

MALAHAT NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2020

MALAHAT NATION

CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

INDEPENDENT AUDITOR'S REPORT

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MALAHAT NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING MARCH 31, 2020

The accompanying consolidated financial statements of Malahat First Nation and all for the year ended March 31, 2020 are the responsibility of management and have been approved by the Chief and Council.

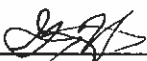
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgement. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Malahat First Nation maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the Nation's assets are appropriately accounted for and adequately safeguarded.

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

The Chief and Council review the Nation's financial statements and recommend their approval. The Chief and Council meet 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 financial statements and the external auditor's report. (The Chief and Council take this information into consideration when approving the financial statements for issuance to the Members. The Chief and Council also consider the engagement of the external auditors.)

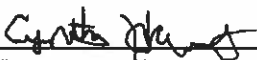
The consolidated financial statements have been audited by Reid Hurst Nagy Inc. in accordance with Canadian generally accepted auditing standards on behalf of their members. Reid Hurst Nagy Inc. has full access to Chief and Council. Reid Hurst Nagy Inc. have full and free access to the management for information purposes.



Chief

7/31/2020

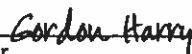
Date



Councilor

7/31/2020

Date



Councilor

7/31/2020

Date



Councilor

7/31/2020

Date



Director of Finance

7/31/2020

Date

Independent Auditor's Report

To the Members of
Malahat Nation

Qualified Opinion

We have audited the consolidated financial statements of Malahat Nation, which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of revenue, expenses and accumulated surplus, change in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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 the First Nation as at March 31, 2020, and the results of its consolidated operations, its changes in its consolidated net debt, and its consolidated cash flows for the year then ended in accordance with PSAS.

Basis for Qualified Opinion

The financial information for certain government business enterprises and partnerships are not available and have not been accounted for in the consolidated financial statements for the current year and prior years. In this respect, the financial statements are not in accordance with Canadian public sector accounting standards. We were not able to determine the adjustments that might have been necessary to investment in government business enterprises, liability in government enterprises, investment in government business partnerships, liability in government business partnerships, income (loss) from the government business enterprises, income (loss) from the government business partnerships, due to and from government business enterprises, due to and from government business partnerships, and the enterprises fund balance. Our basis for qualification is consistent with the qualified opinion issued on the Independent Auditor's Report dated January 23, 2020 for the March 31, 2019 consolidated financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the 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 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 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.

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.

Auditor's Responsibilities for the Audit of the Consolidated 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 financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the 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.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Reid Hurst Nagy Inc.


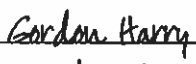

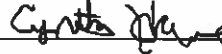

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS
VANCOUVER, B.C.
July 31, 2020

MALAHAT NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

	2020 \$	2019 \$
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	219,174	-
Portfolio investments (Note 3)	106,284	362,693
Accounts receivable (Note 4)	463,354	2,046,471
Note receivable (Note 5)	37,976,925	37,347,974
Due from related entities (Note 6)	1,491,328	163,312
Investment in Government Business Enterprises (Note 7)	137,427	137,427
Investment in government business partnerships (Note 8)	41,976	41,976
Federal trust funds (Note 9)	2,099	491,546
Funds held in trust (Note 10)	5,309,220	5,034,097
	45,747,787	45,625,496
LIABILITIES		
Bank indebtedness (Note 2)	-	610,779
Bank demand loan (Note 11)	-	300,000
Accounts payable and accrued liabilities (Note 12)	1,309,259	879,653
Deferred revenue (Note 13)	1,011,870	2,379,580
Due to related entities (Note 14)	6,996,320	4,796,041
Liability in Government Business Enterprises (Note 7)	7,333,840	6,895,780
Liability in Government Business Partnerships (Note 8)	83,994	83,994
Long-term debt (Note 15)	2,481,663	2,250,509
Promissory notes (Note 16)	39,695,851	36,890,939
Capital lease obligation (Note 17)	23,645	-
	58,936,442	55,087,275
NET DEBT	(13,188,655)	(9,461,779)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 18)	16,211,394	10,627,169
Prepaid expenses	26,039	58,858
	16,237,433	10,686,027
ACCUMULATED SURPLUS (Note 19)	3,048,778	1,224,248

