

MALAHAT NATION
CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2022

MALAHAT NATION

CONSOLIDATED FINANCIAL STATEMENTS **March 31, 2022**

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MALAHAT NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

March 31, 2022

The accompanying consolidated financial statements of Malahat Nation and all the information in this annual report for the year ended March 31, 2022 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 judgment. 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 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 Nation 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 council for information purposes.


Chief

July 28/22
Date


Councilor

July 28/22
Date


Councilor

July 28/22
Date


Councilor

July 28/22
Date


Director of Finance

July 28/22
Date

Independent Auditors' 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, 2022, and the consolidated statements of operations 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, 2022, 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 Public Sector Accounting Standards (PSAS).

Basis for Qualified Opinion

The financial information for related 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 July 28, 2021 for the March 31, 2021 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 Auditors' 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.
CHARTERED PROFESSIONAL ACCOUNTANTS

VANCOUVER, B.C.
JULY 28, 2022

MALAHAT NATION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at March 31	2022	2021
FINANCIAL ASSETS		
Cash and cash equivalents (Note 3)	\$ 436,053	\$ 2,097,043
Portfolio investments (Note 4)	109,878	107,491
Accounts receivable (Note 5)	2,355,985	1,706,738
Note receivable (Note 6)	39,205,253	38,597,985
Due from related entities (Note 7)	163,595	152,258
Investment in Government Business Enterprises (Note 8)	217,427	137,427
Investment in Government Business Partnerships (Note 9)	41,976	41,976
Federal trust funds (Note 10)	779	779
Funds held in trust (Note 11)	5,172,978	5,491,692
	47,703,924	48,333,389
LIABILITIES		
Accounts payable and accrued liabilities (Note 12)	1,088,865	1,072,614
Deferred revenue (Note 13)	3,985,458	3,127,880
Due to related entities (Note 14)	8,294,795	7,493,154
Liability in Government Business Partnerships (Note 9)	83,994	83,994
Liability in Government Business Enterprises (Note 8)	7,332,043	7,332,043
Long-term debt (Note 15)	2,848,071	2,898,810
Promissory notes (Note 16)	39,460,171	40,632,940
Assets under capital lease (Note 17)	38,346	48,334
	63,131,743	62,689,769
NET DEBT	(15,427,819)	(14,356,380)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 18)	21,606,470	19,426,486
Prepaid expenses	188,303	41,360
	21,794,773	19,467,846
ACCUMULATED SURPLUS	\$ 6,366,954	\$ 5,111,466

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	2022 Budget	2022 Actual	2021
ANNUAL SURPLUS	\$ (2,037,070)	\$ 1,255,488	\$ 2,062,688
Acquisition of tangible capital assets	-	(5,366,497)	(7,893,793)
Amortization of tangible capital assets	-	1,245,825	996,440
Uses of construction in progress	-	1,940,688	3,669,780
Disposition of net tangible capital assets	-	-	12,481
	-	(2,179,984)	(3,215,092)
Acquisition of prepaid asset	(146,943)	(188,303)	(41,360)
Use of prepaid asset	-	41,360	26,039
	(146,943)	(146,943)	(15,321)
DECREASE IN NET FINANCIAL ASSETS	(2,184,013)	(1,071,439)	(1,167,725)
NET DEBT AT BEGINNING OF YEAR	-	(14,356,380)	(13,188,655)
NET DEBT AT END OF YEAR	\$ -	\$ (15,427,819)	\$ (14,356,380)

