

Ginoogaming First Nation
Consolidated Financial Statements
For the year ended March 31, 2019

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Ginoogaming First Nation Management's Responsibility for Financial Reporting

March 31, 2019

The accompanying consolidated financial statements of Ginoogaming First Nation 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.

BDO Canada LLP was engaged to audit the consolidated financial statements in accordance with Canadian public sector accounting standards on behalf of the members. BDO Canada LLP have full and free access to Council.

Chief

K. Fairid
Councillor

Independent Auditor's Report

**To the Members of
Ginoogaming First Nation**

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Ginoogaming First Nation, and its entities (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, changes 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.

We do not express an opinion on the accompanying consolidated financial statements of the First Nation. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for Disclaimer of Opinion

The First Nation was not able to provide satisfactory audit evidence with respect to the completeness or existence of revenues and 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 revenues and expenses of the First Nation have been properly recorded, nor whether the classification of revenues or expenses is appropriate. As a result, we were unable to determine whether any adjustments might be necessary to revenues, expenses, annual surplus, accounts receivable, accounts payable, deferred revenues and accumulated surplus.

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

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.

Independent Auditor's Report (continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the First Nation's consolidated financial statements in accordance with Canadian generally accepted auditing standards and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

BDO Canada LLP

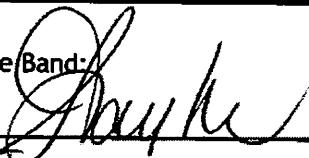
Chartered Professional Accountants, Licensed Public Accountants

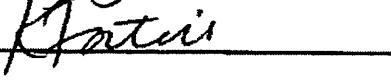
Thunder Bay, Ontario
July 28, 2021

Ginoogaming First Nation Consolidated Statement of Financial Position

March 31	2019	2018
Financial assets		
Cash and cash equivalents (Note 2)	\$ -	\$ 475,245
Accounts receivable (Note 3)	54,148	188,188
Trust funds held by federal government (Note 4)	3,383	3,238
Due from government and government organizations (Note 5)	3,345,639	2,543,776
Loans receivable (Note 6)	75,136	57,044
Investment in government partnership (Note 7)	2,174,384	2,174,384
Investment in government business enterprise (Note 8)	(113,131)	(109,401)
	<hr/> 5,539,559	<hr/> 5,332,474
Liabilities		
Bank indebtedness (Note 2)	299,057	-
Accounts payable and accrued liabilities (Note 9)	7,991,353	7,180,545
Due to government and government organizations (Note 10)	630,161	805,821
Demand and term loans (Note 11)	921,886	911,131
Deferred revenue (Note 12)	268,297	700,612
	<hr/> 10,110,754	<hr/> 9,598,109
Net debt	(4,571,195)	(4,265,635)
Non-financial assets		
Tangible capital assets (Note 13)	6,177,435	4,271,798
Inventory held for use	3,294	3,294
	<hr/> 6,180,729	<hr/> 4,275,092
Accumulated surplus (Note 14)	\$ 1,609,534	\$ 9,457

On behalf of the Band:


Chief


Councillor

Ginoogaming First Nation
Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2019	2018
Revenue		
Federal government transfers (Note 15)	\$ 5,843,738	\$ 5,525,175
Provincial government transfers (Note 15)	1,453,136	953,043
Other government transfers (Note 15)	1,106,401	880,139
Ontario First Nation Limited Partnership	926,134	729,099
Rent and user fees	97,063	135,602
Greenstone Gold	91,916	120,231
Timber Claim Trust	968,673	196,357
Amounts earned and held in trust by federal government (Note 4)	145	-
Loss from investment in government business enterprise	(2,125)	(5,328)
Other revenue	1,223,718	921,515
Funding recoveries	<u>115,949</u>	<u>(92,997)</u>
	11,824,748	9,362,836
Expenses		
Administration	1,162,130	1,204,328
Community infrastructure	1,196,363	878,955
Education	2,386,645	2,479,663
Social housing	520,363	423,016
Social services	1,501,442	952,729
Health services	1,739,821	1,162,060
Employment and economic development	410,802	430,949
Community development	<u>1,328,765</u>	<u>2,320,867</u>
	10,246,331	9,852,567
Surplus (deficit) for the year before the undernoted	1,578,417	(489,731)
Gain on disposal of tangible capital assets	12,700	-
Replacement reserves	8,960	8,960
Annual surplus (deficit)	1,600,077	(480,771)
Accumulated surplus, beginning of year	9,457	490,228
Accumulated surplus, end of year	\$ 1,609,534	\$ 9,457

