

**GAMBLER FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2022**

GAMBLER FIRST NATION
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Year Ended March 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Gambler First Nation have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Gambler First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The First Nation Council is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Council meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the First Nation Council approves the financial statements. The Council also approves the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Lazer Grant LLP, in accordance with Canadian generally accepted auditing standards.



Binscarth, MB

INDEPENDENT AUDITOR'S REPORT

To the Members of Gambler First Nation

Opinion

We have audited the consolidated financial statements of Gambler First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations and accumulated surplus, changes in net financial 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, 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 consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

(continues)

Independent Auditor's Report to the Members of Gambler First Nation (*continued*)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Winnipeg, MB
September 26, 2022

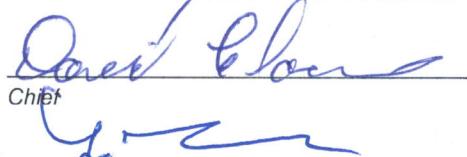
CHARTERED PROFESSIONAL ACCOUNTANTS

GAMBLER FIRST NATION
Consolidated Statement of Financial Position
March 31, 2022

	2022	2021
ASSETS		
Cash	\$ 3,725,745	\$ 3,295,037
Accounts receivable (Note 4)	371,042	370,562
Ottawa trust funds (Note 5)	108,534	106,486
Long term investments (Note 6)	200	200
Investment in limited partnership (Note 7)	697,506	-
Due from related parties (Note 8)	214,731	197,875
Restricted cash (Note 12)	340,750	322,153
	5,458,508	4,292,313
LIABILITIES		
Accounts payable and accrued liabilities (Note 9)	755,632	259,764
Deferred revenue (Note 10)	3,447,360	3,161,371
Long term debt (Note 11)	696,344	789,871
Reserves (Note 12)	271,072	255,455
Land settlement fund (Note 13)	284,347	292,752
Land settlement advances (Note 14)	1,695,211	1,272,994
Construction advances (Note 16)	543,823	543,823
Due to related parties (Note 8)	31,138	-
	7,724,927	6,576,030
NET FINANCIAL DEBT	(2,266,419)	(2,283,717)
NON-FINANCIAL ASSETS		
Prepaid expenses (Note 15)	214,224	355,448
Prepaid land settlement costs (Note 14)	1,695,211	1,272,994
Construction in progress (Note 16)	1,350,923	598,152
Tangible capital assets (Note 17)	2,360,024	2,158,403
	5,620,382	4,384,997
ACCUMULATED SURPLUS	\$ 3,353,963	\$ 2,101,280

CONTINGENT LIABILITY (Note 21)

APPROVED BY CHIEF AND COUNCIL


 Chief

 Councillor


 Councillor

GAMBLER FIRST NATION
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31, 2022

	2022	2021
REVENUES		
Indigenous Services Canada	\$ 4,681,821	\$ 5,886,245
Canada Mortgage and Housing Corporation	77,510	89,049
First Peoples Development Inc.	32,994	28,795
Administration fees (<i>Note 19</i>)	152,395	143,928
Interest	42,379	38,956
Land lease	14,910	10,090
Rent	142,962	118,047
Tobacco sales (net)	27,620	20,918
User fees	27,553	40,579
Loss from investment in partnership (<i>Note 7</i>)	(7,494)	-
Other (<i>Note 20</i>)	268,656	444,253
Deferred from previous year (<i>Note 10</i>)	3,161,371	1,603,560
Deferred to subsequent year (<i>Note 10</i>)	(3,447,360)	(3,161,371)
Decommissioned accounts receivable	(5,500)	-
	5,169,817	5,263,049
EXPENSES (Schedule 1)	3,688,616	4,151,901
SURPLUS FROM OPERATIONS	1,481,201	1,111,148
OTHER EXPENSES		
Amortization	228,518	189,085
ANNUAL SURPLUS	1,252,683	922,063
ACCUMULATED SURPLUS - BEGINNING OF YEAR	2,101,280	1,179,217
ACCUMULATED SURPLUS - END OF YEAR	\$ 3,353,963	\$ 2,101,280

GAMBLER FIRST NATION
Consolidated Statement of Changes in Net Financial Debt
Year Ended March 31, 2022

