

Ginoogaming First Nation
Consolidated Financial Statements
For the year ended March 31, 2018

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Ginoogaming First Nation Management's Responsibility for Financial Reporting

March 31, 2018

The accompanying consolidated financial statements of Ginoogaming First Nation and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

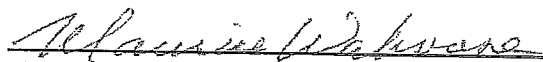
These consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has 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 First Nation maintains systems of internal control and administrative controls of quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate and the First Nation's assets are appropriately accounted for and adequately safeguarded.

The First 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 Council, composed of council members, reviews the First Nation's consolidated financial statements and recommends their approval. The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters, and financial reporting issues, to satisfy themselves that each party is properly discharging its responsibilities, and to review the annual report, the consolidated financial statements, and the external auditors' report. The Council also considers, for review and approval by the members, the engagement of the external auditors.

The consolidated financial statements have been audited by BDO Canada LLP in accordance with Canadian public sector accounting standards on behalf of the members. BDO Canada LLP have full and free access to Council.



Chief



Councillor

Independent Auditor's Report

To the Members of Ginoogaming First Nation

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

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Independent Auditor's Report (cont'd)

Basis for Disclaimer of Opinion

The First Nation was not able to provide satisfactory audit evidence with respect to the completeness or existence of expenses due to a lack of supporting documentation, the lack of supporting audit evidence with respect to the Education Authority and the lack of controls over the bingo operations. Accordingly, we were unable to confirm or verify by alternate means that all expenses of the First Nation have been properly recorded, nor whether the classification of expenses is appropriate. As a result, we were unable to determine whether any adjustments might be necessary to expenses, accounts payable and accumulated surplus.

The First Nation did not prepare budgets, which is not in compliance with Canadian public sector accounting standards.

Disclaimer of Opinion

Due to the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Thunder Bay, Ontario
November 11, 2020

Ginoogaming First Nation

Consolidated Statement of Financial Position

March 31

2018

2017

Financial assets

Cash and cash equivalents (Note 2)	\$ 475,245	\$ 67,802
Short term investments	-	391,664
Accounts receivable (Note 3)	188,188	302,432
Trust funds held by federal government (Note 4)	3,238	3,238
Due from government and other government organizations (Note 5)	2,543,776	1,450,811
Loans receivable (Note 6)	57,044	28,481
Investment in government partnership (Note 7)	2,174,384	2,174,384
Investment in government business enterprise (Note 8)	(109,401)	(115,519)
	5,332,474	4,303,293

Liabilities

Accounts payable and accrued liabilities (Note 9)	7,180,545	4,500,127
Due to government and other government organizations (Note 10)	805,821	773,658
Demand and term loans (Note 11)	911,131	970,071
Deferred revenue (Note 12)	700,612	170,950
	9,598,109	6,414,806

Net debt

(4,265,635)	(2,111,513)
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Non-financial assets


Tangible capital assets (Note 13)	4,271,798	2,598,447
Inventory held for use	3,294	3,294
	4,275,092	2,601,741

Accumulated surplus (Note 14)

\$ 9,457	\$ 490,228
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On behalf of the Band:

 Chief

 Councillor

The accompanying notes are an integral part of these consolidated financial statements.

Ginoogaming First Nation Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2018	2017
Revenue		
Federal government transfers (Note 16)	\$ 5,525,175	\$ 4,612,621
Provincial government transfers (Note 16)	953,043	944,558
Other government transfers (Note 16)	880,139	1,083,356
Ontario First Nation Limited Partnership	729,099	720,533
Rent and user fees	135,602	114,509
Greenstone Gold	120,231	50,000
Timber Claim Trust	196,357	180,583
Amounts earned and held in trust by federal government (Note 4)	-	59
Loss from investment in government business enterprise	(5,328)	(5,213)
Other revenue	921,515	3,551,566
Funding recoveries	(92,997)	62,336
	<u>9,362,836</u>	<u>11,314,908</u>
Expenses		
Administration	1,204,328	1,418,502
Community infrastructure	878,955	782,910
Education	2,479,663	1,284,887
Social housing	423,016	245,142
Social services	952,729	788,851
Health services	1,162,060	642,394
Employment and economic development	430,949	683,020
Community development	2,320,867	2,277,738
	<u>9,852,567</u>	<u>8,123,444</u>
Surplus (deficit) for the year before the undernoted	(489,731)	3,191,464
Replacement reserves	8,960	8,960
Annual surplus (deficit)	(480,771)	3,200,424
Accumulated surplus (deficit), beginning of year	490,228	(2,710,196)
Accumulated surplus, end of year	\$ 9,457	\$ 490,228

The accompanying notes are an integral part of these consolidated financial statements.

