its investments in government business enterprises (GBE) and government business partnerships (GBP) on a modified equity basis. Under the modified equity basis, the GBE's and GBP's accounting policies are not adjusted to conform with those of the First Nation and inter-entity transactions and balances are not eliminated. The First Nation recognizes its equity interest in the annual earnings or loss of the GBE's and GBP's in its consolidated statement of operations with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions that the First Nation may receive from the GBE's and GBP's will be reflected as deductions in the investment asset account.

Entities consolidated in Malahat First Nation's financial statements include:

1. Kwunew Kwasun Cultural Society

Entities accounted for on a modified equity basis include:

2. Malahat Aquaculture Ltd. - 100% interest
3. Malahat Construction Ltd. - 100% interest
4. MNQM Contracting Ltd. - 51% interest
5. Malahat Economic Development Ltd. - 100% interest
6. Malahat Forestry (2012) Ltd. - 100% interest
1. Malahat Forestry Services Inc. - 100% interest
2. Malahat Investment Corporation - 100% interest
3. Malahat Land Corporation Ltd. - 100% interest
4. Malahat Nation Land Corporation. - 100% interest
5. Malahat Tenure Holding Ltd. - 100% interest
6. Salish Strait Seafoods Ltd. - 20% interest
7. Malahat Aquaculture Limited Partnership - 99.99% interest
8. Malahat Construction Limited Partnership - 99.99% interest
9. Malahat Forestry (2012) Limited Partnership - 99.99% interest
10. Malahat Land Development Limited Partnership - 99.99% interest
11. Malahat Tenure Holding Limited Partnership - 99.99% interest

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) 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.

(c) Note Receivable

Note receivable is recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on an annual basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

(d) Trust Funds

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act.

Federal trust 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 to 69 of the Indian Act.

Other trust fund consist of debt reserves and prepaid loan payments held by the First Nation Finance Authority in relations to repayment of promissory notes outstanding in the year.

(e) Deferred Revenue

Under the terms of the contribution agreement between the First Nation, ISC and certain other agencies, the First Nation may be liable to repay any contributed funds either not expended or not expended in accordance with the agreement. On the other hand, any deficit, supported by claims eligible for reimbursement under the terms and conditions of the funding agreements, may be reimbursed by the contributor subject to the program's terms and conditions. The First Nation has recorded all known unexpended contribution funds as deferred revenue and/or accounts payable.

(f) Long-term Debt

Loan proceeds related to the financing of tangible capital assets are recorded as revenue in the appropriate fund. The loan amount is also recorded as a liability on the Statement of Financial Position and as a reduction in the Tangible Capital Asset Fund.

Debt payments, including principal and interest, are charged to the fund to which they relate. Principal reductions are reflected as a reduction in the liability with an offsetting increase in the Tangible Capital Assets Fund.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) 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. 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.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Malahat First Nation's incremental cost of borrowing.

Except for assets related to CMHC Housing, which are amortized at a rate equivalent to the annual principal reduction in the related long-term debt, as required by the operating agreement with CMHC, amortization is recorded as a reduction to the Tangible Capital Assets Fund and is provided for using the following methods at rates designed to amortize over the estimated useful life of the assets as follows:

Buildings	20 years Straight line
Automotive equipment	5 years Straight line
Equipment	5 years Straight line
Canoes	15 % Declining balance
Infrastructure	20 years Straight line
Marineside development	20 years Straight line
Culture Centre	20 years Straight line
Boat	5 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

Contributed tangible capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of tangible capital assets from related parties are recorded at carrying value.

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. Assets under construction are not amortized until the asset is available to be put into service.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Revenue Recognition

Government Funding

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

First Nation Capital Revenue Trust Funds

The First Nation recognizes revenues of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Other Trust Funds

The First Nation recognized interest revenue when earned from debt reserves associated with outstanding promissory notes.

Housing Rental Income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

Own Source Revenue

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.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Financial Instruments

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, and any other items elected by the First Nation to be recorded at fair value. All other financial instruments, including financial instruments with related parties for which fair value cannot be estimated, are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issue of a financial instrument are added to the amortized cost or expensed if related to instruments recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss, calculated as the excess of the net recoverable amount of the asset and its carrying value, is reported in the statement of operations and any unrealized gain is adjusted through the statement of remeasurement gains and losses.

