

**GOD'S LAKE FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS  
MARCH 31, 2016**



Imani Chartered Accountant Inc.

**GOD'S LAKE FIRST NATION  
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GOD'S LAKE FIRST NATION**

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**GOD'S LAKE FIRST NATION**  
**MARCH 31, 2016**

**MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The accompanying consolidated financial statement of God's Lake First Nation are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Professional Accountants and as such include amounts that are the best estimates and judgments of management.


Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.


The Chief and Council meets periodically with management, as well as the external auditor, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

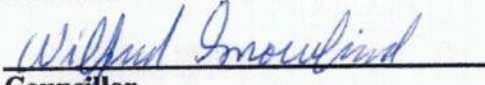
The external auditor, Imani Chartered Accountant Inc., conducts an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditor has full and free access to financial management of the God's Lake First Nation and meet when required.

On behalf of God's Lake First Nation:

  
 Chief

  
 Councillor

  
 Councillor

  
 Councillor

September 22, 2016





# Imani Chartered Accountant Inc.

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Phone (204) 474-2508  
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## INDEPENDENT AUDITOR'S REPORT

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To the Chief and Council  
**GOD'S LAKE FIRST NATION**

I have audited the accompanying consolidated financial statements of **God's Lake First Nation**, which comprise the consolidated statement of financial position as at **March 31, 2016** and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained in my audit is sufficient and appropriate to provide a basis for my audit opinion.

### Opinion

In my opinion, these consolidated financial statements present fairly, in all material respects, the consolidated financial position of **God's Lake First Nation** as at **March 31, 2016**, and the results of its operations, changes in its net debt, and its cash flows for the year ended **March 31, 2016** in accordance with Canadian public sector accounting standards.

Winnipeg, Manitoba  
September 22, 2016


*Imani Chartered Accountant*  
CHARTERED PROFESSIONAL ACCOUNTANT

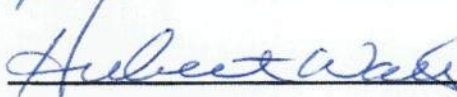
**GOD'S LAKE FIRST NATION  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2016**

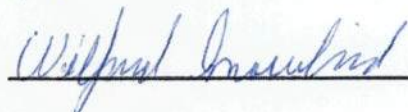
**STATEMENT 1**

	2016 \$	2015 \$
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents (Note 3)	973,521	-
Accounts receivable (Note 4)	103,941	108,812
Loans receivable (Note 5)	116,658	157,087
Due from government organizations (Note 6)	472,094	948,873
Trust Funds held by Federal Government (Note 7)	118,890	115,690
Investments in government business enterprises (Note 8)	<u>194,570</u>	<u>34,230</u>
<b>TOTAL FINANCIAL ASSETS</b>	<u>1,979,674</u>	<u>1,364,692</u>
<b>LIABILITIES</b>		
Bank indebtedness (Note 9)	100,000	17,432
Accounts payable and accrued liabilities (Note 10)	3,775,364	3,689,025
Due to government organizations (Note 11)	1,564,953	660,875
Deferred revenues (Note 12)	1,760,674	1,180,033
Long-term debt (Note 13)	<u>5,081,635</u>	<u>4,552,400</u>
<b>TOTAL LIABILITIES</b>	<u>12,282,626</u>	<u>10,099,765</u>
<b>NET DEBT</b>	<u>(10,302,952)</u>	<u>(8,735,073)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 15)	22,133,070	22,853,641
Construction in progress (Note 15)	11,963,024	10,064,355
Prepaid expenses	<u>1,822,008</u>	<u>1,682,488</u>
<b>TOTAL NON-FINANCIAL ASSETS</b>	<u>35,918,102</u>	<u>34,600,484</u>
<b>ACCUMULATED SURPLUS</b>	<u>25,615,150</u>	<u>25,865,410</u>
<b>CONTINGENCIES (Note 16)</b>		