Ginoogaming First Nation Consolidated Statement of Changes in Net Debt

For the year ended March 31	2018	2017
Annual surplus (deficit)	\$ (480,771)	\$ 3,200,424
Acquisition of tangible capital assets	(2,023,912)	(1,925)
Amortization of tangible capital assets	350,561	368,890
Change in net debt	(2,154,122)	3,567,389
Net debt, beginning of year	(2,111,513)	(5,678,902)
Net debt, end of year	\$ (4,265,635)	\$ (2,111,513)

The accompanying notes are an integral part of these consolidated financial statements.

Ginoogaming First Nation Consolidated Statement of Cash Flows

For the year ended March 31	2018	2017
Cash flows from operating activities		
Annual surplus (deficit)	\$ (480,771)	\$ 3,200,424
Item not involving cash		
Amortization of tangible capital assets	350,561	368,890
	<u>(130,210)</u>	<u>3,569,314</u>
Changes in non-cash working capital balances		
Accounts receivable	114,244	(283,393)
Due from government and other government organizations	(1,092,965)	(1,187,383)
Loans receivable	(28,563)	(23,456)
Investment in government business enterprise	(6,118)	5,212
Accounts payable and accrued liabilities	2,680,418	(377,654)
Due to government and other government organizations	32,163	(169,932)
Deferred revenue	529,662	161,956
	<u>2,228,841</u>	<u>(1,874,650)</u>
	<u>2,098,631</u>	<u>1,694,664</u>
Cash flows from financing activities		
Repayment of term debt	(58,940)	(1,424,289)
Cash flows from investing activities		
Trust funds held by federal government	-	(59)
Aquisition of short term investments	391,664	(391,664)
	<u>391,664</u>	<u>(391,723)</u>
Cash flows from capital transactions		
Acquisition of tangible capital assets	(2,023,912)	(1,925)
Increase (decrease) in cash and cash equivalents	407,443	(123,273)
Cash and cash equivalents, beginning of year	67,802	191,075
Cash and cash equivalents, end of year	<u>\$ 475,245</u>	<u>\$ 67,802</u>

The accompanying notes are an integral part of these consolidated financial statements.

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

1. Significant Accounting Policies

Reporting Entity	<p>The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all related entities accountable for the administration of their financial affairs and resources to the Ginoogaming First Nation and which are owned or controlled by the First Nation. These financial statements include:</p> <p style="text-align: center;">Giizhagaakwe Development Corporation (GDC) Anishinaabeg Gikinoos A'Maagoziwin Education Authority</p>
Accounting Principles	<p>The consolidated financial statements of Ginoogaming First Nation are the representation of management prepared in accordance with principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada as prescribed by Indigenous Services Canada (ISC).</p>
Principles of Consolidation	<p>All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.</p> <p>Under the modified equity method of accounting, only Ginoogaming First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of Ginoogaming First Nation.</p> <p>Organizations accounted for on a modified equity basis include:</p> <ul style="list-style-type: none"> • Giizhagaakwe Development Corporation (GDC) <p>A government partnership exists where the First Nation has shared control over the board or entity. The First Nation's pro-rata share of the assets, liabilities, revenues and expenditures are reflected in the consolidated financial statements using the proportionate consolidation method. The First Nation's proportionate interest of the following government partnerships are reflected in the consolidated financial statements:</p> <ul style="list-style-type: none"> • Anishinaabeg Gikinoos A'Maagoziwin Education Authority 38.36%

Ginoogaming First Nation

Notes to Consolidated Financial Statements

March 31, 2018

1. Significant Accounting Policies (cont'd)

Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, bank balances and bank overdrafts with maturities of three months or less.
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Tangible Capital Assets	<p>Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue.</p>
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Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Commercial buildings	-	rates between 5 and 20 years
Furniture and fixtures	-	5 years
Housing assets	-	20 years
Infrastructure	-	rates between 10 and 20 years
Machinery and equipment	-	rates between 5 and 10 years
Office equipment	-	rates between 3 and 5 years
Vehicles	-	5 years

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 consolidated statement of operations.

