

GAMBLER FIRST NATION
Consolidated Financial Statements
Year Ended March 31, 2024

GAMBLER FIRST NATION
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Year Ended March 31, 2024

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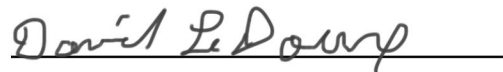
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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.



David L. Doup

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, 2024, and the consolidated statements of operations, changes in accumulated surplus, changes in net financial assets (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, 2024, 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 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.

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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
October 7, 2024


CHARTERED PROFESSIONAL ACCOUNTANTS

GAMBLER FIRST NATION
Consolidated Statement of Financial Position
March 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash	\$ 10,222,191	\$ 2,262,319
Accounts receivable (Note 4)	584,840	1,166,266
Ottawa trust funds (Note 5)	-	111,888
Long term investments (Note 6)	200	200
Investment in limited partnerships (Note 7)	2,677,191	790,281
Promissory note (Note 8)	1,000,000	-
Capital lease receivable (Note 9)	27,243	-
Due from related parties (Note 10)	6,076,660	1,157,095
Internally restricted cash (Note 11)	427,396	325,002
John/James Tanner Gambler Legacy Trust (Note 12)	204,933,958	-
Funds held in trust (Note 13)	17,050,000	-
	242,999,679	5,813,051
LIABILITIES		
Accounts payable and accrued liabilities (Note 14)	3,478,737	880,715
Deferred revenue (Note 15)	233,853,932	3,892,171
Long term debt (Note 16)	1,365,991	960,303
Land settlement fund (Note 17)	10,000	254,347
Land settlement advances (Note 18)	-	1,948,153
Construction advances (Note 20)	-	130,868
	238,708,660	8,066,557
NET FINANCIAL ASSETS (DEBT)	4,291,019	(2,253,506)
NON-FINANCIAL ASSETS		
Prepaid expenses (Note 19)	180,900	141,096
Prepaid land settlement costs (Note 18)	-	2,217,554
Construction in progress (Note 20)	2,968,239	2,150,087
Tangible capital assets (Note 21)	4,902,386	4,035,127
	8,051,525	8,543,864
ACCUMULATED SURPLUS	\$ 12,342,544	\$ 6,290,358

CONTINGENT LIABILITY (Note 28)

APPROVED BY THE CHIEF AND COUNCIL


 Chief

 Councillor

 Councillor

GAMBLER FIRST NATION
Consolidated Statement of Operations
Year Ended March 31, 2024

	2024	2023
REVENUES		
Indigenous Services Canada	\$ 7,079,911	\$ 6,134,840
Canada Mortgage and Housing Corporation	258,955	114,081
First Peoples Development Inc.	26,379	34,323
Province of Manitoba	-	52,499
Administration fees (Note 25)	216,619	221,077
Interest	4,570,665	101,676
2008 land settlement (Note 17)	252,805	-
Land lease	22,430	21,840
Rent	157,126	149,984
Tobacco sales (net)	136,154	121,173
User fees	3,626	113,579
Income (loss) from investment in partnerships (Note 7)	(167,366)	92,775
Other (Note 26)	666,435	1,031,749
Indigenous Services Canada recoveries	(36,078)	-
Deferred from previous year (Note 15)	3,892,171	3,447,360
Deferred to subsequent year (Note 15)	(5,646,865)	(3,892,171)
	11,432,967	7,744,785
EXPENSES (Schedule 1)	9,091,538	5,138,202
SURPLUS FROM OPERATIONS	2,341,429	2,606,583
OTHER INCOME (EXPENSES)		
Land claim settlement (Note 12)	310,000,000	-
Distribution to members (Note 12)	(77,955,000)	-
Deferred to subsequent year (Note 15)	(228,207,067)	-
	3,837,933	-
ANNUAL SURPLUS	\$ 6,179,362	\$ 2,606,583