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended March 31	2022 Budget	2022 Actual	2021 Actual
REVENUE			
Federal Government:			
Indigenous Services Canada	\$ 2,153,499	\$ 3,004,741	\$ 2,568,668
Canada Mortgage and Housing Corporation	147,459	247,254	110,299
Fisheries and Oceans Canada	700,603	1,680,926	1,405,551
Natural Resources Canada	250,000	448,127	24,384
Human Resources and Skills Development Canada	23,495	25,000	17,250
BC Aboriginal Child Care Society	-	42,209	223,845
Deferred revenue - current year	(695,922)	(3,985,458)	(3,127,880)
Deferred revenue - prior year	1,870,293	3,127,880	1,011,870
First Nation Health Authority	1,761,225	1,632,121	1,360,508
Funding from First Nation Organizations	566,690	938,608	333,127
Gaming revenue	115,000	193,520	338,544
Loss on disposal of investments	-	-	(985)
Loss on disposal of tangible capital	-	-	(12,281)
Net income from Government Business Enterprises	-	-	10,000
Other Revenue	4,163,942	3,363,999	5,079,812
Ottawa Trust Fund	-	778	778
Province of BC	164,600	297,158	1,364,874
Rental income	222,652	232,040	170,296
	11,443,536	11,248,903	10,878,660
EXPENSES			
Indian Government Services	2,140,517	2,787,786	2,442,950
Treaty Negotiation	-	3,000	2,000
Health	1,620,506	952,172	803,474
Housing	685,111	416,374	312,002
Education, Employment and Training	1,307,784	902,293	991,326
Social Development	621,293	669,174	707,726
Economic Development	3,429,094	2,303,459	2,414,339
Community Infrastructure	1,903,166	591,444	508,484
Housing Reserves	10,000	32,328	12,272
Environment and Sustainable Development	1,763,135	1,335,385	621,399
	13,480,606	9,993,415	8,815,972
ANNUAL SURPLUS	(2,037,070)	1,255,488	2,062,688
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	-	5,111,466	3,048,778
ACCUMULATED SURPLUS AT END OF YEAR	\$ (2,037,070)	\$ 6,366,954	\$ 5,111,466

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended March 31, 2022	2022	2021
OPERATING ACTIVITIES		
ANNUAL SURPLUS	\$ 1,255,488	\$ 2,062,688
Items not affecting cash		
Amortization	1,245,825	996,440
Loss on disposal of tangible capital assets	-	6,881
	2,501,313	3,066,009
Change in non-cash operating working capital		
Accounts receivable	(649,247)	(1,243,384)
Prepaid expenses	(146,943)	(15,321)
Accounts payable and accrued liabilities	16,247	(236,646)
Deferred revenue	857,578	2,116,010
Federal trust fund	-	1,320
	2,578,948	3,687,988
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(3,425,805)	(4,224,013)
Proceeds from disposition of tangible capital assets	-	5,600
	(3,425,805)	(4,218,413)
FINANCING ACTIVITIES		
Due from related entities	(11,337)	1,339,070
Due to related entities	801,641	496,834
Principal repayment on long-term debt	(136,892)	(110,599)
Proceed from long-term debt	86,152	527,746
Proceed from promissory notes	-	2,264,000
Principal repayment on promissory notes	(1,172,769)	(1,326,910)
Funds held in trust	318,715	(182,472)
Proceeds from capital lease	-	33,613
Principal repayment on capital lease	(9,988)	(8,924)
	(124,478)	3,032,358
INVESTING ACTIVITIES		
Investment and liability in Government Business Enterprises	(80,000)	(1,797)
Liability in Government Business Enterprises	(607,268)	(621,060)
Portfolio investments	(2,387)	(1,207)
	(689,655)	(624,064)
INCREASE IN CASH AND CASH EQUIVALENTS	(1,660,990)	1,877,869
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	2,097,043	219,174
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 436,053	\$ 2,097,043

The accompanying notes are an integral part of the financial statements

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

1. 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.

2. 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) 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. Malahat Business Park GP Ltd. - 51% interest
12. Malahat Nelson GP Ltd. - 51% interest
13. Malahat Fuels GP Ltd.
14. Salish Strait Seafoods Ltd. - 20% interest
15. Malahat Aquaculture Limited Partnership - 99.99% interest
16. Malahat Construction Limited Partnership - 99.99% interest
17. Malahat Forestry (2012) Limited Partnership - 99.99% interest
18. Malahat Land Development Limited Partnership - 99.99% interest
19. Malahat Tenure Holding Limited Partnership - 99.99% interest
20. Malahat Business Park Limited Partnership - 99.99% interest
21. Malahat Nelson Limited Partnership - 99.99% interest
22. Yos Economic Development LP - 100% interest

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

2. 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, 2022

2. 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
Assets under capital lease	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.