Certain assets which have historical or cultural value, including works of art, historical or cultural artifacts, are not recognized as tangible capital assets.

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

Notes to Consolidated Financial Statements

March 31, 2018

1. Significant Accounting Policies (cont'd)

Revenue Recognition (cont'd)

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

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.

Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future. Significant estimates include estimated useful lives of tangible capital assets and allowance for doubtful accounts.

Replacement Reserves

Under the terms of agreements with Canada Mortgage and Housing Corporation, the Replacement Reserve for housing is to be credited in varying amounts annually until it accumulates to the maximum amount plus accumulated interest. These funds along with accumulated interest, must be held in separate bank accounts and may only be used as approved by Canada Mortgage and Housing Corporation.

Going Concern

These financial statements have been prepared on the basis of generally accepted accounting principles as applicable to a going concern. These financial statements show that Ginoogaming First Nation has had prior year deficits. As a result of the previous deficits that have occurred, the First Nation is currently under co-management.

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

2. Cash and Cash Equivalents

	2018	2017
Restricted cash	\$ 67	\$ 67
Unrestricted cash	475,178	67,735
	<u>\$ 475,245</u>	<u>\$ 67,802</u>

3. Accounts Receivable

	2018	2017
Trade receivables	\$ 4,500	\$ 19,441
KKETS	240,732	240,732
Rent and user fees	286,962	286,963
	<u>532,194</u>	<u>547,136</u>
Allowance for doubtful accounts	(344,006)	(244,704)
	<u>\$ 188,188</u>	<u>\$ 302,432</u>

4. Trust Funds Held by Federal Government

	March 31, 2017		Additions 2018		Withdrawals 2018		March 31, 2018
Revenue	\$ 3,214	\$	-	\$	-	\$	3,214
Capital	24		-		-		24
	<u>\$ 3,238</u>	\$	-	\$	-	\$	<u>3,238</u>

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

Ginoogaming First Nation

Notes to Consolidated Financial Statements

March 31, 2018

5. Due from Government and Other Government Organizations

	2018	2017
Federal government		
Indigenous Services Canada	\$ 712,621	\$ 763,398
Canada Mortgage and Housing Corporation	33,235	33,235
First Nation and Inuit Health Branch	810,961	10,929
Provincial government		
Ontario First Nations Limited Partnership	484,650	-
Ministry of Indigenous Relations & Reconciliation	138,618	84,647
Ontario Ministry of Education	24,500	24,500
Ontario Ministry of Northern Development and Mines	30,697	18,890
Other government organizations		
Dilico Child and Family Services	75,850	179,090
Matawa First Nation	185,766	310,076
Nishnawbe Aski Nation	46,878	26,046
	\$ 2,543,776	\$ 1,450,811

6. Loans Receivable

	2018	2017
Loans to band members and employees	\$ 57,044	\$ 28,481
Allowance for doubtful accounts	-	-
	\$ 57,044	\$ 28,481

The First Nation did not forgive any loans during the current year. These loans are non-interest bearing with no set terms of repayment or conditions.

7. Investment in Government Partnership

The First Nation has an interest in the Anishinaabeg Gikinoos A'Maagoziwin Education Authority. Anishinaabeg Gikinoos A'Maagoziwin Education Authority provides elementary and secondary schooling to members of the First Nation.

Management was unable to obtain information regarding the carrying amount of the First Nation's proportion of the Education Authority as at March 31, 2018 and the First Nation's share of the Education Authority's surplus for the year. Consequently, management was unable to determine whether any adjustments to these amounts were necessary. There is a court order to begin the process to wind up the Education Authority.

The following table presents condensed supplementary information representing the First Nation's proportionate share of the government partnership.

	2018	2017
Current assets	\$ 548,187	\$ 548,187
Capital assets	1,701,087	1,701,087
Current liabilities	(74,890)	(74,890)
Net assets	\$ 2,174,384	\$ 2,174,384

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

8. Investment in Government Business Enterprise

Ginoogaming First Nation owns 100% of Giizhagaakwe Development Corporation.

Giizhagaakwe Development Corporation harvests timber for sale to a local pulp mill.