GAMBLER FIRST NATION

Consolidated Statement of Changes in Accumulated Surplus

Year Ended March 31, 2024

	2024	2023
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 6,290,358	\$ 3,625,035
ANNUAL SURPLUS	6,179,362	2,606,583
	12,469,720	6,231,618
Replacement reserve transactions <i>(Notes 22, 23)</i>	(127,176)	58,740
ACCUMULATED SURPLUS - END OF YEAR	\$ 12,342,544	\$ 6,290,358

GAMBLER FIRST NATION

Consolidated Statement of Changes in Net Financial Assets (Debt)

Year Ended March 31, 2024

	2024	2023
ANNUAL SURPLUS	\$ 6,179,362	\$ 2,606,583
Amortization of tangible capital assets	458,952	339,741
Purchase of tangible capital assets	(1,462,423)	(2,069,143)
Proceeds on disposal of tangible capital assets	144,561	37,403
Loss (gain) on disposal of tangible capital assets	(8,349)	16,896
Decrease (increase) in prepaid expenses	(39,804)	73,128
Decrease (increase) in prepaid land settlement costs	2,217,553	(522,343)
Increase in construction in progress	(818,151)	(799,164)
Replacement reserve transactions	(127,176)	58,740
	365,163	(2,864,742)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	6,544,525	(258,159)
NET FINANCIAL DEBT - BEGINNING OF YEAR	(2,253,506)	(1,995,347)
NET FINANCIAL ASSETS (DEBT) - END OF YEAR	\$ 4,291,019	\$ (2,253,506)

GAMBLER FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Annual surplus	\$ 6,179,362	\$ 2,606,583
Items not affecting cash:		
Amortization	458,952	339,741
(Gain) loss on disposal of tangible capital assets	(8,349)	16,896
Income (loss) from investment in partnerships	167,366	(92,775)
Replacement reserve transactions	(127,176)	58,740
	6,670,155	2,929,185
Changes in non-cash working capital:		
Accounts receivable	581,426	(795,224)
Accounts payable and accrued liabilities	2,598,021	125,082
Deferred revenue	229,961,761	444,811
Prepaid expenses	(39,804)	73,128
Funds held in trust	(17,050,000)	-
Prepaid land settlement costs	2,217,554	(522,343)
	218,268,958	(674,546)
Cash flow from operating activities	224,939,113	2,254,639
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(1,462,423)	(2,069,143)
Proceeds on disposal of tangible capital assets	144,561	37,403
Contributions to limited partnerships	(2,054,276)	-
Addition to promissory note receivable	(1,000,000)	-
Advances to related parties	(4,919,565)	(942,363)
Decrease (increase) in Ottawa trust funds	111,888	(3,354)
(Increase) decrease in restricted cash	(102,394)	15,748
Increase in construction in progress	(818,152)	(799,164)
Increase in John/James Tanner Gambler Legacy Trust	(204,933,958)	-
Increase in capital lease receivable	(27,243)	-
Cash flow used by investing activities	(215,061,562)	(3,760,873)
FINANCING ACTIVITIES		
Repayment of advances from related parties	-	(31,138)
Decrease in construction advances	(130,868)	(412,955)
Decrease in land settlement fund	(244,347)	(30,000)
Decrease (increase) in land settlement advances	(1,948,153)	252,942
Proceeds from long term financing	523,470	412,955
Repayment of long term debt	(117,781)	(148,996)
Cash flow from (used by) financing activities	(1,917,679)	42,808
INCREASE (DECREASE) IN CASH	7,959,872	(1,463,426)
Cash - beginning of year	2,262,319	3,725,745
CASH - END OF YEAR	\$ 10,222,191	\$ 2,262,319

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.

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.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Long term investments

Investments in Gambler Management Limited Partnership and Gambler Development Limited Partnership are recorded on a modified equity basis. Under this basis, the equity method of accounting is modified only to the extent that each 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.