No amortization will be taken for construction in progress until the project is completed and the tangible capital asset is in service.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

2. 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 useful life of tangible capital assets. Actual results could differ from these estimates.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

2. 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, 2021 and 2022, no liability for contaminated sites has been recorded.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

3. CASH AND CASH EQUIVALENTS

	2022	2021
Externally restricted:		
Operating reserve	\$ 59,443	\$ 106,326
Replacement reserve	82,464	100,282
Endowment fund	6	11,046
	<hr/> 141,913	<hr/> 217,654
Unrestricted:		
Cash and cash equivalents	294,140	1,879,389
	<hr/>	<hr/>
Total Cash and Cash Equivalents (Bank Indebtedness)	\$ 436,053	\$ 2,097,043

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 \$27,403 (2021: under funded by \$39,304).

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 \$130,100 (2021: \$24,540) 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 \$81,393 (2021: under funded by \$13,660).

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

4. 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.

	2022	2021
GICs with maturity less than a year and earning interest at 0.25% per annum.	\$ 62,482	\$ 62,013
GICs held as collateral for long-term debt with maturity less than a year and earning interest at 0.30% per annum.	20,465	20,444
GICs held as collateral for long-term debt with maturity less than a year and earning interest at 1.85% per annum.	26,821	24,924
BC FN Gaming revenue Sharing Limited Partnership. Measured at cost.	110	110
	\$ 109,878	\$ 107,491

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

5. ACCOUNTS RECEIVABLE

	2022	2021
Due from members		
Rent	\$ 54,658	\$ 59,411
<hr/>		
Due from Government and other Government Organizations:		
Indigenous Services Canada	121,464	35,883
Natural Resources Canada	41,932	24,542
Government of Canada	49,264	-
GST Public Service Bodies' Rebate	-	4,037
Canada Mortgage and Housing Corporation	109,192	9,192
Ministry of Children and Family Development	32,757	4,221
Fisheries and Oceans Canada	184,464	360,164
Province of BC	209,535	42,031
Transport Canada	146,780	164,511
First Nations Education Steering Committee	100,863	56,873
First Nation Health Authority	335,286	388,726
Ministry of Environment and Climate Change	169,990	-
Ministry of Finance	49,272	-
Ministry of Indigenous Relations and Reconciliation	-	26,784
	<hr/> 1,550,799	<hr/> 1,116,964
Due from others:		
Others	698,779	558,465
Malahat Business Park LP	199,022	172,577
Malahat Nelson GP	13,802	-
Malahat Investment Corporation	45,930	-
Mill Bay Malahat Development Group	15,000	-
	<hr/> 972,533	<hr/> 731,042
	2,577,990	1,907,417
Allowance for doubtful accounts	(222,005)	(200,679)
	<hr/> \$ 2,355,985	<hr/> \$ 1,706,738
	<hr/> <hr/>	<hr/> <hr/>

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

6. 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 \$1,057,085 (2021: \$1,070,877).

	2022	2021
Note receivable	\$ 33,674,129	\$ 34,123,946
Interest receivable	5,531,124	4,474,039
	<u>\$ 39,205,253</u>	<u>\$ 38,597,985</u>

7. DUE FROM RELATED ENTITIES

	2022	2021
Malahat Aquaculture Limited Partnership	\$ 725	\$ 725
Malahat Business Trust	1,450	1,450
Malahat Construction Limited Partnership	74,914	74,914
Malahat Construction Ltd.	2,254	2,254
Malahat Forestry Ltd.	5,981	5,612
Malahat Land Development Limited Partnership	725	725
Malahat Nation Land Corporation	56,310	44,809
Malahat Tenure Holding Ltd.	21,236	21,769
	<u>\$ 163,595</u>	<u>\$ 152,258</u>

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

8. INVESTMENT (LIABILITY) IN GOVERNMENT BUSINESS ENTERPRISES

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

	2022	2021
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
Malahat Fuels LP	80,000	-
	<u>\$ 217,427</u>	<u>\$ 137,427</u>

Liability in government business enterprises

Malahat Investment Corporation	\$ (7,308,796)	\$ (7,308,796)
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)
	<u>\$ (7,332,043)</u>	<u>\$ (7,332,043)</u>

As of the date of the Independent Auditor's Report, the financial information for all investments, is not available.