Ginoogaming First Nation
Consolidated Statement of Changes in Net Debt

For the year ended March 31	2019	2018
Annual surplus (deficit)	\$ 1,600,077	\$ (480,771)
Acquisition of tangible capital assets	(2,260,580)	(2,023,912)
Amortization of tangible capital assets	354,943	350,561
Change in net debt	(305,560)	(2,154,122)
Net debt, beginning of year	(4,265,635)	(2,111,513)
Net debt, end of year	\$ (4,571,195)	\$ (4,265,635)

**Ginoogaming First Nation
Consolidated Statement of Cash Flows**

<u>For the year ended March 31</u>	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Annual surplus (deficit)	\$ 1,600,077	\$ (480,771)
Item not involving cash		
Amortization of tangible capital assets	354,943	350,561
Gain on disposal of tangible capital assets	(12,700)	-
	<hr/>	<hr/>
	1,942,320	(130,210)
Changes in non-cash working capital balances		
Accounts receivable	134,040	114,244
Due from government and other government organizations	(801,863)	(1,092,965)
Loans receivable	(18,092)	(28,563)
Investment in government business enterprise	3,730	(6,118)
Accounts payable and accrued liabilities	810,808	2,680,418
Due to government and other government organizations	(175,660)	32,163
Deferred revenue	(432,315)	529,662
	<hr/>	<hr/>
	(479,352)	2,228,841
	<hr/>	<hr/>
	1,462,968	2,098,631
Cash flows from financing activities		
Advances of demand loans	51,963	-
Repayment of term debt	(41,208)	(58,940)
	<hr/>	<hr/>
Cash flows from investing activities		
Trust funds held by federal government	(145)	-
Acquisition of short term investments	-	391,664
	<hr/>	<hr/>
	(145)	391,664
Cash flows from capital transactions		
Acquisition of tangible capital assets	(2,260,580)	(2,023,912)
Proceeds on sale of capital assets	12,700	-
	<hr/>	<hr/>
Increase (decrease) in cash and cash equivalents	(774,302)	407,443
Cash and cash equivalents, beginning of year	475,245	67,802
	<hr/>	<hr/>
Cash and cash equivalents, end of year	\$ (299,057)	\$ 475,245

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2019

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 Gikinoo 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 Gikinoo A'Maagoziwin Education Authority 38.36%

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2019

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.														
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> <p>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:</p> <table> <tr> <td>Commercial buildings</td> <td>- rates between 5 and 20 years</td> </tr> <tr> <td>Furniture and fixtures</td> <td>- 5 years</td> </tr> <tr> <td>Housing assets</td> <td>- 20 years</td> </tr> <tr> <td>Infrastructure</td> <td>- rates between 10 and 20 years</td> </tr> <tr> <td>Machinery and equipment</td> <td>- rates between 5 and 10 years</td> </tr> <tr> <td>Office equipment</td> <td>- rates between 3 and 5 years</td> </tr> <tr> <td>Vehicles</td> <td>- 5 years</td> </tr> </table> <p>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.</p> <p>Certain assets which have historical or cultural value, including works of art, historical or cultural artifacts, are not recognized as tangible capital assets.</p>	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
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														
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.														

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2019

1. Significant Accounting Policies (cont'd)

Revenue Recognition (cont'd)	<p>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.</p> <p>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.</p> <p>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.</p>
Use of Estimates	<p>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.</p>
Replacement Reserves	<p>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.</p>
Going Concern	<p>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.</p>

**Ginoogaming First Nation
Notes to Consolidated Financial Statements**

March 31, 2019

2. Cash and Cash Equivalents

	2019	2018
Restricted cash	\$ 16,141	\$ 67
Unrestricted cash (bank indebtedness)	<u>(315,198)</u>	<u>475,178</u>
	<u>\$ (299,057)</u>	<u>\$ 475,245</u>

3. Accounts Receivable

	2019	2018
Trade receivables	\$ 4,500	\$ 4,500
KKETS	124,785	240,732
Rent and user fees	<u>286,962</u>	<u>286,962</u>
	<u>416,247</u>	<u>532,194</u>
Allowance for doubtful accounts	<u>(362,099)</u>	<u>(344,006)</u>
	<u>\$ 54,148</u>	<u>\$ 188,188</u>