Investment in Gambler Management Ltd. and Gambler Development Ltd. is recorded at cost.

(continues)

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

Construction in Progress

Construction in progress is stated at cost which includes material and direct labour. No amortization expense is recorded on construction in progress until such time as the relevant assets are completed and put into use.

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.

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.

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.

Revenue from sales of goods is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods.

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, 2024.

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, deferred revenue, long term debt, and accounts payable and accrued liabilities.

4. ACCOUNTS RECEIVABLE

	2024	2023
Indigenous Services Canada	\$ 217,530	\$ -
Canada Mortgage and Housing Corporation	12,335	54,324
Prairies Economic Development Canada	10,000	750,000
Province of Manitoba	24,807	84,370
First Peoples Development Inc.	3,867	11,747
Southern Chiefs' Organization	45,000	-
Band Members	-	145,865
Rent	-	99,123
Trade and Other	295,776	83,384
Subtotal	609,315	1,228,813
Allowance for doubtful accounts	(24,475)	(62,547)
	\$ 584,840	\$ 1,166,266

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.

During the year, the Government of Canada transferred all funds and management of the funds to the First Nation and no longer requires the funds to be retained in a trust account.

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

	2024	2023
Capital account	\$ -	\$ 76,646
Revenue account	-	35,242
	\$ -	\$ 111,888

6. LONG TERM INVESTMENTS

	2024	2023
Gambler Development Ltd. - common shares	\$ 100	\$ 100
Gambler Management Ltd. - common shares	100	100
	\$ 200	\$ 200

7. INVESTMENT IN LIMITED PARTNERSHIPS

	Equity %	Balance 2023	Income (loss)	Contributions (withdrawals)	Balance 2024
Gambler Management Limited Partnership	99.99	\$ 696,752	\$ (154,989)	\$ 2,054,276	\$ 2,596,039
Gambler Development Limited Partnership	99.99	93,529	(12,377)	-	81,152
	199.98	\$ 790,281	\$ (167,366)	\$ 2,054,276	\$ 2,677,191

8. PROMISSORY NOTE RECEIVABLE

During the year, the First Nation provided a loan to Odanah Truck Line Inc., a company under common control, in the amount of \$1,000,000. The loan bears interest at 5.2% per annum with principal and interest due on maturity. The loan matures on March 31, 2027 and is secured by a promissory note.

9. CAPITAL LEASE RECEIVABLE

The First Nation has a capital lease receivable from 5325005 Manitoba Ltd., a company under common control. The lease bears interest at 4.39% per annum in monthly blended payments of \$2,500. The lease matures March 31, 2025 and is secured by a 2016 Cascadia Freightliner which has a carrying value of \$89,250. As at March 31, 2024 the balance of the lease receivable is \$27,243 (2023 - \$Nil).

10. DUE FROM RELATED PARTIES

	2024	2023
Due from related First Nation entities		
Gambler Management Limited Partnership	\$ 7,167	\$ 2,284
Gambler Development Limited Partnership	8,434	4,732
Gambler Resources Limited Partnership	184,281	184,281
Gambler Gaming Ventures Limited Partnership	109,525	25
Gambler Construction Limited Partnership	20,823	13,922
Gambler Brandon Ventures Limited Partnership	4,093,675	855,803
Gambler Gas & Convenience Store Limited Partnership	101,337	96,048
Falcon Management Limited Partnership	51,418	-
Mackinley-Clark Paving Ltd.	1,500,000	-
	\$ 6,076,660	\$ 1,157,095

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

11. INTERNALLY RESTRICTED CASH

	2024	2023
Fusion Credit Union (CMHC)	\$ 27,688	\$ 16,360
Fusion Credit Union (school bus)	136,904	182,888
Fusion Credit Union (land settlement)	262,804	125,754
	\$ 427,396	\$ 325,002

12. JOHN/JAMES TANNER GAMBLER LEGACY TRUST

During the year, the First Nation reached a historic land claim settlement agreement with the Government of Canada in the amount of \$310,000,000.