9. INVESTMENT AND LIABILITY IN GOVERNMENT BUSINESS PARTNERSHIP

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

	2022	2021
Malahat Forestry (2012) Limited Partnership (MFLP)	\$ 41,976	\$ 41,976

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

	2022	2021
Malahat Construction Limited Partnership (MCLP)	\$ 83,994	\$ 83,994

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

10. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

	2022	2021
Capital funds held in trust	\$ 1	\$ 1
Revenue funds held in trust	778	778
	<u>\$ 779</u>	<u>\$ 779</u>

	2022 Revenue	2022 Capital	2022 Total	2021 Total
Surplus, beginning of year	\$ 778	\$ 1	\$ 779	\$ 2,099
Withdrawals	(778)	-	(778)	(2,098)
Contributions	767	-	767	-
Interest earnings	11	-	11	7
BC Special	-	-	-	771
Surplus, end of year	<u>\$ 778</u>	<u>\$ 1</u>	<u>\$ 779</u>	<u>\$ 779</u>

11. FUNDS HELD IN TRUST

	2022	2021
FNFA Secured Revenues Trust Account	\$ 2,750,880	\$ 3,106,221
FNFA Debt Reserve Fund	2,422,098	2,385,471
	<u>\$ 5,172,978</u>	<u>\$ 5,491,692</u>

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 2022 is \$10,744 (2021: \$13,810).

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 2022 is \$36,627 (2021: \$19,939).

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Accounts payable and accrued liabilities	\$ 821,219	\$ 935,258
GST payable	14,974	28,055
Government remittances	47,082	39,428
Vacation payable	76,591	65,865
Wages and benefits payable	3,648	4,008
Malahat Hazelwood Construction Ltd.	125,351	-
	\$ 1,088,865	\$ 1,072,614

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 \$128,882 (2021: \$107,482) for retirement benefits. The First Nation does not have any other obligations with regards to the pension plan as at March 31, 2022.

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.

	2022	2021
Indigenous Services Canada	\$ 605,462	\$ 531,235
First Nation Health Authority	955,533	783,702
Government of Canada	769,401	-
Province of British Columbia	192,844	1,073,057
Canadian Mortgage Housing Corporation - Replacement Reserve	163,640	86,622
Other	1,298,578	653,264
	\$ 3,985,458	\$ 3,127,880

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

14. DUE TO RELATED ENTITIES

	2022	2021
Malahat Forestry (2012) Ltd.	\$ 17,872	\$ 17,872
Malahat Forestry (2012) Limited Partnership	595,890	595,890
Malahat Investment Corporation	6,390,012	5,622,667
Malahat Eco. Dev. Ltd.	1,291,021	1,256,725
	<hr/> \$ 8,294,795	<hr/> \$ 7,493,154

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, 2022

15. LONG-TERM DEBT

	2022	2021
All Nations Trust Company - repayable at \$2,087 per month including interest at 1.13% per annum. The loan will be renewed on February 2, 2026 and will mature in February 2026. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	\$ 95,895	\$ 119,706
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.	759,799	786,494
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.	426,265	447,705
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.	729,967	755,628
All Nations Trust Company - repayable at \$2,826.48 per month including interest at 1.30% per annum. The loan will be renewed on April 1, 2026 and will mature in April 2046. It is secured by a first mortgage on housing units and a Ministerial Guarantee.	701,288	637,562
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.	134,857	151,715
	\$ 2,848,071	\$ 2,898,810