APPROVED ON BEHALF OF THE MALAHAT NATION

 , Chief	 , Councilor
 , Councilor	 , Councilor
 , Director of Finance	

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT FOR THE YEAR ENDED MARCH 31, 2020

	2020 Budget	2020 Actual	2019
	\$	\$	\$
ANNUAL SURPLUS	(3,601,006)	1,824,530	1,968,111
Acquisition of tangible capital assets	-	(9,336,973)	(6,303,237)
Amortization of tangible capital assets	-	468,457	302,943
Uses of construction in progress	-	3,284,291	1,468,882
Disposition of net tangible capital assets	-	-	475,961
	-	(5,584,225)	(4,055,451)
Acquisition of prepaid assets	-	(26,039)	(58,858)
Use of prepaid assets	-	58,858	38,812
	-	32,819	(20,046)
DECREASE IN NET FINANCIAL ASSETS	(3,601,006)	(3,726,876)	(2,107,386)
NET DEBT, BEGINNING OF YEAR	-	(9,461,779)	(7,354,393)
NET DEBT, END OF YEAR	-	(13,188,655)	(9,461,779)

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

CONSOLIDATED SUMMARY STATEMENT OF REVENUE, EXPENSES AND ACCUMULATED SURPLUS FOR THE YEAR ENDED MARCH 31, 2020

	2020 Budget \$	2020 Actual \$	2019 Actual \$
REVENUE			
Indigenous Services Canada	1,584,723	1,640,785	2,546,999
ISC - Recovery	(10,000)	(67,591)	(30,289)
Canada Mortgage and Housing Corporation	423,133	116,722	80,625
Fisheries and Oceans Canada	-	299,840	44,880
First Nation Health Authority	838,997	853,615	2,050,512
Natural Resources Canada	-	108,874	83,725
Human Resources and Skills Development Canada	-	23,495	-
Ottawa Trust Fund	485,399	6,182	11,886
Province of BC	330,000	448,000	87,000
Gaming revenue	317,175	315,439	-
Funding from First Nation Organizations	250,452	272,152	134,101
Net income (loss) from Government Business Enterprises	-	(425,060)	(448,361)
Loss on disposal of tangible capital	-	-	52,885
Other Revenue	2,282,441	3,788,036	2,694,295
Rental income	124,640	163,921	158,654
Deferred revenue - prior year	2,119,385	2,379,580	2,873,692
Deferred revenue - current year	(186,490)	(1,011,870)	(2,379,580)
	8,559,855	8,912,120	7,961,024
EXPENSES			
Indian Government Services	1,364,144	1,917,269	1,860,546
Health	752,152	582,363	261,982
Housing	1,239,902	300,285	364,998
Education, Employment and Training	944,969	1,003,076	852,395
Social Development	702,468	680,822	351,750
Economic Development	2,102,613	2,121,026	1,976,261
Community Infrastructure	4,195,074	277,723	235,175
Ottawa Trust Fund	485,339	-	-
Housing Reserves	-	5,223	928
Environment and sustainable development	374,200	199,804	88,878
	12,160,861	7,087,591	5,992,913
ANNUAL SURPLUS	(3,601,006)	1,824,530	1,968,111
ACCUMULATED SURPLUS (DEFICIT), BEGINNING OF YEAR	-	1,224,248	(743,863)
ACCUMULATED SURPLUS, END OF YEAR	(3,601,006)	3,048,778	1,224,248

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

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

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Annual surplus (deficit)	1,824,530	1,968,111
Items not affecting cash		
Amortization	468,457	302,943
Gain on disposal of tangible capital assets	-	(52,885)
	2,292,987	2,218,169
Change in non-cash items on statement of financial position		
Accounts receivable	1,583,117	(1,613,254)
Prepaid expenses	32,819	(20,046)
Accounts payable and accrued liabilities	429,605	224,443
Deferred revenue	(1,367,710)	(494,112)
Federal trust fund	489,446	(647)
	3,460,264	314,553
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(6,052,681)	(4,305,511)
FINANCING ACTIVITIES		
Due from related entities	(1,328,016)	90,132
Due to related entities	2,200,279	1,227,526
Principal repayment on long-term debt	(123,652)	(81,958)
Proceed from long-term debt	354,807	751,314
Proceed from promissory notes	3,300,000	-
Bank demand loan	(300,000)	300,000
Principal repayment on promissory notes	(495,089)	(480,669)
Funds held in trust	(275,122)	1,081,918
Proceeds from capital lease	27,459	-
Principal repayment on capital lease	(3,814)	-
	3,356,852	2,888,263
INVESTING ACTIVITIES		
Investment in Government Business Enterprises	438,060	458,362
Note receivable	(628,951)	(642,896)
Portfolio investments	256,409	(1,811)
	65,518	(186,345)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	829,953	(1,289,040)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	(610,779)	678,261
CASH AND CASH EQUIVALENTS, END OF YEAR	219,174	(610,779)