When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

The First Nation's financial instruments consist of cash and cash equivalents, marketable securities, accounts receivable, note receivable, funds held in trust, due from and to related entities, accounts payable and accrued liabilities, deferred revenue, promissory notes and long-term debt. Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest, credit or currency risks arising from these financial instruments and the fair value of these financial instruments approximates their carry values.

(j) Measurement Uncertainty

In preparing the consolidated financial statements for the First Nation, management is required 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 consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include allowance for doubtful accounts and amortization. Actual results could differ from these estimates.

(k) Segments

The First Nation conducts its business through a number of operating segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

2. CASH AND CASH EQUIVALENTS

	2018 \$	2017 \$
Externally restricted:		
Operating reserve	31,781	31,744
Replacement reserve	59,977	59,896
Endowment fund	53,357	48,783
	145,115	140,423
Unrestricted:		
Cash and banks	533,146	9,121
Total Cash and Cash Equivalents	678,261	149,544

Externally restricted - Operating Reserve

Under the terms of the agreements with CMHC, excess revenues over expenditures for the Post 1996 phases may be retained in an Operating Reserve. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds may be used to offset future deficits. Withdrawals are credited to interest first and then principal. At the year end, the reserve was over funded by \$204 (2017 over funded by 4,891).

Externally restricted - Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, the replacement reserve account is to be credited in the amount of \$11,040 (2017: \$11,040) annually. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, the reserve was over funded by \$12,753 (2017: over funded by \$17,063).

3. MARKETABLE SECURITIES

The marketable securities consist of guarantee investment certificates (GIC).

	2018 \$	2017 \$
GICs with maturity less than a year and earning interest ranging from 0.50% to 0.55% per annum	316,066	314,208
GICs held as collateral for long-term debt with maturity less than a year and earning interest at 0.50% per annum	19,892	44,686
GICs held as collateral for long-term debt with maturity over a year and earning interest at 1.85% per annum	24,924	-
	360,882	358,894

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

4. ACCOUNTS RECEIVABLE

	2018 \$	2017 \$
Due from members		
Rent	11,984	8,788
Due from Government and other Government Organizations:		
CMHC	12,511	84,496
GST Public Service Bodies' Rebate	28,442	12,123
Fisheries and Oceans Canada	4,488	6,000
Cowichan Regional District	-	31,250
Province of BC	3,500	17,500
Natural Resources Canada	2,250	6,750
Transport Canada	1,319	6,000
	52,510	164,119
Due from others:		
Others	385,771	541,282
	450,265	714,189
Allowance for doubtful accounts	(15,973)	(5,375)
	434,292	708,814

5. NOTE RECEIVABLE

The note to Malahat Investment Corporation, an indirect wholly owned government business enterprise, is due on demand. The note is payable 30 days after demand and bears interest at 3.1% (7% up until December 2017) per annum compounded monthly. There are no fixed terms of principal repayment. Interest shall become due and be paid on the first day of each and every month after the date hereof until the whole of the principal balance of advances made hereunder is paid.

On December 13, 2017, an additional \$20,900,000 was advanced to Malahat Investment Corporation for settlement of the take-back note.

Total interest expense recorded for the year is \$1,091,995 (2017: \$587,007).

	2018 \$	2017 \$
Note receivable	35,473,397	15,023,215
Interest receivable	1,231,681	139,685
	36,705,078	15,162,900

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

6. DUE FROM RELATED ENTITIES

	2018	2017
	\$	\$
Malahat Aquaculture Limited Partnership	725	725
Malahat Aquaculture Ltd.	2,782	2,522
Malahat Business Trust	1,450	1,450
Malahat Construction Limited Partnership	174,914	174,914
Malahat Construction Ltd.	1,995	1,735
Malahat Economic Development Ltd.	25,126	18,619
Malahat Forest (2012) Limited Partnership	-	11,309
Malahat Forestry Ltd.	4,815	4,555
Malahat Land Development Limited Partnership	725	725
Malahat Nation Land Corporation	23,422	16,272
Malahat Tenure Holding Ltd.	17,490	10,529
	253,444	243,355

7. INVESTMENT AND LIABILITY IN GOVERNMENT BUSINESS ENTERPRISES

The Malahat First Nation's investment in government business enterprises consist of the following:

	2018	2017
	\$	\$
Malahat Investment Corporation	(6,412,374)	(63,000)
Malahat Aquaculture Ltd.	(1,797)	(1,797)
Malahat Construction Ltd.	1,019	1,019
Malahat Economic Development Ltd.	(8,557)	(8,557)
Malahat Forestry (2012) Ltd.	(1,328)	(1,328)
Malahat Forestry Services Inc.	2	2
Malahat Land Corporation	1	1
Malahat Nation Land Corporation	(7,659)	(7,659)
Malahat Tenure Holding Ltd.	(5,704)	(5,704)
Salish Strait Seafoods Ltd.	136,406	136,406
	(6,299,991)	49,383

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

7. INVESTMENT AND LIABILITY IN GOVERNMENT BUSINESS ENTERPRISES, continued

As of the date of the Independent Auditor's Report, the financial information for all investments, except for Malahat Investment Corporation, is not available. The financial information of Malahat Investment Corporation for the year ended March 31, 2018 is summarized as below:

	Total Assets \$	Total Liabilities \$	2018 Equity \$	2017 Equity \$
Malahat Investment Corporation	30,378,933	36,791,305	(6,412,372)	(62,998)

	Total Revenue \$	Total Expenses \$	2018 Net Income (Loss) \$	2017 Net Income (Loss) \$
Malahat Investment Corporation	3,368,726	9,718,100	(6,349,374)	536,309

For the year ended March 31, 2018, Malahat Investment Corporation sold five parcels of land totalling \$9,000,000 to Province of British Columbia. The adjusted cost base of the six parcels of land sold were \$15,104,735. After accounting for the related professional fees, the corporation incurred a loss of \$6,155,294. The loss on sale of lands was included as total expenses as presented in the summarized financial information.

8. INVESTMENT AND LIABILITY IN GOVERNMENT BUSINESS PARTNERSHIP

The First Nation's investment in government business partnerships consist of the following:

	2018 \$	2017 \$
Malahat Construction Limited Partnership (MCLP)	41,976	41,976

The First Nation's liability in government business partnerships consist of the following:

	2018 \$	2017 \$
Malahat Construction Limited Partnership (MCLP)	83,994	83,994

As of the date of the Independent Auditor's Report, the financial information is not available for these Limited Partnerships.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2018	2017
	\$	\$
Revenue funds held in trust	485,340	485,340
Capital funds held in trust	5,559	5,101
	490,899	490,441

	2018 Revenue	2018 Capital	2018 Total	2017 Total
	\$	\$	\$	\$
Surplus, beginning of year	5,101	485,340	490,441	490,184
Withdrawals	(11,026)	-	(11,026)	(9,710)
Interest earnings	10,720	-	10,720	9,220
BC Special	764	-	764	747
Surplus, end of year	5,559	485,340	490,899	490,441

10. FUNDS HELD IN TRUST

	2018	2017
	\$	\$
FNFA Secured Revenues Trust Account	4,160,537	2,482,690
FNFA Debt Reserve Fund	1,955,478	832,644
	6,116,015	3,315,334

Funds held in trust are established by the First Nations Finance Authority (FNFA) in the First Nation. Secured Revenues Trust Account, as prescribed in the First Nations Fiscal Management Act and regulations as adapted by the Financing Secured by Other Revenues Regulations, are deposited and used to finance the FNFA Promissory note outstanding in the year (note 15). Interest accrued on deposit for 2018 is \$64,190 (2017: \$16,534.16).

FNFA holds on to 5% of the promissory note in the Debt Reserve Fund. This amount is invested to the credit of the First Nation and will be returned on the maturity of the promissory note. Interest accrued on the deposit for 2018 is \$35,478 (2017: \$12,643).

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
	\$	\$
Accounts payable and accrued liabilities	592,901	495,060
Government remittances	45,125	36,304
Vacation payable	18,264	27,899
	656,290	559,263

The vacation is comprised of the vacation that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

The Malahat First Nation, (the "First Nation") provides a defined contribution plan for eligible members of its staff. Members are required to contribute 5% of their salary and the First Nation is required to match their contribution of 5%. The amount of the retirement benefit to be received by the employees will be the amount of the retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributed during the year \$59,950 (2017: \$49,536) for retirement benefits. The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2018.