	2022	2021
ANNUAL SURPLUS	\$ 1,252,683	\$ 922,063
Amortization of tangible capital assets	228,518	189,085
Purchase of tangible capital assets	(474,789)	(695,042)
Proceeds on disposal of tangible capital assets	43,000	117,500
Loss on disposal of tangible capital assets	1,650	9,339
Decrease (increase) in prepaid expenses	141,224	(65,056)
Increase in prepaid land settlement costs	(422,217)	(502,852)
Increase in construction in progress	(752,771)	(272,327)
	(1,235,385)	(1,219,353)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	17,298	(297,290)
NET FINANCIAL DEBT - BEGINNING OF YEAR	(2,283,717)	(1,986,427)
NET FINANCIAL DEBT - END OF YEAR	\$ (2,266,419)	\$ (2,283,717)

GAMBLER FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2022

	2022	2021
OPERATING ACTIVITIES		
Annual surplus	\$ 1,252,683	\$ 922,063
Items not affecting cash:		
Amortization	228,518	189,085
Loss on disposal of tangible capital assets	1,650	9,339
Loss from investment in partnership	7,494	-
	1,490,345	1,120,487
Changes in non-cash working capital	500,384	1,058,752
	1,990,729	2,179,239
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(474,789)	(695,042)
Proceeds on disposal of tangible capital assets	43,000	117,500
Purchase of investments	(705,000)	-
Advances to related parties	(16,855)	(3,300)
Increase in Ottawa trust funds	(2,048)	(6,295)
Increase in restricted cash	(18,597)	(158,167)
Increase in construction in progress	(752,771)	(272,326)
	(1,927,060)	(1,017,630)
FINANCING ACTIVITIES		
Advances from related parties	31,138	-
Increase (decrease) in reserves	15,617	(11,016)
Increase (decrease) in land settlement fund	(8,405)	160,983
Increase in land settlement advances	422,217	283,285
Repayment of long term debt	(93,528)	(91,136)
	367,039	342,116
INCREASE IN CASH	430,708	1,503,725
Cash - beginning of year	3,295,037	1,791,312
CASH - END OF YEAR	\$ 3,725,745	\$ 3,295,037

1. NATURE OF ENTITY

Gambler First Nation is located in the province of Manitoba and operates as the governing entity in providing services to its community members.

Gambler First Nation reporting entity includes all entities which are either owned or controlled by the First Nation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards and include the assets, liabilities, revenues and expenses of the following departments and entities:

- Gambler Administration and Governance
- Gambler Community Assets
- Gambler Education
- Gambler Health
- Gambler Housing
- Gambler Social Assistance

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Long term investments

Investment in the Gambler Management Limited Partnership is recorded on a modified equity basis. Under this basis, the equity method of accounting is modified only to the extent that the partnership's accounting principles are not adjusted to conform with those of the First Nation. Gambler First Nation's investment in these entities is recorded at acquisition cost and is increased or decreased for the proportionate share of earnings or losses and distributions.

Investments in Gambler Management Ltd. and Gambler Development Ltd. are recorded at cost.

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Buildings	5 and 10 years	straight-line method
Band houses	20 years	straight-line method
CMHC Houses		annual principal reduction
Equipment and vehicles	10 years	straight-line method
Roads	45 years	straight-line method
Water and sewer	40 years	straight-line method

The First Nation regularly reviews its tangible capital assets to eliminate obsolete items.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

One-half the normal rate of amortization is recorded in the year of acquisition.

Capital assets acquired under Canada Mortgage and Housing Corporation (CMHC) sponsored housing projects are amortized at a rate equivalent to the annual principal reduction in related long term debt, as required for CMHC reporting purposes.

Revenue recognition

Revenue from government agencies is recognized as it becomes receivable under the terms of applicable funding agreements.

Canada Mortgage and Housing Corporation subsidy revenue is recognized at the start of each month based on the Section 95 agreements for each housing phase.

Rent revenue is recognized when the tenants' rent is invoiced at the start of each month based on the details of each signed lease agreement.

Other revenues are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

3. FINANCIAL INSTRUMENTS

The First Nation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the First Nation's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The First Nation is exposed to credit risk from funders and members. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation is exposed to this risk mainly in respect of its receipt of funds from its funders and other related sources, related party advances, deferred revenue, long term debt, reserves, land settlement advances, construction advances, and accounts payable and accrued liabilities.