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

1.i NATURE OF OPERATIONS

Malahat 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.

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

(a) 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 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. Yos Economic Development Ltd. - 100% interest
6. Malahat Forestry (2012) Ltd. - 100% interest
7. Malahat Investment Corporation - 100% interest
8. Malahat Nation Land Corporation - 100% interest
9. Malahat Tenure Holding Ltd. - 100% interest
10. Malahat Hazelwood Construction Ltd. - 51% interest
11. Salish Strait Seafoods Ltd. - 20% interest
12. Malahat Aquaculture Limited Partnership - 99.99% interest
13. Malahat Construction Limited Partnership - 99.99% interest
14. Malahat Forestry (2012) Limited Partnership - 99.99% interest
15. Malahat Land Development Limited Partnership - 99.99% interest
16. Malahat Tenure Holding Limited Partnership - 99.99% interest
17. Yos Economic Development LP - 100% interest

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

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 NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

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 Nation's incremental cost of borrowing.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

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.

(i) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to finance 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 assets and prepaid expenses.

(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.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(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.

(l) Liability for contaminated sites

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) Malahat Nation is directly responsible or accepts responsibility
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

As at March 31, 2019 and 2020, no liability for contaminated sites has been recorded.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

2. CASH AND CASH EQUIVALENTS

	2020 \$	2019 \$
Externally restricted:		
Operating reserve	100,981	26,949
Replacement reserve	42,441	173
Endowment fund	18,327	5,295
	161,749	32,417
Unrestricted:		
Cash and cash equivalents	57,425	-
Bank indebtedness	-	(643,196)
	57,425	(643,196)
Total Cash and Cash Equivalents (Bank Indebtedness)	219,174	(610,779)

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 \$26,683 (2019: under funded by \$45,172).

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 \$20,940 (2019: \$12,390) 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 under funded by \$36,893 (2019: under funded by \$58,709).

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

3. PORTFOLIO INVESTMENTS

The portfolio investments consist of guarantee investment certificates (GIC) and investment in BC FN Gaming Revenue Sharing Limited Partnership , of which the Nation is a limited partner.

	2020 \$	2019 \$
GICs with maturity less than a year and earning interest at 1.55% per annum (2019: 1.00% per annum)	61,058	317,777
GICs held as collateral for long-term debt with maturity less than a year and earning interest at 1.25% per annum (2019: 1.00% per annum)	20,192	19,992
GICs held as collateral for long-term debt with maturity in May 2022 and earning interest at 1.85% per annum	24,924	24,924
BC FN Gaming revenue Sharing Limited Partnership. Measured at cost.	110	-
	106,284	362,693

4. ACCOUNTS RECEIVABLE

	2020 \$	2019 \$
Due from members		
Rent	44,260	44,316
Due from Government and other Government Organizations:		
Indigenous Services Canada	35,398	733,894
Natural Resources Canada	7,289	121,060
GST Public Service Bodies' Rebate	7,081	32,422
Canada Mortgage and Housing Corporation	9,192	28,697
Ministry of Indigenous Relations and Reconciliation	-	12,500
Fisheries and Oceans Canada	28,083	8,976
Province of BC	41,077	-
First Nation Health Authority	272	667,866
	128,392	1,605,415
Due from others:		
Others	312,321	440,685
	498,208	2,090,416
Allowance for doubtful accounts	(34,854)	(43,945)
	463,354	2,046,471

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

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% per annum calculated 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.

Total interest income recorded for the year is \$1,078,768 (2019: \$1,092,713).