The following table presents condensed financial information for this commercial enterprise:

	2018	2017
Cash	\$ 1,199	\$ 1,315
Due from related party	44,009	55,455
Capital assets	29,392	31,278
Total assets	\$ 74,600	\$ 88,048
Accounts payable	\$ 114,269	\$ 114,270
Long-term debt	25,723	33,842
Total liabilities	139,992	148,112
Equity	(65,392)	(60,064)
Total liabilities and equity	\$ 74,600	\$ 88,048
Expenses	(5,328)	(5,213)
Net loss	\$ (5,328)	\$ (5,213)
Balance per consolidated financial statement		
Deficit	\$ (65,392)	\$ (60,064)
Advances to First Nation	(44,009)	(55,455)
	\$ (109,401)	\$ (115,519)

Ginoogaming First Nation

Notes to Consolidated Financial Statements

March 31, 2018

9. Accounts Payable and Accrued Liabilities

	2018	2017
Trade payables	\$ 6,393,890	\$ 3,621,480
Accrued salaries and benefits payable	80,997	125,867
Other accrued liabilities	705,658	752,780
	\$ 7,180,545	\$ 4,500,127

10. Due to Government and Other Government Organizations

	2018	2017
Federal government		
Indigenous Services Canada		
Strategic Partnership Initiative	\$ 761,926	\$ 761,926
Harmonized sales tax	(969)	(886)
Provincial government		
Workers' compensation benefits	44,864	12,618
	\$ 805,821	\$ 773,658

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

11. Demand and Term Loans

	2018	2017
Mortgage payable in monthly installments of \$4,433, including interest at 1.68%, renewing April 1, 2018	\$ 911,131	\$ 953,154
Auto loan (Ford Credit), secured by a 2012 Ford F250 with monthly payments of \$653 including interest at 6.19%, maturing April 14, 2018	-	7,592
Auto loan (Ford Credit), unsecured with monthly payments of \$531 including interest at 2.99%, maturing June 28, 2018	-	9,325
	<u>\$ 911,131</u>	<u>\$ 970,071</u>

12. Deferred Revenue

	2018	2017
Federal government		
FNIHB	\$ 445,516	\$ -
Other government organizations		
KKETS	170,950	170,950
Matawa	84,146	-
	<u>\$ 700,612</u>	<u>\$ 170,950</u>

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2018

13. Tangible Capital Assets

									2018
	Housing Assets	Commercial Buildings	Furniture and Fixtures	Office Equipment	Machinery and Equipment	Vehicles	Infrastructure	Construction in Progress	Total
Cost, beginning of year	\$ 4,205,024	\$ 2,769,393	\$ 49,174	\$ 270,649	\$ 183,787	\$ 273,981	\$ 257,512	\$ -	\$ 8,009,520
Additions	-	6,383	-	-	-	-	-	2,017,529	2,023,912
Cost, end of year	4,205,024	2,775,776	49,174	270,649	183,787	273,981	257,512	2,017,529	10,033,432
Accumulated amortization, beginning of year	2,518,294	2,043,400	49,174	266,712	183,787	242,417	107,289	-	5,411,073
Amortization	188,272	129,528	-	3,334	-	18,663	10,764	-	350,561
Accumulated amortization, end of year	2,706,566	2,172,928	49,174	270,046	183,787	261,080	118,053	-	5,761,634
Net carrying amount, end of year	\$ 1,498,458	\$ 602,848	\$ -	\$ 603	\$ -	\$ 12,901	\$ 139,459	\$ 2,017,529	\$ 4,271,798

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2018

13. Tangible Capital Assets (cont'd)

								2017
	Housing Assets	Commercial Buildings	Furniture and Fixtures	Office Equipment	Machinery and Equipment	Vehicles	Infrastructure	Total
Cost, beginning of year	\$ 4,205,024	\$ 2,769,393	\$ 49,174	\$ 268,724	\$ 183,787	\$ 273,981	\$ 257,512	\$ 8,007,595
Additions	-	-	-	1,925	-	-	-	1,925
Cost, end of year	4,205,024	2,769,393	49,174	270,649	183,787	273,981	257,512	8,009,520
Accumulated amortization, beginning of year	2,330,022	1,913,685	49,174	261,590	183,787	207,400	96,525	5,042,183
Amortization	188,272	129,715	-	5,122	-	35,017	10,764	368,890
Accumulated amortization, end of year	2,518,294	2,043,400	49,174	266,712	183,787	242,417	107,289	5,411,073
Net carrying amount, end of year	\$ 1,686,730	\$ 725,993	\$ -	\$ 3,937	\$ -	\$ 31,564	\$ 150,223	\$ 2,598,447

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

14. Accumulated Deficit

The First Nation segregates its accumulated surplus in the following categories:

	2018	2017
Externally Restricted		
CMHC Housing - replacement reserve	\$ 8,960	\$ 8,960
Unrestricted surplus	497	481,268
Accumulated surplus at end of year	\$ 9,457	\$ 490,228

15. Economic Dependence

The Organization is dependent upon subsidy payments from various government agencies to finance its continuing operations.