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

2023	\$ 143,065
2024	146,305
2025	141,817
2026	164,015
2027 and thereafter	2,252,869
	\$ 2,848,071

	2022	2021
Interest expense for the year on long-term debt	\$ 50,101	\$ 54,185

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

16. PROMISSORY NOTES

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

	2022	2021
First Nation Finance Authority:		
The note has a 25 year term, maturing June 1, 2028. The note is repayable at \$109,621 per month including interest at 3.65% per annum.	\$ 21,047,695	\$ 21,572,957
The note has a 25 year term, maturing on June 26, 2024. The note is repayable at \$38,185 per month including interest at 2.985% per annum.	6,384,180	6,644,275
The note has a 25 year term, maturing on June 26, 2024. The note is repayable at \$39,500 per month including interest at 2.900% per annum.	6,976,489	7,241,634
The note has a 25 year term, maturing on July 15, 2045. The note is repayable at \$19,423 per month including interest at 2.150% per annum.	5,051,807	5,174,074
	\$ 39,460,171	\$ 40,632,940

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

2022	1,082,170
2023	1,082,170
2024	1,082,170
2025	1,082,170
2026 and thereafter	35,131,492

Interest paid in the current year was \$1,398,576 (2021: \$1,396,898).

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

17. CAPITAL LEASE OBLIGATION

	2022	2021
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.	\$ 14,492	\$ 19,069
Ford Escape Lease - repayable at \$540 monthly payments bearing interest at 3.99%. The loan will mature in March 2026. It is secured by the underlining vehicle.	23,854	29,265
	<u>\$ 38,346</u>	<u>\$ 48,334</u>

Interest paid in the current year was \$1,069 (2021: \$1,053).

Principal portion of capital lease obligation due within the next five years:

2023	\$ 10,208
2024	10,437
2025	10,674
2026	\$ 7,027

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

18. TANGIBLE CAPITAL ASSETS

The construction projects completed and amortized in the current fiscal year includes the Totem Carving Building, and the Passive Administrative Building. The construction in progress for current fiscal year represents construction of the Business Park, Boat Launch, Sweat Lodge, and other smaller projects.

	Cost			Accumulated amortization					2022 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Buildings	\$ 9,805,204	\$ 2,188,788	\$ -	\$ 11,993,992	\$ 1,418,387	\$ 499,186	\$ -	\$ 1,917,573	\$ 10,076,419
Automotive equipment	320,281	-	-	320,281	106,255	64,056	-	170,311	149,970
Equipment	654,720	271,708	-	926,428	217,017	156,062	-	373,079	553,349
Canoes	14,826	-	-	14,826	14,546	2,223	-	16,769	(1,943)
Infrastructure	2,528,633	-	-	2,528,633	431,996	126,431	-	558,427	1,970,206
Social housing	5,696,715	4,468	-	5,701,183	733,909	285,059	-	1,018,968	4,682,215
Construction in progress	2,688,650	960,842	-	3,649,492	-	-	-	-	3,649,492
Marineside development	70,678	-	-	70,678	22,970	3,534	-	26,504	44,174
Culture Centre	604,081	-	-	604,081	195,707	30,204	-	225,911	378,170
Boat	334,274	-	-	334,274	196,837	66,854	-	263,691	70,583
Assets under capital lease	61,072	-	-	61,072	15,024	12,214	-	27,237	33,835
	<u>\$ 22,779,134</u>	<u>\$ 3,425,806</u>	<u>\$ -</u>	<u>\$ 26,204,940</u>	<u>\$ 3,352,648</u>	<u>\$ 1,245,823</u>	<u>\$ -</u>	<u>\$ 4,598,470</u>	<u>\$ 21,606,470</u>