	2020	2019
	\$	\$
Note receivable	34,573,763	35,023,580
Interest receivable	3,403,162	2,324,394
	37,976,925	37,347,974

6. DUE FROM RELATED ENTITIES

	2020	2019
	\$	\$
Malahat Aquaculture Limited Partnership	725	725
Malahat Aquaculture Ltd.	2,782	2,782
Malahat Business Trust	1,450	1,450
Malahat Construction Limited Partnership	74,914	74,914
Malahat Construction Ltd.	2,254	2,254
Malahat Economic Development Ltd.	1,363,429	26,463
Malahat Forestry Ltd.	5,345	5,076
Malahat Land Development Limited Partnership	725	725
Malahat Nation Land Corporation	39,704	31,173
Malahat Tenure Holding Ltd.	-	17,750
	1,491,328	163,312

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

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

7. INVESTMENT (LIABILITY) IN GOVERNMENT BUSINESS ENTERPRISES

The Malahat Nation's investment (liability) in government business enterprises consist of the following:

	2020 \$	2019 \$
Investment in government business enterprises		
Malahat Construction Ltd.	1,018	1,018
Malahat Forestry (2012)) Ltd.	2	2
Malahat Land Corporation	1	1
Salish Strait Seafoods Ltd.	136,406	136,406
	137,427	137,427
Liability in government business enterprises		
Malahat Investment Corporation	(7,308,796)	(6,870,735)
Malahat Aquaculture Ltd.	(1,797)	(1,797)
Malahat Economic Development Ltd.	(8,557)	(8,557)
Malahat Forestry (2012) Ltd.	(1,327)	(1,327)
Malahat Nation Land Corporation	(7,659)	(7,659)
Malahat Tenure Holding Ltd.	(5,704)	(5,704)
	(7,333,840)	(6,895,780)

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, 2020 is summarized as below:

	Total Assets \$	Total Liabilities \$	2020 Equity \$	2019 Equity \$
Malahat Investment Corporation	30,795,059	38,103,853	(7,308,794)	(6,870,733)

	Total Revenue \$	Total Expenses \$	2020 Net Income (Loss) \$	2019 Net Income (Loss) \$
Malahat Investment Corporation	1,688,104	2,126,165	(438,061)	(458,361)

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

8. INVESTMENT AND LIABILITY IN GOVERNMENT BUSINESS PARTNERSHIP

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

	2020	2019
	\$	\$
Malahat Forestry (2012) Limited Partnership (MFLP)	41,976	41,976

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

	2020	2019
	\$	\$
Malahat Construction Limited Partnership (MCLP)	83,994	83,994

9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2020	2019
	\$	\$
Capital funds held in trust	1	485,340
Revenue funds held in trust	2,098	6,206
	2,099	491,546

	2020 Revenue	2020 Capital	2020 Total	2019 Total
	\$	\$	\$	\$
Surplus, beginning of year	6,206	485,340	491,546	490,899
Withdrawals	(10,290)	(485,339)	(495,629)	(11,239)
Interest earnings	5,401	-	5,401	11,120
BC Special	781	-	781	766
Surplus, end of year	2,098	1	2,099	491,546

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

10. FUNDS HELD IN TRUST

	2020	2019
	\$	\$
FNFA Secured Revenues Trust Account	3,056,433	3,015,635
FNFA Debt Reserve Fund	2,252,787	2,018,462
	5,309,220	5,034,097

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 16). Interest accrued on deposit for 2020 is \$64,331 (2019: \$88,300).

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 2020 is \$83,869 (2019: \$66,601).

11. BANK DEMAND LOAN

The Nation has drawn from their Royal Bank of Canada line of credit in the prior year. The loan was interest bearing at prime plus 2% per annum. The loan was fully repaid in the year.

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
	\$	\$
Accounts payable and accrued liabilities	1,248,748	835,234
Government remittances	35,170	24,496
Vacation payable	25,341	19,923
	1,309,259	879,653

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 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 \$72,692 (2019: \$45,291) for retirement benefits. The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2020.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

13. 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.