4. Trust Funds Held by Federal Government

	March 31, 2018	Additions 2019	Withdrawals 2019	March 31, 2019
Revenue	\$ 3,214	\$ 145	\$ -	\$ 3,359
Capital	24	-	-	24
	<u>\$ 3,238</u>	<u>\$ 145</u>	<u>\$ -</u>	<u>\$ 3,383</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, 2019

5. Due from Government and Government Organizations

	2019	2018
Federal government		
Indigenous Services Canada	\$ 1,489,025	\$ 712,621
Canada Mortgage and Housing Corporation	92,668	33,235
First Nation and Inuit Health Branch	22,081	810,961
Provincial government		
Ontario First Nations Limited Partnership	926,134	484,650
Ministry of Indigenous Relations & Reconciliation	138,618	138,618
Ontario Ministry of Education	24,500	24,500
Ontario Ministry of Northern Development and Mines	66,915	30,697
Other government organizations		
Dilico Child and Family Services	282,771	75,850
Matawa First Nation	257,872	185,766
Nishnawbe Aski Nation	45,055	46,878
	\$ 3,345,639	\$ 2,543,776

6. Loans Receivable

	2019	2018
Loans to band members and employees	\$ 75,136	\$ 57,044
Allowance for doubtful accounts	-	-
	\$ 75,136	\$ 57,044

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 Gikinoo A'Maagoziwin Education Authority. Anishinaabeg Gikinoo 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, 2019 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.

	2019	2018
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, 2019

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:

	2019	2018
Cash	\$ 1,139	\$ 1,199
Due from related party	45,614	44,009
Capital assets	-	29,392
Total assets	\$ 46,753	\$ 74,600
Accounts payable	\$ 114,270	\$ 114,269
Long-term debt	-	25,723
Total liabilities	114,270	139,992
Equity	(67,517)	(65,392)
Total liabilities and equity	\$ 46,753	\$ 74,600
Loss on disposal of equipment	\$ (2,065)	\$ -
Expenses	(60)	(5,328)
Net loss	\$ (2,005)	\$ (5,328)
Balance per consolidated financial statement		
Deficit	\$ (67,517)	\$ (65,392)
Advances to First Nation	(45,614)	(44,009)
\$ (113,131)	\$ (109,401)	

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2019

9. Accounts Payable and Accrued Liabilities

	2019	2018
Trade payables	\$ 7,185,781	\$ 6,393,890
Accrued salaries and benefits payable	99,354	80,997
Other accrued liabilities	706,218	705,658
	\$ 7,991,353	\$ 7,180,545

10. Due to Government and Government Organizations

	2019	2018
Federal government		
Indigenous Services Canada		
Provision for Funding Recovery	\$ 650,152	\$ 761,926
Harmonized sales tax	(19,991)	(969)
Provincial government		
Workers' compensation benefits	-	44,864
	\$ 630,161	\$ 805,821

**Ginoogaming First Nation
Notes to Consolidated Financial Statements**

March 31, 2019

11. Demand and Term Loans

	2019	2018
Mortgage payable in monthly installments of \$4,784, including interest at 2.52%, renewing September 2023	\$ 869,924	\$ 911,131
Auto loan (Ford Credit), unsecured with monthly payments of \$1,015 including interest at 2.990%, maturing October 2022	42,162	-
Auto loan (Ford Credit), secured by a 2014 Ford Explorer with monthly payments of \$235 including interest at 3.990%, maturing December 2022	9,800	-
	<hr/>	<hr/>
	\$ 921,886	\$ 911,131

12. Deferred Revenue

	2019	2018
Federal government		
ISC	\$ 50,328	\$ -
FNIHB	-	445,516
Other government organizations		
KKETS	103,883	170,950
Matawa	114,086	84,146
	<hr/>	<hr/>
	\$ 268,297	\$ 700,612