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

	Cost			Accumulated amortization					2021 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Buildings	\$ 9,735,136	\$ 70,068	\$ -	\$ 9,805,204	\$ 931,098	\$ 487,289	\$ -	\$ 1,418,387	\$ 8,386,817
Automotive equipment	189,939	145,943	(15,601)	320,281	58,302	51,073	(3,120)	106,255	214,026
Equipment	494,027	160,693	-	654,720	108,250	108,767	-	217,017	437,703
Canoes	14,826	-	-	14,826	12,322	2,224	-	14,546	280
Infrastructure	859,840	1,668,793	-	2,528,633	365,000	66,996	-	431,996	2,096,637
Social housing	3,695,728	2,000,987	-	5,696,715	549,122	184,787	-	733,909	4,962,806
Construction in progress	2,669,054	19,596	-	2,688,650	-	-	-	-	2,688,650
Marineside development	70,678	-	-	70,678	19,436	3,534	-	22,970	47,708
Culture Centre	604,081	-	-	604,081	165,503	30,204	-	195,707	408,374
Boat	209,954	124,320	-	334,274	145,718	51,119	-	196,837	137,437
Assets under capital lease	27,459	33,613	-	61,072	4,577	10,447	-	15,024	46,048
	<u>\$ 18,570,722</u>	<u>\$ 4,224,013</u>	<u>\$ (15,601)</u>	<u>\$ 22,779,134</u>	<u>\$ 2,359,328</u>	<u>\$ 996,440</u>	<u>\$ (3,120)</u>	<u>\$ 3,352,648</u>	<u>\$ 19,426,486</u>

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

19. 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.

20. EXPENSES BY OBJECT

For the year ended March 31	2022 Budget	2022 Actual	2021 Actual
Amortization	\$ 500,000	\$ 1,245,825	\$ 996,438
Communications and utilities	32,056	40,628	65,565
Education related expenses	693,000	548,780	710,769
Honorariums	94,300	23,765	7,102
Insurance	118,745	132,076	119,603
Interest and bank charges	1,403,576	1,464,814	1,455,578
Materials and supplies	213,778	217,943	155,166
Membership support	125,311	152,836	153,548
Other expense	1,143,295	379,563	578,767
Per capita distribution	35,000	63,600	68,100
Professional development	89,560	65,485	45,473
Professional fees	950,878	893,354	432,551
Programs delivery	729,170	384,007	74,006
Repairs and maintenance	204,160	271,608	187,090
Social assistance programs delivery	321,048	448,856	394,542
Subcontractors	2,676,097	107,045	154,934
Travel	69,064	26,103	21,564
Wages and benefits	4,081,568	3,527,127	3,195,178
	<hr/>	<hr/>	<hr/>
	\$ 13,480,606	\$ 9,993,415	\$ 8,815,974

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2022

21. RELATED PARTY TRANSACTIONS

During the year ended March 31, 2022, the First Nation entered into transactions with related parties as follows:

- a) The First Nation charged Malahat Investment Corporation \$183,820 (2021: \$189,338) in management and accounting services.

- b) The First Nation received \$Nil (2021: \$375,000) of contribution and \$Nil (2021: \$475,377) of expense reimbursement from YOS Economic Development Limited Partnership in relation to the construction of the Malahat Business Park.

- c) The First Nation paid \$1,099,399 (2021: \$1,202,965) for construction and other project costs to Malahat Hazelwood Construction Ltd. in relation to the Malahat Business Park, Boat Launch and other projects.

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.

22. 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.

23. CONTINGENCIES

The following contingencies existed as at March 31, 2022:

- a) ISC provides Ministerial Guarantees for loans to the Malahat Nation in the amount of \$3,413,139 with an outstanding balance of \$2,717,495.

- 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 \$177,563.

- c) The Nation is the named Plaintiff in two cases of litigation regarding employment matters. 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.

- d) The Nation is the named Defendant in three cases of litigation regarding employment matters. 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.