16. Government Transfers

				2018	2017
	Funding Received	Opening Deferred	Closing Deferred	Total	Total
Federal					
ISC	\$ 3,167,542	\$ -	\$ -	\$ 3,167,542	\$ 3,730,779
CMHC	56,975	-	-	56,975	56,975
FNIHB	2,746,174	-	(445,516)	2,300,658	824,867
	\$ 5,970,691	\$ -	\$ (445,516)	\$ 5,525,175	\$ 4,612,621
Provincial					
MAA	\$ -	\$ -	\$ -	\$ -	\$ 84,647
MCSS	771,696	-	-	771,696	589,924
MIRR	98,819	-	-	98,819	77,766
MOH	-	-	-	-	22,392
MNDM	82,528	-	-	82,528	169,829
NOHFC	-	-	-	-	-
	\$ 953,043	\$ -	\$ -	\$ 953,043	\$ 944,558
Other					
Dilico	\$ 199,747	\$ -	\$ -	\$ 199,747	\$ 194,313
Matawa	456,143	-	(84,146)	371,997	447,782
NAN	163,601	-	-	163,601	156,199
KKETS	144,794	170,950	(170,950)	144,794	285,062
	\$ 964,285	\$ 170,950	\$ (255,096)	\$ 880,139	\$ 1,083,356

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

17. Comparative Figures

Certain of the comparative figures presented in the accompanying consolidated financial statements have been reclassified to conform with the current year's presentation.

18. Segmented Information

Ginoogaming First Nation is a diversified government institution that provides a wide range of services to its members, including administration, medical and other health services, education, capital, infrastructure maintenance and other services. For management reporting purposes the First Nation's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations.

Services are provided by several departments and their activities are reported in these funds. The activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed.

Administration

Administration oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities of Chief and Council.

Community Infrastructure

Community Infrastructure contains activities that provide infrastructure to the community such as road maintenance, sewer and water, community buildings and public utilities.

Education

Education provides public services to elementary and secondary students primarily by entering into service contracts with provincially funded area school boards, as well as native language study. In addition, the department provides sponsorship to students attending post secondary institutions.

Social Housing

Social Housing contains activities that provide housing and repairs and maintenance to band members.

Social Services

Social Services contains activities that provide financial support or support by other means to band members that are aimed at developing both the individual as well as the community.

Health Services

Health Services contains activities that provide medical services to band members. Furthermore, the community wellness department provides a diverse bundle of services directed towards transportation, pre-natal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

18. Segmented Information (cont'd)

Employment and Economic Development

Employment and Economic Development provides a wide array of activities to further support the development and progressively enhance the First Nation's economy and community.

Community Development

Community Development contains activities that provide a benefit to the community.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been appointed based on a percentage of budgeted expenses.

The accounting policies used in the segments are consistent with those followed in preparation of the financial statements as disclosed in the summary of significant accounting policies.