12. DEFERRED REVENUE

Deferred revenue represents monies received of which the funds are restricted for specific projects or programs and of which the expenses have not yet been incurred.

	2018	2017
	\$	\$
ISC	2,118,619	921,800
Others	707,849	361,396
	2,826,468	1,283,196

13. DUE TO RELATED ENTITIES

	2018	2017
	\$	\$
Malahat Forestry (2012) Ltd.	17,872	17,653
Malahat Forestry (2012) Limited Partnership	595,890	595,890
Malahat Investment Corporation	2,954,753	1,605,453
	3,568,515	2,218,996

Advances due to related entities are unsecured and without interest or any fixed terms of repayment.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

14. LONG-TERM DEBT

	2018 \$	2017 \$
All Nations Trust Company - repayable at \$2,087 per month including interest at 1.14% per annum. The loan will be renewed on June 1, 2021 and will mature in February 2026. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	189,529	212,279
All Nations Trust Company - Loan advance with interest at 1.40% per annum. The advance does not have terms of repayment until completion of Phase 004 construction project.	604,618	-
Loan advance from Peace Hill Trust has a 15 year term, maturing June 1, 2028. The loan is repayable at \$2,065 per month including interest at 5.50% per annum. The loan is guaranteed by the First Nation Market Housing Fund with a collateral of a GIC for the amount of \$24,924.	197,019	211,514
All Nations Trust Company - repayable at \$2,662 per month including interest at 2.41% per annum. The loan will be renewed on April 1, 2023 and will mature in April 2038. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	508,855	530,021
Loan advance from Peace Hill Trust had a 5 year term, maturing November 1, 2020. The loan was repayable at \$1,619 per month including interest at 3.95% per annum. The loan was paid out in July 2017.	-	295,481
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program had been earned by the First Nation over 3 years at the rate of \$235 per month beginning on April 1, 2015. The loan was fully forgiven in the year.	-	2,816
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 2 years at the rate of \$622 per month beginning on August 1, 2016. The unearned forgivable loan plus interest at 5.25% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on August 1, 2018.	2,488	9,951
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$585 per month beginning on April 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on April 1, 2020.	14,047	21,071
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 2 years at the rate of \$590 per month beginning on August 1, 2016. The unearned forgivable loan plus interest at 5.25% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on August 1, 2018.	2,359	9,436

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

14. LONG-TERM DEBT, continued

	2018 \$	2017 \$
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$507 per month beginning on April 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on April 1, 2020.	12,167	18,250
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$874 per month beginning on September 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on September 1, 2020.	26,223	7,867
Loan advance from CMHC On-Reserve Residential Rehabilitation Assistance Program will be earned by the First Nation over 3 years at the rate of \$542 per month beginning on September 1, 2017. The unearned forgivable loan plus interest at 3.375% per annum will become due and payable if the First Nation sells or transfers the property before the maturity date on September 1, 2020.	16,248	4,875
Loan advance from CMHC On-Reserve Home Adaptions for Seniors Independence Program will be earned by the First Nation in full after 6 months beginning on January 15, 2018. The unearned forgivable loan will become due and payable if the First Nation sells or transfers the property before the maturity date on July 15, 2018.	7,600	-
Loan advance from CMHC On-Reserve Home Adaptions for Seniors Independence Program had been earned by the First Nation in full after 6 months beginning on December 2, 2016. The loan was fully forgiven in the year.	-	9,900
	1,581,153	1,333,461
Principal portion of long-term debt due within the next five years:		
2019	99,732	
2020	88,839	
2021	68,853	
2022	62,036	
2023 and thereafter	1,261,693	
	1,581,153	

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

15. PROMISSORY NOTES

The promissory notes are provided by First Nation Finance Authority as follow:

	2018 \$	2017 \$
The note is due on demand without principal repayment and interest is payable monthly at 3.35% per annum.	22,000,000	-
The note has a 25 year term, maturing on June 24, 2024. The note is repayable at \$18,285 principal per month with interest payable monthly at 2.985% per annum.	7,379,982	7,611,073
The note has a 25 year term, maturing on June 24, 2024. The note is repayable at \$19,200 principal per month with interest payable monthly at 2.900% per annum.	7,991,626	8,227,204
	37,371,608	15,838,277

During the year, the Malahat First Nation paid \$694,956 (2017: \$474,202) of interest on these promissory notes.