	2020	2019
	\$	\$
Indigenous Services Canada	399,247	1,090,627
First Nation Health Authority	275,269	921,639
Canadian Housing Mortgage Corporation - Replacement Reserve	79,334	58,881
Other	258,020	308,433
	1,011,870	2,379,580

14. DUE TO RELATED ENTITIES

	2020	2019
	\$	\$
Malahat Forestry (2012) Ltd.	17,872	17,872
Malahat Forestry (2012) Limited Partnership	595,890	595,890
Malahat Investment Corporation	5,065,969	4,182,279
Malahat Tenure Ltd.	1,316,589	-
	6,996,320	4,796,041

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

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

15. LONG-TERM DEBT

	2020 \$	2019 \$
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.	143,249	166,519
All Nations Trust Company - repayable at \$3,644 per month including interest at 2.21% per annum. The loan will be renewed on February 1, 2024 and will mature in February 2044. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	749,870	775,377
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.	468,663	489,074
All Nations Trust Company - repayable at \$3,269 per month including interest at 1.83% per annum. The loan will be renewed on December 1, 2024 and will mature in December 2044. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	768,458	592,115
All Nations Trust Company - Loan advance with interest at 0.47% per annum. The advance does not have terms of repayment until completion of the Phase 006 construction project.	183,711	-
Loan advance from Peace Hill Trust has a 15 year term, maturing June 1, 2028 and will be renewed on May 1, 2023. 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.	167,712	183,590
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 loan was fully forgiven in the year.	-	7,024
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 loan was fully forgiven in the year.	-	6,083
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 loan was assessed to have been fully forgiven in the year.	-	20,978
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 loan was assessed to have been fully forgiven in the year.	-	9,749

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

15. LONG-TERM DEBT, continued

	2020	2019
	\$	\$
	2,481,663	2,250,509

Principal portion of long-term debt due within the next five years:

2021	113,172	
2022	115,930	
2023	118,776	
2024	121,714	
2025 and thereafter	2,012,071	
	2,481,663	

	2020	2019
	\$	\$
Interest expense for the year on long-term debt	55,622	42,332

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

16. PROMISSORY NOTES

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

	2020	2019
	\$	\$
First Nation Finance Authority:		
The note is due on demand without principal repayment and interest is payable monthly at 3.65% per annum. The loan matures on June 1, 2028.	22,000,000	22,000,000
The note has a 25 year term, maturing on June 26, 2024. The note is repayable at \$18,285 principal per month with interest payable monthly at 2.985% per annum.	6,896,794	7,141,958
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.	7,499,057	7,748,981
The note is due on demand without principal repayment and interest is payable monthly at 2.45% per annum.	3,000,000	-
Malahat Investment Corporation:		
Note payable to Malahat Investment Corporation is due on demand without principal repayment and bears interest at 5% per annum. The note was fully paid off subsequent to the year-end.	300,000	-
	39,695,851	36,890,939

During the year, the Malahat Nation paid \$1,309,038 (2019: \$1,265,108) of interest on these promissory notes.

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

2021	3,449,817
2022	449,817
2023	449,817
2024	449,817
2025 and thereafter	34,896,583

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

17. CAPITAL LEASE OBLIGATION

	2020	2019
	\$	\$
Kubota Tractor Lease - repayable at \$381 monthly payments bearing no interest. The loan will mature in May 2025. It is secured by the underlining tractor.	23,645	-
Principal portion of capital lease obligation due within the next five years:		
2021	4,577	-
2022	4,577	-
2023	4,577	-
2024	4,577	-
2025 and thereafter	5,337	-
	23,645	-

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

18. TANGIBLE CAPITAL ASSETS

The construction project for CMHC Phase 005 housing, a multi-use building, and other small projects has been completed and amortized during the fiscal year. The construction in progress for current fiscal year represents construction of CMHC Phase 006, a sanitary pump and others.

	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	2020 net book value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings	3,254,639	6,480,497	-	9,735,136	777,924	153,174	-	931,098	8,804,038
Automotive equipment	97,575	92,364	-	189,939	38,787	19,515	-	58,302	131,637
Equipment	155,326	338,701	-	494,027	77,185	31,065	-	108,250	385,777
Canoes	14,826	-	-	14,826	11,880	442	-	12,322	2,504
Infrastructure	847,832	12,008	-	859,840	322,309	42,691	-	365,000	494,840
Social housing	2,390,059	1,305,669	-	3,695,728	407,858	141,264	-	549,122	3,146,606
Construction in progress	4,873,071	1,046,355	(3,250,372)	2,669,054	-	-	-	-	2,669,054
Marineside development	70,678	-	-	70,678	15,903	3,533	-	19,436	51,242
Culture Centre	604,081	-	-	604,081	135,299	30,204	-	165,503	438,578
Boat	209,954	-	-	209,954	103,727	41,991	-	145,718	64,236
Tractor under capital lease	-	27,459	-	27,459	-	4,577	-	4,577	22,882
	12,518,041	9,303,053	(3,250,372)	18,570,722	1,890,872	468,456	-	2,359,328	16,211,394