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2018

18. Segmented Information (cont'd)

For the year ended March 31, 2018	Administration	Community Infrastructure	Education	Social Housing	Social Services	Health Services	Employment and Economic Development	Community Development	Total
Revenue									
ISC	\$ 501,283	\$ 148,336	\$ 1,962,382	\$ 349,440	\$ 141,700	\$ -	\$ 64,401	\$ -	\$ 3,167,542
Canada Mortgage and Housing Corporation	-	-	-	56,975	-	-	-	-	56,975
Dilico Anishinabek Family Care	2,680	-	-	-	-	197,067	-	-	199,747
Greenstone Gold	-	-	-	-	-	-	-	120,231	120,231
First Nation and Inuit Health Branch	-	-	-	-	-	1,949,697	-	350,961	2,300,658
Income from investment in government business enterprise KKETS	(5,328)	-	-	-	-	-	-	-	(5,328)
Matawa First Nation Management	5,931	-	-	-	-	-	10,010	128,853	144,794
Ministry of Aboriginal Affairs	34,426	-	-	-	-	45,926	291,645	-	371,997
Ministry of Community and Social Services	-	-	-	-	771,696	-	-	-	771,696
Ministry of Education	-	-	-	-	-	-	-	-	-
Ministry of Health and Long Term Care	-	-	-	-	-	-	-	-	-
Ministry of Indigenous Relations and Reconciliation	-	-	-	-	-	-	-	-	-
Ministry of Northern Development and Mines	-	-	-	-	-	-	-	98,819	98,819
Nishnawbe-Aski Nation	-	-	-	-	-	-	-	82,528	82,528
Ontario First Nations Limited Partnership	-	-	-	-	-	163,601	-	-	163,601
Other revenue	366,101	4,221	107	819	38,444	-	-	729,099	729,099
Rent and user fees	28,812	64,575	-	41,425	-	44,981	59,010	407,832	921,515
Timber Claim Trust	-	-	-	100,000	-	-	-	790	135,602
Funding recoveries	-	-	(84,146)	-	-	-	-	96,357	196,357
	933,905	217,132	1,878,343	548,659	951,840	2,401,272	425,066	2,006,619	9,362,836
Expenses									
Administration fees	19,815	14,826	40,317	42,644	7,365	110,183	55,605	53,231	343,986
Advertising	6,915	-	-	-	-	4,394	-	11,542	22,851
Amortization	-	217,342	-	127,172	-	-	-	6,047	350,561
Bad debt expense	28,563	70,739	-	-	-	-	-	-	99,302
Donations	1,486	-	18	4,810	100	27,970	-	530,238	564,622
External transfers	-	-	-	-	541,408	-	-	-	541,408
Honoraria	324,895	12,896	5,045	2,398	41,033	94,489	19,075	183,711	683,542
Insurance	45,926	-	1,247	7,700	-	-	-	-	54,873
Interest and bank charges	73,665	8	-	579	336	-	-	181	74,769
Interest on long term debt	-	-	-	23,552	-	-	-	-	23,552
Materials and supplies	35,904	245,957	45,865	108,540	83,497	150,671	5,722	331,391	1,007,547
Professional fees	128,102	-	-	6,075	-	35,538	150,800	104,765	425,280
Rent	14,023	-	-	-	1,400	79	6,000	5,500	27,002
Repairs and maintenance	11,860	103,499	170	61,167	71	10,439	-	152,999	340,205
Training	-	-	-	-	24,265	2,475	5,000	-	31,740
Travel	208,133	20,494	288,754	4,682	32,151	107,257	38,519	211,999	911,989
Tuition	-	-	1,925,607	-	-	-	-	-	1,925,607
Utilities, hydro, telephone	57,444	49,590	9,558	1,422	44,148	32,431	11	20,788	215,392
Wages and benefits	247,597	143,604	163,082	32,275	176,955	586,134	150,217	708,475	2,208,339
	1,204,328	878,955	2,479,663	423,016	952,729	1,162,060	430,949	2,320,867	9,852,567
Surplus (deficit) before the undernoted Replacement reserves	(270,423)	(661,823)	(601,320)	125,643	(889)	1,239,212	(5,883)	(314,248)	(489,731)
	8,960	-	-	-	-	-	-	-	8,960
Surplus (deficit)	(261,463)	(661,823)	(601,320)	125,643	(889)	1,239,212	(5,883)	(314,248)	(480,771)
Capital asset purchases	-	-	-	(749,428)	-	(1,274,484)	-	-	(2,023,912)
	\$ (261,463)	\$ (661,823)	\$ (601,320)	\$ (623,785)	\$ (889)	\$ (35,272)	\$ -	\$ (314,248)	\$ (2,504,683)