Principal portion of promissory notes due within the next five years:

2019	449,820
2020	449,820
2021	449,820
2022	449,820
2023 and thereafter	35,572,328

16. ACCUMULATED SURPLUS

	2018 \$	2017 \$
Restricted		
Ottawa Trust Fund	490,899	490,441
Housing Reserves	78,801	69,686
	569,700	560,127
Unrestricted		
Net invested in tangible capital assets	4,991,433	2,235,967
Operations	(6,257,775)	10,190
	(1,266,342)	2,246,157
	(696,642)	2,806,284

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

17. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated amortization				
	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$	Balance, beginning of year \$	Additions \$	Accumulated amortization on disposals \$	Balance, end of year \$	2018 net book value \$
Buildings	1,851,519	-	-	1,851,519	646,307	81,322	-	727,629	1,123,890
Automotive equipment	72,575	-	-	72,575	7,257	14,515	-	21,772	50,803
Equipment	62,114	45,964	-	108,078	33,825	17,019	-	50,844	57,234
Canoes	13,025	1,801	-	14,826	10,907	453	-	11,360	3,466
Infrastructure	558,406	-	-	558,406	259,232	27,921	-	287,153	271,253
Social housing	1,134,490	-	-	1,134,490	318,939	43,915	-	362,854	771,636
Construction in progress	381,660	3,206,263	-	3,587,923	-	-	-	-	3,587,923
Marineside development	70,678	-	-	70,678	8,835	3,534	-	12,369	58,309
Culture Centre	604,081	-	-	604,081	74,891	30,204	-	105,095	498,986
Boat	203,704	6,250	-	209,954	20,370	41,366	-	61,736	148,218
	4,952,252	3,260,278	-	8,212,530	1,380,563	260,249	-	1,640,812	6,571,718

	Cost				Accumulated amortization				
	Balance, beginning of year \$	Additions \$	Disposals \$	Balance, end of year \$	Balance, beginning of year \$	Amortization \$	Accumulated amortization on disposals \$	Balance, end of year \$	2017 Net book value \$
Buildings	1,851,519	-	-	1,851,519	564,985	81,322	-	646,307	1,205,212
Automotive equipment	11,000	72,575	(11,000)	72,575	9,900	7,257	(9,900)	7,257	65,318
Equipment	30,682	31,432	-	62,114	29,357	4,468	-	33,825	28,289
Canoes	13,025	-	-	13,025	10,533	374	-	10,907	2,118
Infrastructure	523,926	34,480	-	558,406	232,174	27,058	-	259,232	299,174
Social housing	1,134,490	-	-	1,134,490	276,016	42,923	-	318,939	815,551
Construction in progress	-	381,660	-	381,660	-	-	-	-	381,660
Marineside development	70,678	-	-	70,678	5,301	3,534	-	8,835	61,843
Culture Centre	604,081	-	-	604,081	44,687	30,204	-	74,891	529,190
Boat	-	203,704	-	203,704	-	20,370	-	20,370	183,334
	4,239,401	723,851	(11,000)	4,952,252	1,172,953	217,510	(9,900)	1,380,563	3,571,689

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

18. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the management.

19. EXPENSES BY OBJECT

	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$
Amortization	-	260,249	217,511
Communications and utilities	7,000	8,084	12,406
Construction cost	3,000,216	344,862	395,313
Education related expenses	282,663	304,624	337,849
Honorariums	-	75	750
Insurance	73,500	76,630	60,176
Interest and bank charges	720,000	728,374	516,737
Materials and supplies	78,005	74,949	124,001
Other expense	317,462	383,651	305,087
Per capita distribution	35,000	31,100	30,000
Professional development	-	12,205	28,197
Professional fees	2,054,149	371,654	348,342
Program delivery	595,732	45,149	24,986
Repairs and maintenance	76,361	64,703	112,866
Social assistance programs delivery	238,131	192,392	135,190
Travel	49,500	26,364	46,969
Wages and benefits	2,520,098	2,164,104	1,915,029
		5,089,169	4,611,409

20. RELATED PARTY TRANSACTIONS

During the year, the Malahat First Nation charged Malahat Investment Corporation \$281,093 (2017: \$408,693) in management and accounting services provided and \$1,091,995 (2017: \$587,007) in interest on an intercompany loan. Malahat Investment Corporation donated \$5,000 to the Gala event. These transactions are in the normal course of operations and are measured at the exchange value which approximates the arm's length equivalent value for services rendered.