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

24. SEGMENTED INFORMATION

	Indian Government Services			Treaty Negotiation			Health		
	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual
Revenues									
Indigenous Services Canada	\$ 543,261	\$ 638,165	\$ 698,170	-	\$ -	\$ -	\$ -	\$ -	\$ -
Canada Mortgage and Housing Corporation	(86,152)	-	-	-	-	-	-	-	-
Province of BC	-	52,750	40,000	-	-	-	-	-	-
First Nation Health Authority	-	-	-	-	-	-	1,308,025	1,523,555	903,964
Funding from First Nation Organizations	25,000	48,300	25,000	-	3,000	-	-	-	-
Other revenue	653,866	126,063	64,857	-	-	2,000	257,481	(416,273)	(49,657)
Total revenue	1,135,975	865,278	828,027	-	3,000	2,000	1,565,506	1,107,282	854,307
Expenses									
Wages and benefits	1,228,863	959,656	995,464	-	-	-	715,846	578,265	548,588
Professional fees	170,260	230,993	144,254	-	-	-	176,336	99,616	71,965
Social assistance programs delivery	-	12,023	12,006	-	-	-	16,000	28,995	16,716
Travel	2,522	863	1,619	-	-	-	27,050	7,720	14,812
Repairs and maintenance	6,400	3,552	4,429	-	-	-	19,000	42,238	16,346
Interest and bank charges	5,000	6,664	5,663	-	-	-	-	24	-
Per capita distribution	35,000	63,600	68,100	-	-	-	-	-	-
Other expenses	692,472	1,510,435	1,211,415	-	3,000	2,000	666,274	195,314	135,047
Total expenses	2,140,517	2,787,786	2,442,950	-	3,000	2,000	1,620,506	952,172	803,474
Annual surplus (deficit)	\$ (1,004,542)	\$ (1,922,508)	\$ (1,614,927)	-	\$ -	\$ -	\$ (55,000)	\$ 155,110	\$ 50,833

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

	2022 Budget	Housing 2022 Actual	2021 Actual	Education, Employment and Training 2022 Budget	2022 Actual	2021 Actual	Social Development 2022 Budget	2022 Actual	2021 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ 41,501	-	\$ 758,496	\$ 581,646	\$ 805,108	\$ 366,953	\$ 558,707	\$ 502,019
Canada Mortgage and Housing Corporation	233,611	234,104	110,299	-	13,150	-	-	-	-
First Nation Health Authority	-	-	-	-	1,000	-	5,000	17,926	23,667
Province of BC	-	-	-	-	-	-	30,000	64,480	169,900
Funding from First Nation Organizations	-	-	-	486,690	582,308	226,943	-	-	-
Rental income	222,652	232,040	170,296	-	-	-	-	-	-
Other revenue	75,000	107,821	3,490	20,997	(234,603)	28,336	219,341	18,780	37,002
Total revenue	531,263	615,466	284,085	1,266,183	943,501	1,060,387	621,294	659,893	732,588
Expenses									
Wages and benefits	-	26,063	60,502	181,232	188,807	167,113	226,966	170,431	262,674
Professional fees	12,590	11,268	4,530	93,770	6,512	4,520	17,588	28,323	300
Social assistance programs delivery	-	-	-	8,400	457	846	295,848	407,380	364,926
Travel	-	-	-	26,092	9,832	1,485	400	113	1,569
Repairs and maintenance	68,100	68,455	79,162	2,000	2,450	-	-	10,626	-
Education related expenses	-	-	-	693,000	548,780	706,415	-	-	-
Interest and bank charges	-	59,341	52,926	-	-	-	-	-	-
Other expenses	604,421	251,247	114,882	303,290	145,455	110,947	80,491	52,301	78,257
Total expenses	685,111	416,374	312,002	1,307,784	902,293	991,326	621,293	669,174	707,726
Annual surplus (deficit)	\$ (153,848)	\$ 199,092	\$ (27,917)	\$ (41,601)	\$ 41,208	\$ 69,061	\$ 1	\$ (9,281)	\$ 24,862