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

	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	2019 Net book value
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Buildings	1,851,519	1,931,966	(528,846)	3,254,639	727,629	103,179	(52,884)	777,924	2,476,715
Automotive equipment	72,575	25,000	-	97,575	21,772	17,015	-	38,787	58,788
Equipment	108,078	47,248	-	155,326	50,844	26,341	-	77,185	78,141
Canoes	14,826	-	-	14,826	11,360	520	-	11,880	2,946
Infrastructure	558,406	289,426	-	847,832	287,153	35,156	-	322,309	525,523
Social housing	1,134,490	1,255,569	-	2,390,059	362,854	45,004	-	407,858	1,982,201
Construction in progress	3,587,923	2,754,030	(1,468,882)	4,873,071	-	-	-	-	4,873,071
Marineside development	70,678	-	-	70,678	12,369	3,534	-	15,903	54,775
Culture Centre	604,081	-	-	604,081	105,095	30,204	-	135,299	468,782
Boat	209,954	-	-	209,954	61,736	41,991	-	103,727	106,227
	8,212,530	6,303,239	(1,997,728)	12,518,041	1,640,812	302,944	(52,884)	1,890,872	10,627,169

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

19. ACCUMULATED SURPLUS

	2020 \$	2019 \$
Restricted		
Ottawa Trust Fund	2,099	491,546
Housing Reserves	34,040	47,050
	36,139	538,596
Unrestricted		
Net invested in tangible capital assets	13,716,367	8,391,302
Operations	(10,703,728)	(7,705,650)
	3,012,639	685,652
	3,048,778	1,224,248

20. PRIOR PERIOD RESTATEMENT

The comparatives had been restated to reflect the recognition of deferred revenue in CMHC replacement reserve in prior years.

As a result of the restatement, the following balances have been adjusted to reflect the restatement of the comparative figures

	As previously stated in 2019 Actual \$	Adjustments Increase (Decrease) Actual \$	Restated 2019 Actual \$
Consolidated Statement of Financial Position			
Liabilities			
Deferred revenue	2,320,699	58,881	2,379,580
Net debt	(9,402,899)	(58,881)	(9,461,780)
Accumulated surplus	1,283,128	(58,880)	1,224,248
Consolidated Statement of Operations			
Revenue			
Deferred revenue - Current year	(2,320,699)	(58,881)	(2,379,580)
Deferred revenue - Prior year	2,826,468	47,224	2,873,692
Annual year surplus	1,979,770	(11,659)	1,968,111
Consolidated Statement of Accumulated surplus			
Accumulated surplus	1,283,128	(58,880)	1,224,248
Consolidated Statement of Net Debt			
Housing Reserves	105,932	(58,881)	47,051

21. BUDGETED FIGURES

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

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

22. EXPENSES BY OBJECT

	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$
Amortization	-	468,457	302,943
Communications and utilities	32,617	35,594	2,714
Education related expenses	654,910	649,264	507,561
Honorariums	750	5,225	2,625
Insurance	110,544	117,054	97,631
Interest and bank charges	1,315,860	1,366,897	1,302,043
Materials and supplies	132,211	82,391	108,343
Membership support	3,400	7,989	4,200
Other expense	898,153	325,010	336,003
Per capita distribution	34,200	32,600	32,300
Professional development	2,035	6,120	12,587
Professional fees	778,233	405,496	360,822
Programs delivery	488,930	447,819	106,931
Rent	6,300	-	-
Repairs and maintenance	64,513	84,638	134,440
Social assistance programs delivery	256,626	260,573	189,919
Subcontractors	4,655,263	108,557	240,120
Travel	47,025	37,919	41,227
Wages and benefits	2,679,291	2,645,988	2,210,504
		7,087,591	5,992,913

23. RELATED PARTY TRANSACTIONS

During the year, the Malahat Nation charged Malahat Investment Corporation \$187,625 (2019: \$238,377) in management and accounting services provided and \$5,366 (2019: \$1,092,713) in interest on an intercompany loan. Malahat Investment Corporation donated \$25,000 to the Gala event, and provided \$33,400 for distribution to members of the Nation. 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.