The John/James Tanner Gambler Legacy Trust was established on April 21, 2023 for the purpose of managing funds under the settlement agreement. The Trust is managed by First Nations Bank (FNB) Trust and is restricted pursuant to the terms of the Trust Agreement.

Pursuant to the trust agreement, per capita distributions were made to adult members totalling \$77,955,000 (2023 - \$Nil).

As at March 31, 2024 the trust had net assets of \$195,243,958 (2023 - \$Nil) and a receivable for long-term minor per capita distributions of \$9,690,000 (2023 - \$Nil) totalling \$204,933,958 (2023 - \$Nil).

13. FUNDS HELD IN TRUST

Gambler First Nation has commenced proceedings in relation to a fee agreement for legal services in the amount of \$15,500,000. The funds were advanced to the respondent from the proceeds of the land claim settlement with the Government of Canada and are being held in trust by the respondent legal firm. The action is likely to proceed to a hearing in fiscal 2026.

Gambler First Nation has also commenced proceedings in relation to fees charged for services rendered in assisting with the land claim settled with the Government of Canada in the amount of \$1,550,000. The funds were advanced to the project management company from the proceeds of the settlement with the Government of Canada and are being held in trust by the defendant's law firm. The outcome of the proceeding is unknown at this time.

14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Member distributions	\$ 2,490,000	\$ -
Trade payables	605,269	578,552
Accrued liabilities	347,390	288,470
Indigenous Services Canada	36,078	-
Canada Revenue Agency	-	13,693
	\$ 3,478,737	\$ 880,715

15. 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, 2024, the amount of revenue deferred to complete the programs in the following year amounted to \$5,646,865 (2023 - \$3,892,171) for band related programs and \$228,207,067 (2023 - \$Nil) for land claim settlement.

16. LONG TERM DEBT

	2024	2023
Canada Mortgage and Housing Corporation Phase 1 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.	\$ 7,622	\$ 25,701
Canada Mortgage and Housing Corporation Phase 2 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.	24,942	28,774
Canada Mortgage and Housing Corporation Phase 3 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.	158,541	176,942

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16. LONG TERM DEBT (continued)

	2024	2023
Canada Mortgage and Housing Corporation Phase 4 loan bearing interest at 3.81% per annum, repayable in monthly blended payments of \$1,435. The loan matures on March 1, 2033 and is secured by a Ministerial Loan Guarantee.	131,201	143,201
Canada Mortgage and Housing Corporation Phase 5 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.	47,280	51,373
Canada Mortgage and Housing Corporation Phase 6 loan bearing interest at 3.98% per annum, repayable in monthly blended payments of \$2,168. The loan matures on November 1, 2047 and is secured by a Ministerial Loan Guarantee.	399,643	409,628
Canada Mortgage and Housing Corporation Phase 7 loan bearing interest at 4.49% per annum, repayable in monthly blended payments of \$3,991. The loan matures on October 1, 2038 and is secured by a Ministerial Loan Guarantee.	513,129	-
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 .	83,633	124,684
	\$ 1,365,991	\$ 960,303

Principal repayment terms are approximately:

2025	\$ 126,395
2026	119,138
2027	80,567
2028	82,966
2029	85,453
Thereafter	871,472
	<u>\$ 1,365,991</u>

Canada Mortgage and Housing Corporation (CMHC) mortgages have various maturity dates 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.

17. 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 is one child 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. This amount has been repaid from the settlement proceeds.

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 2024 was \$NIL (2023 - \$31,770). All loans have now been repaid from the settlement proceeds.