GAMBLER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

4. ACCOUNTS RECEIVABLE

	2022	2021
Indigenous Services Canada	\$ 28,500	\$ 71,507
Canada Mortgage and Housing Corporation	83,605	97,994
Province of Manitoba	44,832	6,586
First Peoples Development Inc.	7,160	-
Band members	149,367	143,488
Rent	97,301	91,494
Trade and other	47,969	47,185
Subtotal	458,734	458,254
Allowance for doubtful accounts	(87,692)	(87,692)
	\$ 371,042	\$ 370,562

The allowance for doubtful accounts relates to rent receivable and loans and advances to band members. As the rent and advances are recovered from band members, the recoveries will be recognized in the financial statements.

5. OTTAWA TRUST FUNDS

The Ottawa Trust Accounts 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 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.

As at the end of the year, the funds held in trust consisted of the following balances:

	2022	2021
Capital account	\$ 76,646	\$ 76,646
Revenue account	31,888	29,840
	\$ 108,534	\$ 106,486

6. LONG TERM INVESTMENTS

	2022	2021
Gambler Development Ltd. - common shares	\$ 100	\$ 100
Gambler Management Ltd. - common shares	100	100
	\$ 200	\$ 200

GAMBLER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

7. INVESTMENT IN LIMITED PARTNERSHIP

	Equity %	Balance 2021	Income (loss)	Contributions (withdrawals)	Balance 2022
Gambler Management Limited Partnership	99.99	\$ -	\$ (7,494)	\$ 705,000	\$ 697,506

8. RELATED PARTIES

The following is a summary of the First Nation's related party transactions:

	2022	2021
<u>Related party transactions</u>		

Gambler Brandon Ventures Limited Partnership (<i>related First Nation entity</i>)	\$ 34,660	\$ -
Management fees	\$ -	\$ -

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Due from / to related parties

	2022	2021
<u>Due from related First Nation entities and departments</u>		
Gambler Resources Limited Partnership	\$ 184,281	\$ 180,751
Gambler Gaming Ventures Limited Partnership	25	25
Gambler Construction Limited Partnership	6,865	25
Gambler Brandon Ventures Limited Partnership	23,560	17,049
Gambler Gas & Convenience Store Limited Partnership	-	25
	\$ 214,731	\$ 197,875

Advances to related parties are unsecured and have no specified interest or repayment terms.

	2022	2021
<u>Due to related First Nation entities and departments</u>		
Gambler Gas & Convenience Store Limited Partnership	\$ 31,138	\$ -

Advances from related parties are unsecured and have no specified interest or repayment terms.

GAMBLER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2022	2021
Trade payables	\$ 156,648	\$ 119,912
Accrued liabilities	582,076	129,086
Canada Revenue Agency	16,908	10,766
	<hr/> \$ 755,632	<hr/> \$ 259,764

10. DEFERRED REVENUE

The First Nation receives funding from various sources to be used to operate community programs for the fiscal year. Many programs run each year and, due to timing of the receipt of funding as well as the expenses incurred, not all funding may be expensed by the end of the current year. As at March 31, 2022, the amount of revenue deferred to complete the programs in the following year amounted to \$3,447,360 (2021 - \$3,161,371).

11. LONG TERM DEBT

	2022	2021
Canada Mortgage and Housing Corporation Phase I loan bearing interest at 1.69% per annum, repayable in monthly blended payments of \$1,531. The loan matures on August 1, 2024 and is secured by a Ministerial Loan Guarantee for CMHC On-Reserve Non-Profit Housing Program Project.	\$ 43,479	\$ 60,961
Canada Mortgage and Housing Corporation Phase II loan bearing interest at 0.74% per annum, repayable in monthly blended payments of \$336. The loan matures on July 1, 2030 and is secured by a Ministerial Loan Guarantee for CMHC On-Reserve Non-Profit Housing Program Project.	32,579	36,355
Canada Mortgage and Housing Corporation Phase III loan bearing interest at 1.88% per annum, repayable in monthly blended payments of \$1,797. The loan matures on February 1, 2032 and is secured by a Ministerial Loan Guarantee for CMHC On-Reserve Non-Profit Housing Program Project.	195,008	213,148
Canada Mortgage and Housing Corporation Phase IV loan bearing interest at 2.39% per annum, repayable in monthly blended payments of \$1,342. The loan matures on March 1, 2033 and is secured by a Ministerial Loan Guarantee for CMHC On-Reserve Non-Profit Housing Program Project.	155,736	167,976
Canada Mortgage and Housing Corporation Phase V loan bearing interest at 0.68% per annum, repayable in monthly blended payments of \$369. The loan matures on April 1, 2035 and is secured by a Ministerial Loan Guarantee for CMHC On-Reserve Non-Profit Housing Program Project.	55,439	59,477
Municipality of Russell-Binscarth loan bearing interest at 4.14% per annum, repayable in annual blended payments of \$48,283. The loan matures on May 19, 2026 and is secured by a water supply and sale agreement.	214,103	251,954
	<hr/> \$ 696,344	<hr/> \$ 789,871