24. ECONOMIC DEPENDENCE

The Malahat 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 Nation is economically dependent on this source of revenue.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

25. CONTINGENCIES

The following contingencies existed as at March 31, 2020:

- a) ISC provides Ministerial Guarantees for loans to the Malahat Nation in the amount of \$3,413,139 with an outstanding balance of \$2,326,069.
- 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 Nation had provided a guarantee for one loan with a balance of \$192,138.
- c) The Nation is the named Plaintiff in two cases of litigation. As the outcome of both cases cannot be reasonably estimated at the date of these financial statements, no adjustment has been reflected in these statements.

26. SUBSEQUENT EVENTS

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the First Nation's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, impositions of quarantines and social distancing) could have a material impact on the First Nation's operations.

The extent of the impact of this outbreak and related containment measures on the First Nation's operations cannot be reliably estimated at this time.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

27. SEGMENTED INFORMATION

The Malahat 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	
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	386,754	434,630	460,607	-	-	-	-	-	-
First Nation Health Authority	-	-	-	-	-	-	838,997	853,615	414,362
Province of BC	-	40,000	-	-	-	-	-	-	-
Other revenue	202,165	153,012	274,315	75,915	75,916	114,655	37	(152,815)	(106,770)
Total revenue	588,919	627,645	734,922	75,915	75,916	114,655	839,034	700,800	307,592
Expenses									
Wages and benefits	966,995	1,078,012	1,078,126	-	-	-	442,428	383,030	172,130
Professional fees	201,850	120,700	202,200	-	-	-	16,094	14,436	19,503
Social assistance programs delivery	-	-	-	-	-	-	9,240	7,677	456
Travel	5,500	9,335	21,316	-	-	-	8,716	3,370	7,953
Repairs and maintenance	-	161	669	-	-	-	8,563	9,363	2,862
Education related expenses	-	-	-	-	-	-	-	1,151	368
Interest and bank charges	2,400	6,452	2,299	-	-	-	-	12	-
Per capita distribution	34,200	32,600	32,300	-	-	-	-	-	-
Other expenses	153,199	670,012	523,636	-	-	-	267,111	163,324	58,710
Total expenses	1,364,144	1,917,272	1,860,546	-	-	-	752,152	582,363	261,982
Annual surplus (deficit)	(775,225)	(1,289,627)	(1,125,624)	75,915	75,916	114,655	86,882	118,437	45,610

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

27. SEGMENTED INFORMATION, continued

	2020 Budget	Housing 2020 Actual	2019 Actual	Education, Employment and Training			Social Development		
	\$	\$	\$	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
Revenues									
Indigenous Services Canada	-	-	673,969	615,266	615,266	573,734	224,437	232,611	306,176
Canada Mortgage and Housing Corporation	423,133	92,722	55,925	-	24,000	24,700	-	-	-
First Nation Health Authority	-	-	-	-	-	1,000	-	-	-
Province of BC	-	-	-	-	40,000	12,500	330,000	330,000	30,000
Funding from First Nation Organizations	-	-	-	100,452	122,497	134,101	-	-	-
Rental income	124,640	163,921	127,814	-	-	-	-	-	-
Other revenue	313,297	313,289	11,767	469,595	388,416	250,438	156,628	101,811	22,444
Total revenue	861,070	569,932	869,475	1,185,313	1,190,179	993,373	711,065	664,422	358,620
Expenses									
Wages and benefits	191,047	147,760	107,964	131,195	158,765	160,235	85,372	93,311	101,560
Professional fees	10,840	4,530	4,000	10,000	22,299	13,798	7,000	2,358	2,638
Social assistance programs delivery	-	-	-	725	1,726	296	246,661	251,170	189,166
Travel	-	-	-	7,059	9,374	5,514	-	3,932	932
Repairs and maintenance	8,400	15,280	9,826	-	58	404	-	27	-
Education related expenses	-	-	-	654,910	631,121	496,181	-	88	125
Interest and bank charges	24,780	45,336	28,456	4,680	5,770	5,561	-	-	-
Other expenses	1,004,835	87,379	214,752	136,400	173,963	170,406	363,435	329,936	57,329
Total expenses	1,239,902	300,285	364,998	944,969	1,003,076	852,395	702,468	680,822	351,750
Annual surplus (deficit)	(378,832)	269,647	504,477	240,344	187,103	140,978	8,597	(16,400)	6,870