	2024	2023
Deferred economic development costs	\$ -	\$ 244,347
Liability for land settlement payments	10,000	10,000
	\$ 10,000	\$ 254,347

18. LAND SETTLEMENT ADVANCES AND COSTS

The First Nation received three loans totalling \$1,948,153 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. The First Nation settled these claims with the Government of Canada during the current year and the loans were recovered by the Government of Canada from the proceeds of the settlement.

During the year, the First Nation incurred costs totalling \$251,438 (2022 - \$522,343) respecting these claims. As at March 31, 2024, the First Nation has incurred expenses totalling \$2,468,992 (2023 - \$2,217,554). As the First Nation settled these claims with the Government of Canada, the costs incurred have been recognized in professional fees in the current year.

GAMBLER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2024

19. PREPAID EXPENSES

	2024	2023
Russell-Binscarth water line	\$ 83,633	\$ 124,684
Fuel	3,072	16,412
Legal fees	94,195	-
	\$ 180,900	\$ 141,096

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.

20. CONSTRUCTION IN PROGRESS

The following projects were under construction as at March 31, 2024:

	2024	2023
CMHC Phase 7 housing	\$ -	\$ 623,995
CMHC Phase 8 housing	486,592	78,709
CMHC Phase 9 housing	427,132	19,532
Cultural Centre	1,467,119	1,076,080
Two bedroom duplex	545,896	351,771
Brandon Tipi project	41,500	-
	\$ 2,968,239	\$ 2,150,087

The First Nation has received advances of \$NIL (2023 - \$130,868) from Canada Mortgage and Housing Corporation (CMHC) to assist with the construction of the CMHC housing.

Notes to Consolidated Financial Statements

Year Ended March 31, 2024

21. TANGIBLE CAPITAL ASSETS

Cost	2023 Balance	Additions	Disposals	2024 Balance
Band houses	\$ 1,284,722	\$ -	\$ -	\$ 1,284,722
Buildings	1,270,417	-	-	1,270,417
CMHC houses	1,667,408	635,023	-	2,302,431
Equipment and vehicles	3,546,393	827,400	194,250	4,179,543
Roads	114,135	-	-	114,135
Water and sewer	222,793	-	-	222,793
	\$ 8,105,868	\$ 1,462,423	\$ 194,250	\$ 9,374,041

Accumulated Amortization	2023 Balance	Amortization	Accumulated Amortization on Disposals	2024 Balance
Band houses	\$ 1,284,722	\$ -	\$ -	\$ 1,284,722
Buildings	941,531	43,691	-	985,222
CMHC houses	802,050	76,731	-	878,781
Equipment and vehicles	940,135	334,245	58,038	1,216,342
Roads	46,615	-	-	46,615
Water and sewer	55,688	4,285	-	59,973
	\$ 4,070,741	\$ 458,952	\$ 58,038	\$ 4,471,655

Net book value	2024	2023
Buildings	\$ 285,195	\$ 328,886
CMHC houses	1,423,650	865,358
Equipment and vehicles	2,963,201	2,606,258
Roads	67,520	67,520
Water and sewer	162,820	167,105
	\$ 4,902,386	\$ 4,035,127

22. HOUSING REPLACEMENT RESERVE

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 \$17,967 (2023 - \$15,726) 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, 2024, the Replacement Reserve Fund bank account had a balance of \$27,688 (2023 - \$16,360) and was underfunded by \$38,044 (2023 - \$50,706).

Surplus revenue from Post 1996 projects is to be retained by the organization within an operating reserve fund and interest earned must accrue to and be maintained in the operating reserve fund. Funds may be withdrawn to cover current operating deficits.

As at March 31, 2024, the Operating Reserve bank account had a balance of \$Nil (2023 - \$Nil) and was underfunded by \$Nil (2023 - \$6,711).