Principal repayment terms are approximately:

2023	\$ 95,978
2024	98,570
2025	90,398
2026	85,239
2027	87,743
Thereafter	<hr/> 238,416
	<hr/> \$ 696,344

Canada Mortgage and Housing Corporation (CMHC) mortgages have maturity dates of 25 years and call for renewal every 5 years. Since CMHC will in all likelihood renew each mortgage at the renewal date, the repayment schedule reflects repayment over the entire period of the mortgage.

12. RESERVES

Under the terms of the agreement with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve account is to be credited with an amount of \$14,890 (2021 - \$14,890) 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. Withdrawals are credited to interest first and then principal.

As at March 31, 2022, the Replacement Reserve Fund bank account had a balance of \$34,192 (2021 - \$33,478) and was underfunded by \$5,845 (2021 - \$15,942).

A reserve for the purchase of a new school bus has been established. During the year, \$25,000 was allocated to the reserve (2021 - \$25,000). As at March 31, 2022, the School Bus Reserve bank account had a balance of \$153,981 (2021 - \$127,693) and was underfunded by \$77,054 (2021 - \$78,342).

Replacement reserve expenses have been made in accordance with Schedule "D" of the operating agreement with CMHC.

	2022	2021
<u>Restricted Cash</u>		
Fusion Credit Union (CMHC)	\$ 34,192	\$ 33,478
Fusion Credit Union (school bus)	153,981	127,693
Fusion Credit Union (land settlement)	152,577	160,982
	\$ 340,750	\$ 322,153
 <u>Reserves</u>		
Replacement reserve (CMHC)	\$ 40,037	\$ 49,420
Replacement reserve (school bus)	231,035	206,035
	\$ 271,072	\$ 255,455

13. LAND SETTLEMENT FUND

A land claim administrative settlement account was established in 2008. The original amount was \$4,600,000. Claims were paid to band members (\$10,000 each) who were 18 or over at the time. Children under 18 can apply when they attain the age of 18 years. Any funds remaining after all payments were made to band members is to be used for economic development. There are four children remaining who will turn 18 in subsequent years.

In December 2011, \$100,000 was transferred from the land claim settlement account to the general account for use in general operations and was to be repaid to the settlement bank account. No subsequent repayment has been made.

In addition, the First Nation guaranteed loans taken out by band members and held by the Fusion Credit Union. In 2015, the amount of the loans totaled \$42,050. Payments totaling that amount were withdrawn from the land claim settlement account. The loans were to be recovered from the band members and repaid to the land claim settlement account. The amount of the loans outstanding from band members in 2022 was \$31,770 (2021 - \$31,770).

	2022	2021
Deferred economic development costs	\$ 244,347	\$ 242,752
Liability for land settlement payments	40,000	50,000
	\$ 284,347	\$ 292,752

14. LAND SETTLEMENT ADVANCES

The First Nation received three loans totalling \$422,217 (2021 - \$283,285) from Crown-Indigenous Relations and Northern Affairs Canada - Negotiation Support Directorate as funding support with respect to the negotiation of 1892 Surrender of IR 63, 1898 Surrender of IR 63 and IR 63 Quantity and Quality claims. These loans are non-interest bearing and due on the earlier of March 31, 2024 and March 31, 2026 or a date on which the claims are settled.

During the year, the First Nation incurred costs totalling \$422,217 (2021 - \$502,852) respecting these claims. These costs will be recognized as expense when the claims are settled.

As at March 31, 2022, the First Nation has received advances totalling \$1,695,211 (2021 - \$1,272,994).

15. PREPAID EXPENSES

	2022	2021
Russell-Binscarth water line	\$ 214,102	\$ 251,954
Equipment (excavator)	-	103,000
Other	122	494
	\$ 214,224	\$ 355,448

In 2018, the First Nation entered in to an agreement with the Municipality of Russell to cost-share the construction of a water line to the community. The First Nation's portion of the project amounted to \$405,000 and is being financed by a loan with the municipality over a period of 10 years. The project is being expensed over the life of the loan.