**APPROVED BY CHIEF AND COUNCIL**

 Chief

 Councillor

 Councillor

 Councillor

 Councillor



**GOD'S LAKE FIRST NATION  
CONSOLIDATED STATEMENT OF OPERATIONS  
FOR THE YEAR ENDED MARCH 31, 2016**

**STATEMENT 2**

	Budget (Unaudited)	2016 \$	2015 \$
<b>REVENUE</b>			
Federal government transfers for operating	13,952,452	<b>14,837,456</b>	14,971,173
Federal government transfers for capital	936,500	<b>2,205,323</b>	3,405,125
Provincial government transfers for operating	402,903	<b>440,623</b>	388,323
Amounts earned and held in trust by federal government	-	<b>3,191</b>	5,148
Rent	272,200	<b>271,480</b>	238,837
Other	<u>1,767,326</u>	<u><b>2,960,542</b></u>	<u>3,328,880</u>
	<u>17,331,381</u>	<u><b>20,718,615</b></u>	<u>22,337,486</u>
<b>EXPENDITURES</b>			
Governance and Administration	1,060,159	<b>1,219,660</b>	1,438,845
Economic Development	398,585	<b>675,687</b>	994,034
Community Services	1,039,339	<b>1,871,839</b>	1,782,559
Housing	578,653	<b>598,419</b>	579,422
Capital and Construction	1,361,010	<b>2,324,356</b>	2,258,692
Social Services	4,565,951	<b>4,831,512</b>	4,855,797
Training and Development	455,000	<b>482,765</b>	444,310
Health	1,996,683	<b>2,428,883</b>	2,128,230
Child Care	193,000	<b>199,259</b>	232,466
Education	4,830,702	<b>5,333,703</b>	4,991,436
Other	<u>212,500</u>	<u><b>1,002,792</b></u>	<u>476,519</u>
	<u>16,691,582</u>	<u><b>20,968,875</b></u>	<u>20,182,310</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>639,799</u>	<u><b>(250,260)</b></u>	<u>2,155,176</u>
<b>ACCUMULATED SURPLUS, beginning of year</b>		<u><b>25,865,410</b></u>	<u>23,710,234</u>
<b>ACCUMULATED SURPLUS, end of year</b>		<u><b>25,615,150</b></u>	<u>25,865,410</u>

**GOD'S LAKE FIRST NATION  
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT  
FOR THE YEAR ENDED MARCH 31, 2016**

**STATEMENT 3**

	2016 \$	2015 \$
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u><b>(250,260)</b></u>	<u>2,155,176</u>
Acquisition of tangible capital assets	<b>(505,606)</b>	(1,265,687)
Amortization of tangible capital assets	<b>1,226,176</b>	1,236,346
Acquisition of/transfer from construction in progress	<b>(1,898,669)</b>	(1,334,225)
Acquisition of prepaid expenses	<b>(1,822,008)</b>	(1,682,488)
Use of prepaid expenses	<u><b>1,682,488</b></u>	<u>1,533,967</u>
	<u><b>(1,317,619)</b></u>	<u>(1,512,087)</u>
<b>NET CHANGE IN DEBT FOR THE YEAR</b>	<b>(1,567,879)</b>	643,089
<b>NET DEBT, beginning of year</b>	<u><b>(8,735,073)</b></u>	<u>(9,378,162)</u>
<b>NET DEBT, end of year</b>	<u><b>(10,302,952)</b></u>	<u>(8,735,073)</u>



**GOD'S LAKE FIRST NATION  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2016**

**STATEMENT 4**

	2016 \$	2015 \$
<b>OPERATING ACTIVITIES:</b>		
Excess (Deficiency) of revenues over expenditures	(250,260)	2,155,176
Items not affecting cash - Amortization of capital assets	<u>1,226,177</u>	<u>1,236,346</u>
	975,917	3,391,522
(Increase) decrease in loans receivable	40,429	(37,522)
(Increase) decrease in accounts receivable	4,871	(76,698)
(Increase) decrease in amount due from government organizations	476,779	(521,439)
(Increase) decrease in funds held by federal government	(3,200)	(5,140)
(Increase) decrease in accounts payable	86,339	286,250
(Increase) decrease in amount due to government organizations	904,078	472,441
(Increase) decrease in deferred revenues	580,641	(1,675,809)
(Increase) decrease in prepaid expenses	(139,520)	(148,521)
(Increase) decrease in investments	(160,340)	(34,230)
(Increase) decrease in bank loan	<u>100,000</u>	<u>-</u>
Cash provided by operating activities	<u>2,865,994</u>	<u>1,650,854</u>
<b>CAPITAL ACTIVITIES:</b>		
Purchase of tangible capital assets	(505,606)	(1,265,687)
Construction in progress	<u>(1,898,669)</u>	<u>(1,334,225)</u>
Cash provided by (used for) capital activities	<u>(2,404,275)</u>	<u>(2,599,912)</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from debt	1,516,564	350,000
Repayment of debt	<u>(987,330)</u>	<u>(996,949)</u>
Cash provided by (used for) financing activities	<u>529,234</u>	<u>(646,949)</u>
<b>INCREASE (DECREASE) IN CASH FOR THE YEAR</b>	<b>990,953</b>	<b>(1,596,007)</b>
<b>CASH, beginning of year</b>	<u>(17,432)</u>	<u>1,578,575</u>
<b>CASH, end of year</b>	<u><b>973,521</b></u>	<u><b>(17,432)</b></u>