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2018

18. Segmented Information (cont'd)

For the year ended March 31, 2017	Administration	Community Infrastructure	Education	Social Housing	Social Services	Health Services	Employment and Economic Development	Community Development	Total
Revenue									
ISC	\$ 464,295	\$ 135,842	\$ 1,840,676	\$ 979,160	\$ 119,800	\$ -	\$ 66,294	\$ 124,712	\$ 3,730,779
Amounts earned and held in trust by federal government	59	-	-	-	-	-	-	-	59
Canada Mortgage and Housing Corporation	-	-	-	56,975	-	-	-	-	56,975
Dilico Anishinabek Family Care	-	-	-	-	-	194,313	-	-	194,313
Greenstone Gold	-	-	-	-	-	-	-	50,000	50,000
First Nation and Inuit Health Branch	-	-	-	-	-	415,157	-	409,710	824,867
Income from investment in government business enterprise	(5,213)	-	-	-	-	-	-	-	(5,213)
Matawa First Nations Management	3,248	-	-	-	-	29,000	485,841	214,755	732,844
Ministry of Aboriginal Affairs	-	-	-	-	-	-	-	84,647	84,647
Ministry of Community and Social Services	-	-	-	-	589,924	-	-	-	589,924
Ministry of Education	-	-	-	-	-	-	-	75,378	75,378
Ministry of Health and Long Term Care	-	-	-	-	22,392	-	-	-	22,392
Ministry of Indigenous Relations and Reconciliation	-	-	-	-	-	-	-	77,766	77,766
Ministry of Northern Development and Mines	-	-	-	-	-	-	-	94,451	94,451
Nishnawbe-Aski Nation	-	-	-	-	13,000	111,466	-	31,733	156,199
Ontario First Nations Limited Partnership	-	-	-	-	95,533	-	-	625,000	720,533
Other revenue	3,059,147	19,456	-	-	21,000	-	90,304	361,659	3,551,566
Rent and user fees	73,162	4,522	-	36,825	-	-	-	-	114,509
Timber Claim Trust	-	-	-	100,000	-	-	-	80,583	180,583
Funding recoveries	69,924	-	(65,030)	-	-	32,526	(20,492)	45,408	62,336
	<u>3,664,622</u>	<u>159,820</u>	<u>1,775,646</u>	<u>1,172,960</u>	<u>861,649</u>	<u>782,462</u>	<u>621,947</u>	<u>2,275,802</u>	<u>11,314,908</u>
Expenses									
Administration fees	-	-	527	1,167	-	57,254	33,500	100,746	193,194
Advertising	5,202	-	-	-	-	1,750	2,743	3,447	13,142
Amortization	-	233,886	-	127,170	-	-	-	7,834	368,890
Donations	65	795	90	-	-	2,253	-	633,677	636,880
External transfers	-	-	-	-	485,303	-	16,666	-	501,969
Honoraria	281,230	2,150	1,575	-	20,358	4,800	46,280	205,515	561,908
Insurance	11,820	8,902	11,837	3,741	-	7,524	-	4,347	48,171
Interest and bank charges	33,744	3,452	557	22,416	2,958	13	-	26,219	89,359
Interest on long term debt	19,652	-	-	24,932	89	-	-	1,041	45,714
Materials and supplies	68,457	248,640	17,051	18,153	62,384	31,779	23,718	202,960	673,142
Professional fees	386,663	-	3,332	-	-	28,837	228,272	105,921	753,025
Rent	-	-	-	-	16,800	950	6,000	42,000	65,750
Repairs and maintenance	12,216	63,962	642	46,199	-	19,674	-	2,100	144,793
Training	700	-	-	-	39,471	-	-	-	40,171
Travel	167,966	15,739	155,757	-	17,269	26,578	80,711	165,902	629,922
Tuition	-	-	946,628	-	-	-	-	-	946,628
Utilities, hydro, telephone	95,111	22,644	41,430	588	5,860	46,413	2,113	18,392	232,551
Wages and benefits	335,676	182,740	105,461	776	138,359	414,569	243,017	757,637	2,178,235
	<u>1,418,502</u>	<u>782,910</u>	<u>1,284,887</u>	<u>245,142</u>	<u>788,851</u>	<u>642,394</u>	<u>683,020</u>	<u>2,277,738</u>	<u>8,123,444</u>
Surplus (deficit) before the undernoted	2,246,120	(623,090)	490,759	927,818	72,798	140,068	(61,073)	(1,936)	3,191,464
Replacement reserves	8,960	-	-	-	-	-	-	-	8,960
	<u>\$ 2,255,080</u>	<u>\$ (623,090)</u>	<u>\$ 490,759</u>	<u>\$ 927,818</u>	<u>\$ 72,798</u>	<u>\$ 140,068</u>	<u>\$ (61,073)</u>	<u>\$ (1,936)</u>	<u>\$ 3,200,424</u>