16. CONSTRUCTION IN PROGRESS

The following projects were under construction as at March 31, 2022

	2022	2021
CMHC Phase 6 housing	\$ 434,013	\$ 434,013
CMHC Phase 7 housing	547,149	13,610
CMHC Phase 8 housing	225	-
Cultural Centre	242,949	150,529
Two bedroom duplex	126,587	-
	\$ 1,350,923	\$ 598,152

The First Nation has received advances of \$543,823 (2021 - \$543,823) from Canada Mortgage and Housing Corporation (CMHC) to assist with the construction of the CMHC housing.

17. TANGIBLE CAPITAL ASSETS

Cost	2021 Balance	Additions	Disposals	2022 Balance
Band houses	\$ 1,284,722	\$ -	\$ -	\$ 1,284,722
Buildings	1,193,606	12,616	-	1,206,222
CMHC houses	1,224,713	-	-	1,224,713
Equipment and vehicles	1,641,366	462,173	47,000	2,056,539
Roads	114,135	-	-	114,135
Water and sewer	222,793	-	-	222,793
	\$ 5,681,335	\$ 474,789	\$ 47,000	\$ 6,109,124

Accumulated Amortization	2021 Balance	Amortization	Accumulated Amortization on Disposals	2022 Balance
Band houses	\$ 1,284,722	\$ -	\$ -	\$ 1,284,722
Buildings	854,780	43,060	-	897,840
CMHC houses	686,795	55,677	-	742,472
Equipment and vehicles	602,901	125,496	2,350	726,047
Roads	46,615	-	-	46,615
Water and sewer	47,119	4,285	-	51,404
	\$ 3,522,932	\$ 228,518	\$ 2,350	\$ 3,749,100

Net book value	2022	2021
Buildings	\$ 308,382	\$ 338,826
CMHC houses	482,241	537,918
Equipment and vehicles	1,330,492	1,038,465
Roads	67,520	67,520
Water and sewer	171,389	175,674
	\$ 2,360,024	\$ 2,158,403

18. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUES

	2022	2021
Indigenous Services Canada per financial statements	\$ 4,681,821	\$ 5,886,245
2021 High cost special education funding	(9,500)	-
2022 High cost special education funding	(9,500)	-
	4,662,821	5,886,245
Indigenous Services Canada per confirmation	\$ 4,662,821	\$ 5,886,256

19. ADMINISTRATION FEES

The First Nation charges administration fees to the various programs. For information and presentation purposes, these fees have not been eliminated in the financial statements. The total administration fee revenue and related expense not eliminated during the year is \$152,395 (2021 - \$143,928).

20. OTHER REVENUE

	2022	2021
Southeast Resource Development Council Corp	\$ 27,650	\$ -
Southern Chiefs' Organization	75,006	62,773
West Region Child and Family Services	13,944	-
West Region Treaty 2 & 4 Health Services	1,000	-
West Region Tribal Council	2,000	10,000
PM Associates	120,000	150,000
Other	29,056	34,492
Assembly of Manitoba Chiefs	-	132,383
First Nation Land Management Resources Centre Inc.	-	54,605
	\$ 268,656	\$ 444,253

21. CONTINGENT LIABILITY

The First Nation is contingently liable for mortgages from Canada Mortgage and Housing Corporation under the Residential Rehabilitation Assistance Program (RRAP). Since each mortgage is forgiven (usually over a 4 or 5 year period) no liability has been recorded in the statements for these loans.

The First Nation has guaranteed a loan with First Nations Bank in the amount of \$1,800,000. The loan is on behalf of Brandon Ventures Limited Partnership for the acquisition of land in Brandon, Manitoba. As at March 31, 2022, the balance of the loan is \$1,800,000 (2021 - \$1,800,000).

The First Nation has guaranteed an interim construction loan with First Nations Bank up to the amount of \$3,300,000. The loan is on behalf of Gambler Gas & Convenience Store Limited Partnership for construction of a gas bar, convenience store, and two commercial rental units in Brandon, Manitoba. As at March 31, 2022, project disbursements total \$2,964,742 (2021 - \$649,651) and the balance of the loan is \$2,964,742 (2021 - \$649,651).