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2019

13. Tangible Capital Assets

	2019								
	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	\$ 2,775,776	\$ 49,174	\$ 270,649	\$ 183,787	\$ 273,981	\$ 257,512	\$ 2,017,529	\$ 10,033,432
Additions	-	-	-	-	9,521	172,911	-	2,078,148	2,260,580
Disposals	-	-	-	-	-	(45,491)	-	-	(45,491)
Cost, end of year	<u>4,205,024</u>	<u>2,775,776</u>	<u>49,174</u>	<u>270,649</u>	<u>193,308</u>	<u>401,401</u>	<u>257,512</u>	<u>4,095,677</u>	<u>12,248,521</u>
Accumulated amortization, beginning of year	2,706,566	2,172,928	49,174	270,046	183,787	261,080	118,053	-	5,761,634
Amortization	169,267	129,209	-	603	952	44,147	10,765	-	354,943
Disposals	-	-	-	-	-	(45,491)	-	-	(45,491)
Accumulated amortization, end of year	<u>2,875,833</u>	<u>2,302,137</u>	<u>49,174</u>	<u>270,649</u>	<u>184,739</u>	<u>259,736</u>	<u>128,817</u>	-	<u>6,071,086</u>
Net carrying amount, end of year	<u>\$ 1,329,191</u>	<u>\$ 473,639</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,569</u>	<u>\$ 141,665</u>	<u>\$ 128,695</u>	<u>\$ 4,095,677</u>	<u>\$ 6,177,435</u>

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2019

13. Tangible Capital Assets (cont'd)

									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	<u>4,205,024</u>	<u>2,775,776</u>	<u>49,174</u>	<u>270,649</u>	<u>183,787</u>	<u>273,981</u>	<u>257,512</u>	<u>2,017,529</u>	<u>10,033,432</u>
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	<u>188,272</u>	<u>129,528</u>	-	<u>3,334</u>	-	<u>18,663</u>	<u>10,764</u>	-	<u>350,561</u>
Accumulated amortization, end of year	<u>2,706,566</u>	<u>2,172,928</u>	<u>49,174</u>	<u>270,046</u>	<u>183,787</u>	<u>261,080</u>	<u>118,053</u>	-	<u>5,761,634</u>
Net carrying amount, end of year	<u>\$ 1,498,458</u>	<u>\$ 602,848</u>	<u>\$ -</u>	<u>\$ 603</u>	<u>\$ -</u>	<u>\$ 12,901</u>	<u>\$ 139,459</u>	<u>\$ 2,017,529</u>	<u>\$ 4,271,798</u>

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2019

14. Accumulated Deficit

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

	2019	2018
Externally Restricted		
CMHC Housing - replacement reserve	\$ 56,654	\$ 8,960
Unrestricted surplus	<u>1,552,880</u>	497
Accumulated surplus at end of year	<u>\$ 1,609,534</u>	\$ 9,457

15. Government Transfers

	Funding Received	Opening Deferred	Closing Deferred	2019	2018
	Total	Total	Total	Total	Total
Federal					
ISC	\$ 4,134,014	\$ -	\$ (50,328)	\$ 4,083,686	\$ 3,167,542
CMHC	59,433	-	-	59,433	56,975
FNIHB	1,255,103	445,516	-	1,700,619	2,300,658
	<u>\$ 5,448,550</u>	<u>\$ 445,516</u>	<u>\$ (50,328)</u>	<u>\$ 5,843,738</u>	<u>\$ 5,525,175</u>
Provincial					
MAA	\$ 104,784	\$ -	\$ -	\$ 104,784	\$ -
MCSS	925,035	-	-	925,035	771,696
MIRR	-	-	-	-	98,819
MOH	105,112	-	-	105,112	-
MNDM	66,915	-	-	66,915	82,528
MOE	251,290	-	-	251,290	-
	<u>\$ 1,453,136</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,453,136</u>	<u>\$ 953,043</u>
Other					
Dilico	\$ 208,321	\$ -	\$ -	\$ 208,321	\$ 199,747
Matawa	337,717	84,146	(114,086)	307,777	371,997
NAN	176,792	-	-	176,792	163,601
KKETS	346,444	170,950	(103,883)	413,511	144,794
	<u>\$ 1,069,274</u>	<u>\$ 255,096</u>	<u>\$ (217,969)</u>	<u>\$ 1,106,401</u>	<u>\$ 880,139</u>

Ginoogaming First Nation Notes to Consolidated Financial Statements

March 31, 2019

16. 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.