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

	Operating reserve	Replacement reserve	2024	2023
Balance, beginning of year	\$ 6,711	\$ 67,067	\$ 73,778	\$ 40,038
Special contribution	-	-	-	46,000
Annual allocation	-	17,967	17,967	15,726
Annual surplus (deficit)	(6,711)	-	(6,711)	6,711
Interest income	-	481	481	517
Expenses (acquisitions and replacements)	-	(19,782)	(19,782)	(35,214)
	\$ -	\$ 65,733	\$ 65,733	\$ 73,778

23. BUS REPLACEMENT RESERVE

A reserve for the purchase of a new school bus has been established. During the year, \$25,000 was allocated to the reserve (2023 - \$25,000). As at March 31, 2024, the School Bus Reserve bank account had a balance of \$136,904 (2023 - \$182,888) and was underfunded by \$Nil (2023 - \$73,147).

	2024	2023
Balance, beginning of year	\$ 256,034	\$ 231,034
Annual allocation	25,000	25,000
Interest	1,454	-
Subtotal	282,488	256,034
Expenditures	(145,584)	-
	\$ 136,904	\$ 256,034

GAMBLER FIRST NATION
Notes to Consolidated Financial Statements
Year Ended March 31, 2024

24. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUES

	2024	2023
Indigenous Services Canada per financial statements	\$ 7,079,911	\$ 6,134,840
Indigenous Services Canada per confirmation	\$ 7,079,911	\$ 6,134,840

25. 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 \$216,619 (2023 - \$221,077).

26. OTHER REVENUE

	2024	2023
Agriculture and Agri-Food Canada	\$ 143,326	\$ 143,327
First Nation Land Management Resources Centre Inc.	90,500	10,000
Assembly of Manitoba Chiefs	46,259	-
Southern Chiefs' Organization	45,000	20,000
Manitoba First Nations Casino Trust	20,154	15,614
Southeast Resource Development Council Corp	16,000	55,300
Manitoba Hydro	14,391	-
West Region Treaty 2 & 4 Health Services	5,000	-
West Region Tribal Council	2,000	2,000
Trade and other	283,805	33,758
West Region Child and Family Services	-	1,750
Prairies Economic Development Canada	-	750,000
	\$ 666,435	\$ 1,031,749

27. PENSION PLAN

The First Nation has an employee registered defined-contribution pension plan. The First Nation matches the employees' contributions. During the year, expenses totalling \$23,283 (2023 - \$22,736) were made to the pension plan.

28. 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, 2024, the balance of the loan is \$1,748,054 (2023 - \$1,786,882).

The First Nation has guaranteed a loan with First Nations Bank in the amount of \$3,300,000. The loan is on behalf of Gambler Gas & Convenience Store Limited Partnership. As at March 31, 2024, the balance of the loan is \$2,526,856 (2023 - \$2,573,206).

The First Nation has guaranteed a loan with First Nations Bank in the amount of \$850,000. The loan is on behalf of Gambler Gas & Convenience Store Limited Partnership. As at March 31, 2024, the balance of the loan is \$822,866 (2023 - \$842,581).

The First Nation has guaranteed a loan with First Nations Bank in the amount of \$375,000. The loan is on behalf of Gambler Gas & Convenience Store Limited Partnership. As at March 31, 2024, the balance of the loan is \$367,590 (2023 - \$Nil).

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, 2024, the balance of the loan is \$321,318 (2023 - \$402,924). The line of credit was not being used.

The First Nation has guaranteed a loan with First Nations Bank in the amount of \$1,950,000 and a line of credit up to the amount of \$200,000. The loan is on behalf of Mackinley-Clark Paving Ltd. As at March 31, 2024, the balance of the loan is \$1,769,901 (2023 - \$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.