21. ECONOMIC DEPENDENCE

The Malahat First Nation receives a significant portion of its revenue pursuant to a funding agreement with ISC. The nature and extent of this revenue is of such significance that the Malahat First Nation is economically dependent on this source of revenue.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

22. CONTINGENCIES

The following contingencies existed as at March 31, 2018:

a) ISC provides Ministerial Guarantees for loans to the Malahat First Nation and individual Band members in the amount of \$2,689,227 with an outstanding balance of \$1,303,002.

b) Royal Bank of Canada credit facilities to qualified members of the Malahat First Nation with total advances not to exceed \$750,000. Funding under this program is restricted to the purchase, construction or improvement of housing on the Reserve or to refinance loans advanced by another financial institution for that purpose. The Malahat First Nation is required to provide a separate guarantee for each qualified borrower. As at the date of the Independent Auditor's Report, the Malahat First Nation had provided a guarantee for one loan with a balance of \$209,786.

c) An action against the Malahat First Nation has been brought by Pacific Coast Forest Management and others for the amount of \$329,760 plus interest and costs. The Malahat First Nation has defended this action and has commenced a third party claim against the Government of Canada in respect of this matter. The likelihood and potential amount of loss associated with this claim is unknown. This claim commenced on July 27, 2010 and no steps have been taken since an Examination for Discovery on March 6, 2013.

d) On March 18, 2016, April 22, 2016, and January 16, 2018, Notices of Civic Claim had been filed against the Malahat Investment Corporation ("Company") by former employees for wrongful dismissal. We are unable to determine any subsequent actions or costs that may affect the Company at the date of the audit report.

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

23. SEGMENTED INFORMATION

The Malahat First Nation provides a wide variety of services to its members. For segment disclosure, these services are grouped and reported under service areas that are responsible for providing such services.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

The accounting policies used in these segments are consistent with those in the preparation of the consolidated financial statements as follows:

	Indian Government Services			Treaty Negotiation			Health		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	335,973	335,973	349,281	-	-	-	-	-	-
First Nation Health Authority	-	-	-	-	-	-	8,802	8,802	8,343
Funding from First Nation Organizations	-	-	15,000	-	-	-	-	-	-
Other revenue	139,339	488,042	487,290	-	-	-	-	9,080	4,534
Total revenue	475,312	824,015	851,571	-	-	-	8,802	17,882	12,877
Expenses									
Wages and benefits	1,101,528	1,099,026	837,406	-	-	-	8,362	8,182	7,928
Professional fees	177,113	165,594	156,682	-	-	-	-	-	-
Travel	41,000	15,029	23,574	-	-	-	-	566	231
Repairs and maintenance	-	470	980	-	-	-	-	-	-
Interest and bank charges	5,000	5,246	3,989	-	-	-	-	-	-
Per capita distribution	35,000	31,100	30,000	-	-	-	-	-	-
Other expenses	139,961	434,513	366,282	-	-	-	440	9,134	4,718
Total expenses	1,499,602	1,750,978	1,418,913	-	-	-	8,802	17,882	12,877
Annual surplus (deficit)	(1,024,290)	(926,963)	(567,342)	-	-	-	-	-	-