17. 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, 2019

17. 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, 2019

17. Segmented Information (cont'd)

For the year ended March 31, 2019	Administration	Community Infrastructure	Education	Social Housing	Social Services	Health Services	Employment and Economic Development	Community Development	Total
Revenue									
Deferred revenue, beginning of year	\$ 875,430	\$ 422,010	\$ 1,964,813	\$ 84,146	\$ 139,640	\$ 445,516	\$ 68,651	\$ 170,950	\$ 700,612
ISC									
Amounts earned and held in trust by federal government	145								145
Canada Mortgage and Housing Corporation				59,433					59,433
Dilico Anishinabek Family Care			1,400			206,921			208,321
Greenstone Gold						903,633		91,916	91,916
First Nation and Inuit Health Branch								351,470	1,255,103
Income from investment in government business enterprise	(2,125)								(2,125)
KKETS	80,183						150,030	116,231	346,444
Matawa First Nation Management	4,556			25,000		116,040	192,121		337,717
Ministry of Aboriginal Affairs								104,784	104,784
Ministry of Community and Social Services					925,035				925,035
Ministry of Education			251,290						251,290
Ministry of Health and Long Term Care					105,112				105,112
Ministry of Indigenous Relations and Reconciliation									
Ministry of Northern Development and Mines								66,915	66,915
Nishnawbe-Aski Nation						176,792			176,792
Ontario First Nations Limited Partnership		547,060	143,248			111,734		124,092	926,134
Other revenue	1,053,895		410		7,592	86,036		75,785	1,223,718
Rent and user fees	37,225			59,838					97,063
Timber Claim Trust	148,000					750,000		70,673	968,673
Funding recoveries		(203)			4,378			111,774	115,949
Deferred revenue, end of year	(50,328)		(114,086)					(103,883)	(268,297)
	2,146,981	968,867	2,331,221	144,271	1,181,757	3,451,232	410,802	1,189,617	11,824,748
Expenses									
Administration fees	38,481	42,200	61,292	7,700	10,511	153,739	26,620	87,940	428,483
Advertising	1,771					3,570		(328)	5,013
Amortization		224,455		127,170				3,317	354,942
Bad debt expense	18,093								18,093
Basic Needs					1,183,952				1,183,952
Donations	6,975		267	3,446	570	152,473		500	164,231
Equipment rental	25,349	1,865			6,000	282	(450)	9,138	42,184
Honoraria	313,791	2,715	14,227	5,600	90,198	133,236	13,456	147,393	720,616
Insurance	41,648			7,000		600			49,248
Interest and bank charges	17,159			307	2,346	162		(35)	19,939
Interest on long term debt		1,878		19,127					21,005
Materials and supplies	44,049	153,392	57,123	75,399	3,256	271,326	17,347	156,269	778,161
Professional fees	333,544			83,459		18,831	45,369	92,478	573,681
Rent					3,000	13,304	3,000	4,000	23,304
Repairs and maintenance	4,071	82,831		112,188		17,601		10,606	227,297
Training					4,970	5,015		8,498	18,483
Travel	172,850	16,420	178,680	1,010	21,838	360,873	35,208	126,394	913,273
Tuition			1,670,423						1,670,423
Utilities, hydro, telephone	13,420	531,964	56,606	13,002	42,333	37,385		48,029	742,739
Wages and benefits	130,929	138,643	348,027	64,955	132,468	571,424	270,252	634,566	2,291,264
	1,162,130	1,196,363	2,386,645	520,363	1,501,442	1,739,821	410,802	1,328,765	10,246,331
Surplus (deficit) before the undernoted	984,851	(227,496)	(55,424)	(376,092)	(319,685)	1,711,411		(139,148)	1,578,417
Gain on disposal of tangible capital assets	12,700								12,700
Replacement reserves	8,960								8,960
Surplus (deficit)	\$ 1,006,511	\$ (227,496)	\$ (55,424)	\$ (376,092)	\$ (319,685)	\$ 1,711,411		\$ (139,148)	\$ 1,600,077

Ginoogaming First Nation
Notes to Consolidated Financial Statements

March 31, 2019

17. 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	(5,328)	-	-	-	-	-	-	-	(5,328)
Matawa First Nations Management	34,426	-	-	-	45,926	291,645	-	-	371,997
KKETS	5,931	-	-	-	-	10,010	128,853	144,794	-
Ministry of Community and Social Services	-	-	-	771,696	-	-	-	-	771,696
Ministry of Indigenous Relations and Reconciliation	-	-	-	-	-	-	-	98,819	98,819
Ministry of Northern Development and Mines	-	-	-	-	-	-	-	82,528	82,528
Nishnawbe-Aski Nation	-	-	-	-	163,601	-	-	-	163,601
Ontario First Nations Limited Partnership	-	-	-	-	-	-	-	729,099	729,099
Other revenue	366,101	4,221	107	819	38,444	44,981	59,010	407,832	921,515
Rent and user fees	28,812	64,575	-	41,425	-	-	-	790	135,602
Timber Claim Trust	-	-	-	100,000	-	-	-	96,357	196,357
Funding recoveries	-	-	(84,146)	-	-	-	-	(8,851)	(92,997)
	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)