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

27. SEGMENTED INFORMATION, continued

	Economic Development			Community Infrastructure			Ottawa Trust Fund		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	290,574	290,574	287,374	67,692	67,704	245,139	-	-	-
Province of BC	-	38,000	44,500	-	-	-	-	-	-
First Nation Health Authority	-	-	-	-	-	1,635,150	-	-	-
Fisheries and Oceans Canada	-	68,880	44,880	-	-	-	-	-	-
Rental income	-	-	30,840	-	-	-	-	-	-
Other revenue	2,016,458	2,938,906	1,520,894	1,643,435	1,135,387	618,717	-	6,182	11,886
Total revenue	2,307,032	3,336,360	1,928,488	1,711,127	1,203,091	2,499,006	-	6,182	11,886
Expenses									
Wages and benefits	520,813	521,551	404,613	156,931	132,177	133,942	-	-	-
Professional fees	242,305	149,324	84,486	136,144	68,737	438	-	-	-
Travel	6,750	2,976	3,792	-	896	197	-	-	-
Repairs and maintenance	-	5,934	76,054	47,550	51,669	44,625	-	-	-
Education related expenses	-	-	10,887	-	-	-	-	-	-
Interest and bank charges	1,284,000	1,309,050	1,265,108	-	277	619	-	-	-
Other expenses	48,745	132,191	131,321	3,854,449	23,967	55,354	485,339	-	-
Total expenses	2,102,613	2,121,026	1,976,261	4,195,074	277,723	235,175	485,339	-	-
Annual surplus (deficit)	204,419	1,215,334	(47,773)	(2,483,947)	925,368	2,263,831	(485,339)	6,182	11,886

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2020

27. SEGMENTED INFORMATION, continued

	Housing Reserves			Environment and sustainable development			Consolidated totals		
	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual	2020 Budget	2020 Actual	2019 Actual
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Indigenous Services Canada	-	-	-	-	-	-	1,584,723	1,640,785	2,546,999
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	423,133	116,722	80,625
Province of BC	-	-	-	-	-	-	-	448,000	87,000
First Nation Health Authority	-	-	-	-	-	-	838,997	853,615	2,050,512
Fisheries and Oceans Canada	-	-	-	-	230,960	-	330,000	199,830	44,880
Funding from First Nation Organizations	-	-	-	150,000	149,655	-	250,452	272,152	134,101
Rental income	-	-	-	-	-	-	124,640	163,921	158,654
Other revenue	-	497	1,026	130,380	156,481	141,981	5,007,910	5,652,122	2,861,353
Total revenue	-	497	1,026	280,380	537,096	141,981	8,559,855	8,912,120	7,961,024
Expenses									
Wages and benefits	-	-	-	184,510	131,382	51,934	2,679,291	2,645,988	2,210,504
Professional fees	-	-	-	154,000	23,111	33,759	778,233	405,495	360,822
Social assistance programs delivery	-	-	-	-	-	-	256,626	260,573	189,918
Travel	-	-	-	19,000	8,037	1,524	47,025	37,920	41,228
Repairs and maintenance	-	2,146	-	-	-	-	64,513	84,638	134,440
Withdrawal	-	-	-	-	16,905	-	654,910	649,265	507,561
Interest and bank charges	-	-	-	-	-	-	1,315,860	1,366,897	1,302,043
Per capita distribution	-	-	-	-	-	-	34,200	32,600	32,300
Other expenses	-	3,077	928	16,690	20,369	1,661	6,330,203	1,604,214	1,214,097
Total expenses	-	5,223	928	374,200	199,804	88,878	12,160,861	7,087,591	5,992,913
Annual surplus (deficit)	-	(4,726)	98	(93,820)	337,292	53,103	(3,601,006)	1,824,530	1,968,111