The First Nation has guaranteed a loan with the Fusion Credit Union in the amount of \$500,000 and a line of credit up to the amount of \$250,000. Both are on behalf of Gambler Gas & Convenience Store Limited Partnership. As at March 31, 2022, the balance of the loan is \$485,652 (2021 - \$NIL). The line of credit was not being used.

The consolidated financial statements are subject to review by the First Nation's funding agents. It is possible adjustments could be made based on their review, resulting in repayment or recovery of funding.

22. ECONOMIC DEPENDENCE

The First Nation receives substantially all of its revenues from government sources.

23. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

GAMBLER FIRST NATION
Consolidated Expenses (Schedule 1)

Year Ended March 31, 2022

	2022	2021
Administration fees (<i>Note 19</i>)	\$ 173,781	\$ 157,334
Allowances	21,603	50,934
Bad debts	-	30,276
Basic needs	128,905	165,419
Books and supplies	7,259	20,902
Bus reserve allocation (<i>Note 12</i>)	25,000	25,000
Casual and contract labour	42,294	31,073
Fuel	24,260	21,271
Funerals	6,873	11,972
Honorariums	525	22,780
Insurance	99,544	69,075
Interest and bank charges	7,875	16,708
Interest on long term debt	18,842	21,218
Loss on disposal of assets	1,650	9,339
Management fees (<i>Note 8</i>)	34,660	-
Office	105,204	61,505
Post-secondary	24,820	58,332
Professional fees	705,121	1,549,315
Rent	105,849	96,094
Repairs and maintenance	476,673	233,415
Replacement reserve allocation (<i>Note 12</i>)	14,890	14,890
Security	7,473	23,975
Special needs	3,099	2,750
Telephone	21,665	20,588
Training and development	18,827	26,251
Travel	41,125	51,008
Tuition	227,792	161,610
User fees	5,506	6,353
Utilities	80,254	82,582
Wages and employee benefits	977,695	824,484
Workshops and materials	279,552	285,448
	\$ 3,688,616	\$ 4,151,901

GAMBLER FIRST NATION
Consolidated Segment Disclosure (Schedule 2)
Year Ended March 31, 2022

Segmented information presents the revenues generated and expenses incurred by major revenue type and main object of expense for the organization's distinguishable programs or activities.

The segment results for the period are as follows:

	Admin & Governance		Community Assets		Education		Health		Housing		Social Services		Consolidated	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues														
Federal Government	\$ 1,389,860	\$ 1,576,823	\$ 376,727	\$ 301,652	\$ 595,400	\$ 545,731	\$ 1,977,845	\$ 2,063,217	\$ 77,510	\$ 1,188,699	\$ 369,483	\$ 327,968	\$ 4,786,825	\$ 6,004,089
Provincial Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Economic Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income from investments in government businesses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue and transfers	384,385	563,369	(847)	93,645	-	(62,699)	195,073	153,678	90,370	68,779	-	-	668,981	816,771
Deferred revenue	299,185	136,676	-	8,789	(121,215)	(1,288)	(701,357)	(649,588)	334,665	(1,029,706)	(97,268)	(22,693)	(285,989)	(1,557,811)
Total Revenue	2,073,430	2,276,868	375,880	404,086	474,185	481,744	1,471,561	1,567,307	502,545	227,772	272,215	305,275	5,169,817	5,263,049
Expenses														
Amortization	172,841	134,296	-	-	-	-	-	-	55,677	54,789	-	-	228,518	189,085
Debt servicing	7,760	16,508	10,431	11,936	-	-	29	43	8,498	9,440	-	-	26,717	37,926
Professional fees	596,883	1,444,669	16,926	13,661	-	42	79,962	79,094	5,500	6,000	5,850	5,850	705,121	1,549,315
Wages and benefits	266,149	239,492	16,345	12,707	41,888	43,853	617,701	481,922	-	12,740	35,613	33,771	977,695	824,484
Other expenses	400,478	373,468	116,954	155,469	326,304	333,481	594,281	470,442	310,315	152,734	230,752	254,582	1,979,083	1,740,176
Total Expenses	1,444,111	2,208,433	160,656	193,773	368,192	377,376	1,291,973	1,031,501	379,990	235,703	272,215	294,203	3,917,134	4,340,986
Annual Surplus (Deficit)	\$ 629,319	\$ 68,435	\$ 215,224	\$ 210,313	\$ 105,993	\$ 104,368	\$ 179,588	\$ 535,806	\$ 122,555	\$ (7,931)	-	\$ 11,072	\$ 1,252,683	\$ 922,063