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

23. SEGMENTED INFORMATION, continued

	2018 Budget	Housing 2018 Actual	2017 Actual	Education, Employment and Training			Social Development		
				2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	384,032	384,032	139,000	453,221	453,221	449,014	223,202	223,202	221,446
Canada Mortgage and Housing Corporation	596,423	42,577	142,878	20,252	24,152	53,433	-	-	-
First Nation Health Authority	-	-	-	-	-	1,000	-	-	-
Province of BC	-	-	-	-	-	-	30,000	30,000	-
Funding from First Nation Organizations	-	-	-	184,219	182,968	188,200	-	-	-
Rental income	74,630	71,990	89,972	-	-	2,500	-	-	-
Other revenue	152,416	(162,404)	(26,416)	207,733	226,862	250,493	57,512	(2,842)	(38,029)
Total revenue	1,207,501	336,195	345,434	865,425	887,203	944,640	310,714	250,360	183,417
Expenses									
Wages and benefits	449,655	215,477	167,155	21,252	274,453	385,803	35,361	77,541	30,545
Professional fees	-	5,170	4,893	-	18,107	12,392	-	-	3,000
Social assistance programs delivery	-	-	-	-	-	-	238,131	192,392	135,190
Travel	-	398	8	-	2,633	7,918	-	990	2,774
Repairs and maintenance	32,000	8,817	37,703	-	4	141	-	-	-
Education related expenses	-	-	-	282,663	304,624	337,849	-	-	-
Interest and bank charges	15,000	25,065	36,705	-	2,861	1,760	-	-	-
Other expenses	698,216	264,003	369,540	561,510	208,520	130,259	37,222	7,202	13,803
Total expenses	1,194,871	518,930	616,004	865,425	811,202	876,122	310,714	278,125	185,312
Annual surplus (deficit)	12,630	(182,735)	(270,570)	-	76,001	68,518	-	(27,765)	(1,895)

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

23. SEGMENTED INFORMATION, continued

	Economic Development			Community Infrastructure			Ottawa Trust Fund		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	244,304	244,304	294,378	3,657,199	3,657,199	386,052	-	-	-
Fisheries and Oceans Canada	44,880	44,880	50,880	-	-	-	-	-	-
Province of BC	35,000	35,000	263,784	450,000	450,000	5,000	-	-	-
Rental income	25,000	27,980	-	-	-	-	-	-	-
Other revenue	2,338,649	(3,850,583)	2,025,006	385,031	(1,360,834)	(55,362)	-	11,484	9,966
Total revenue	2,687,833	(3,498,419)	2,634,048	4,492,230	2,746,365	335,690	-	11,484	9,966
Expenses									
Wages and benefits	424,610	366,463	380,135	479,330	122,962	106,057	-	-	-
Professional fees	376,977	89,969	26,033	1,500,059	92,814	145,342	-	-	-
Travel	7,500	3,831	9,805	1,000	2,917	2,658	-	-	-
Repairs and maintenance	2,500	3,399	4,690	41,861	46,338	68,690	-	-	-
Interest and bank charges	700,000	695,001	474,252	-	201	31	-	-	-
Other expenses	161,746	164,394	172,662	2,472,820	106,007	80,017	-	11,026	9,709
Total expenses	1,673,333	1,323,057	1,067,577	4,495,070	371,239	402,795	-	11,026	9,709
Annual surplus (deficit)	1,014,500	(4,821,476)	1,566,471	(2,840)	2,375,126	(67,105)	-	458	257

MALAHAT FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2018

23. SEGMENTED INFORMATION, continued

	Housing Reserves			Consolidated totals		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
	\$	\$	\$	\$	\$	\$
Revenues						
Indigenous Services Canada	-	-	-	5,297,931	5,297,931	1,839,171
Canada Mortgage and Housing Corporation	-	-	-	616,675	66,729	196,311
Fisheries and Oceans Canada	-	-	-	44,880	44,880	50,880
First Nation Health Authority	-	-	-	8,802	8,802	9,343
Province of BC	-	-	-	515,000	515,000	268,784
Funding from First Nation Organizations	-	-	-	184,219	182,968	203,200
Rental income	-	-	-	99,630	99,970	92,472
Other revenue	-	11,158	11,079	3,280,680	(4,630,037)	2,668,561
Total revenue	-	11,158	11,079	10,047,817	1,586,243	5,328,722
Expenses						
Wages and benefits	-	-	-	2,520,098	2,164,104	1,915,029
Professional fees	-	-	-	2,054,149	371,654	348,342
Social assistance programs delivery	-	-	-	238,131	192,392	135,190
Travel	-	-	-	49,500	26,364	46,968
Repairs and maintenance	-	5,675	662	76,361	64,703	112,866
Withdrawal	-	-	-	282,663	304,624	337,849
Interest and bank charges	-	-	-	720,000	728,374	516,737
Per capita distribution	-	-	-	35,000	31,100	30,000
Other expenses	-	1,055	21,438	4,071,915	1,205,854	1,168,428
Total expenses	-	6,730	22,100	10,047,817	5,089,169	4,611,409
Annual surplus (deficit)	-	4,428	(11,021)	-	(3,502,926)	717,313