29. ECONOMIC DEPENDENCE

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

30. 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, 2024

	2024	2023
Administration fees (Note 25)	\$ 240,632	\$ 241,824
Allowances	43,030	44,322
Amortization	458,952	339,741
Bad debts (recovery)	59,460	(25,144)
Basic needs	154,397	150,615
Books and supplies	10,934	11,809
Bus reserve allocation (Note 23)	25,000	25,000
Casual and contract labour	44,599	49,742
Economic development	962,956	118,116
Fuel	50,548	34,071
Honorariums	37,923	14,737
Insurance	186,253	158,970
Interest and bank charges	873	1,267
Interest on long term debt	42,518	29,131
Legal settlement	-	15,000
Loss (gain) on disposal of tangible capital assets	(8,349)	16,896
Office	114,586	128,590
Operating reserve allocation (Note 22)	(6,711)	6,711
Post-secondary	29,017	55,563
Professional fees (Note 18)	3,381,257	741,402
Rent	145,599	104,485
Repairs and maintenance	520,956	776,052
Replacement reserve allocation (Note 22)	17,967	61,726
Security	8,933	24,352
Special needs	1,481	3,785
Telephone	27,868	24,487
Training and development	28,819	100,982
Travel	154,774	60,827
Tuition	327,703	297,307
User fees	4,197	5,463
Utilities	94,615	84,562
Wages and employee benefits (Note 27)	1,199,768	958,167
Workshops and materials	730,983	477,644
	\$ 9,091,538	\$ 5,138,202

GAMBLER FIRST NATION
Consolidated Segment Disclosure (Schedule 2)
Year Ended March 31, 2024

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		Claims		Education		Health		Housing		Social Services		Consolidated	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenues																
Federal Government	\$ 2,531,808	\$ 1,161,662	\$ 561,573	\$ 680,836	\$ 310,000,000	\$ -	\$ 627,562	\$ 616,210	\$ 2,354,399	\$ 1,941,491	\$ 868,315	\$ 1,511,081	\$ 385,510	\$ 371,964	\$ 317,329,167	\$ 6,283,244
Provincial Government	-	7,826	-	-	-	-	-	1,957	-	38,368	-	-	-	4,348	-	52,499
Economic Activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other revenue and transfers	1,402,515	1,437,442	5,375	1,980	4,062,545	-	(140,921)	(53,068)	453,843	395,497	82,760	72,002	(7,623)	-	5,858,494	1,853,853
Deferred revenue	(973,831)	247,929	(68,502)	(36,433)	(228,207,067)	-	45,925	(18,729)	(346,945)	287,159	(371,980)	(956,634)	(39,361)	31,897	(229,961,761)	(444,811)
Total Revenue	2,960,492	2,854,859	498,446	646,383	85,855,478	-	532,566	546,370	2,461,297	2,662,515	579,095	626,449	338,526	408,209	93,225,900	7,744,785
Expenses																
Amortization	382,221	280,164	-	-	-	-	-	-	-	-	76,731	59,577	-	-	458,952	339,741
Debt servicing	(673)	5,612	7,232	8,864	75	-	-	-	24	38	36,733	15,884	-	-	43,391	30,398
Professional fees	202,217	639,176	14,071	14,029	3,059,770	-	-	-	92,246	76,207	5,933	5,750	7,020	6,240	3,381,257	741,402
Wages and benefits	376,760	172,024	70,277	24,981	2,698	-	46,614	42,003	652,252	664,609	1,984	-	49,183	54,550	1,199,768	958,167
Other expenses	1,594,186	673,133	203,202	236,283	78,076,066	-	485,949	483,588	1,054,158	1,018,990	267,285	324,085	282,324	332,420	81,963,170	3,068,494
Total Expenses	2,554,711	1,770,109	294,782	284,157	81,138,609	-	532,563	525,591	1,798,680	1,759,844	388,666	405,296	338,527	393,210	87,046,538	5,138,202
Annual Surplus (Deficit)	\$ 405,781	\$ 1,084,750	\$ 203,664	\$ 362,226	\$ 4,716,869	\$ -	\$ 3	\$ 20,779	\$ 662,617	\$ 902,671	\$ 190,429	\$ 221,153	\$ (1)	\$ 14,999	\$ 6,179,362	\$ 2,606,583