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

	Economic Development			Community Infrastructure			Ottawa Trust Fund		
	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual
Revenues									
Indigenous Services Canada	\$ 293,593	\$ 861,966	\$ 320,323	\$ 191,196	\$ 322,756	\$ 243,048	-	\$ -	\$ -
BC Aboriginal Child Care Society	-	-	-	-	-	125,000	-	-	-
Province of BC	35,000	70,500	1,034,281	99,600	99,428	104,193	-	-	-
First Nation Health Authority	-	-	-	448,200	89,640	432,877	-	-	-
Fisheries and Oceans Canada	44,880	204,593	101,924	-	-	-	-	-	-
Funding from First Nation Organizations	-	-	56,184	-	-	-	-	-	-
Other revenue	3,017,550	2,603,010	3,188,832	348,244	382,419	(320,063)	-	778	778
Total revenue	3,391,023	3,740,069	4,701,544	1,087,240	894,243	585,055	-	778	778
Expenses									
Wages and benefits	529,880	456,230	473,364	480,697	317,104	203,124	-	-	-
Professional fees	140,000	237,542	164,661	100,334	51,625	13,287	-	-	-
Social assistance programs delivery	-	-	-	800	-	48	-	-	-
Travel	-	2,510	-	2,000	102	404	-	-	-
Repairs and maintenance	6,400	3,540	1,723	92,260	134,380	77,346	-	-	-
Interest and bank charges	1,398,576	1,398,675	1,396,927	-	98	63	-	-	-
Other expenses	1,354,238	204,962	377,664	1,227,075	88,135	214,212	-	-	-
Total expenses	3,429,094	2,303,459	2,414,339	1,903,166	591,444	508,484	-	-	-
Annual surplus (deficit)	\$ (38,071)\$	1,436,610 \$	2,287,205 \$	(815,926)\$	302,799 \$	76,571 \$	-	\$ 778 \$	778

MALAHAT NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS March 31, 2022

	Housing Reserves			Environment and Sustainable Development			Consolidated totals		
	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual	2022 Budget	2022 Actual	2021 Actual
Revenues									
Indigenous Services Canada	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,153,499	\$ 3,004,741	\$ 2,568,668
Canada Mortgage and Housing Corporation	-	-	-	-	-	-	147,459	247,254	110,299
BC Aboriginal Child Care Society	-	-	-	-	-	-	-	52,750	165,000
Province of BC	-	-	-	-	10,000	16,500	1,447,625	1,722,409	2,082,605
First Nation Health Authority	-	-	-	-	-	-	478,200	154,120	602,777
Fisheries and Oceans Canada	-	-	-	655,723	1,476,333	1,303,627	1,212,293	2,314,534	1,657,494
Funding from First Nation Organizations	-	-	-	55,000	305,000	25,000	277,652	537,040	251,480
Other revenue	10,000	52,064	17,474	1,124,329	575,996	467,289	5,726,808	3,216,055	3,440,338
Total revenue	10,000	52,064	17,474	1,835,052	2,367,329	1,812,416	11,443,536	11,248,903	10,878,661
Expenses									
Wages and benefits	-	5,606	-	718,084	824,964	484,349	4,081,568	3,527,126	3,195,178
Professional fees	-	-	-	240,000	227,477	29,035	950,878	893,356	432,552
Social assistance programs delivery	-	-	-	-	-	-	321,048	448,855	394,542
Travel	-	-	-	11,000	4,962	1,675	69,064	26,102	21,564
Repairs and maintenance	-	1,333	-	10,000	5,033	8,083	204,160	271,607	187,089
Education related expenses	-	-	-	-	-	4,354	693,000	548,780	710,769
Interest and bank charges	-	-	-	-	12	-	1,403,576	1,464,814	1,455,579
Per capita distribution	-	-	-	-	-	-	35,000	63,600	68,100
Other expenses	10,000	25,389	12,272	784,051	272,937	93,903	5,722,312	2,749,175	2,350,599
Total expenses	10,000	32,328	12,272	1,763,135	1,335,385	621,399	13,480,606	9,993,415	8,815,972
Annual surplus (deficit)	\$ -	\$ 19,736	\$ 5,202	\$ 71,917	\$ 1,031,944	\$ 1,191,017	(\$ 2,037,070)	\$ 1,255,488	\$ 2,062,685