**GOD'S LAKE FIRST NATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2016**

**1. DESCRIPTION OF ORGANIZATION**

God's Lake First Nation, as represented by the Chief and Council, has responsibility for representing and serving the needs of the First Nation members. In order to do so the First Nation has established various entities and organizations. God's Lake Contracting Ltd. is separately incorporated.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**A) BASIS OF ACCOUNTING**

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

**B) REPORTING ENTITY**

God's Lake First Nation reporting entity includes the God's Lake First Nation government and all related entities that are controlled by the First Nation.

Business entities owned or controlled by the First Nation, but not dependent on the First Nation for their controlling operations are included in the financial statements using the modified equity method. Under the modified equity method, the business entity's accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses. Entities accounted for by the modified equity basis includes God's Lake Smoke Shop & Restaurant and God's Lake Contracting Ltd.

The financial information for the God's Lake Smoke Shop & Restaurant included in these financial statements is for the year ended December 31, 2015 and God's Lake Contracting Ltd. is for the year ended March 31, 2016. These financial statements have been prepared on a Notice to Reader basis.

**C) PRINCIPLES OF CONSOLIDATION**

All controlled entities are fully consolidated on a line-by-line basis. Inter-organizational balances and transactions are eliminated upon consolidation. Organizations consolidated in God's Lake First Nation's financial statements include:

CMHC 10 Unit Project  
CMHC 15 Unit Project  
CMHC 20 Unit Project  
CMHC 14 Unit Project  
CMHC 5 Unit Project

**D) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents includes cash on hand and balances with banks, net of bank overdrafts and term deposits having a maturity of twelve months or less at acquisition, which are held for the purpose of meeting short-term cash commitments.

**E) TANGIBLE CAPITAL ASSETS**

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, development, improvement or betterment of the assets. Costs include overhead directly attributable to construction and development, as well as interest costs that are directly attributable



to the acquisition or construction of the asset. Amortization is provided for on a declining balance basis as follows:

Facilities	5%
Roads	5%
Environmental infrastructure	5%
Vehicles	20%
Heavy equipment	12%
Computer equipment	50%

Tangible capital assets are written down when conditions indicate they no longer contribute to God's Lake 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.

#### **F) REVENUE**

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

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

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service is performed.

#### **G) MEASUREMENT UNCERTAINTY**

In preparing the financial statements for the government of God's Lake First Nation, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the period. The main estimates used in preparing these financial statements include accounts receivables, advances, tangible capital assets and accrued liabilities. Actual results could differ from these estimates.

### **3. CASH**

Under the terms of an agreement with Canada Mortgage and Housing Corporation, God's Lake First Nation must set aside funds annually for the repairs, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to Housing Replacement and subsidy fund.



Cash is comprised of the following:

	2016 \$	2015 \$
Externally restricted:		
CMHC Replacement Reserve	967	74,997
Term deposit	<u>104,185</u>	<u>103,572</u>
	<u>105,152</u>	<u>178,569</u>
Internally restricted:		
Capital projects	<u>1,699,101</u>	<u>603,686</u>
Unrestricted:		
Operating	<u>(830,732)</u>	<u>(799,687)</u>
Total cash	<u>973,521</u>	<u>(17,432)</u>

#### 4. ACCOUNTS RECEIVABLE

	2016 \$	2015 \$
Keewatin Tribal Council	93,777	67,136
Manitoba First Nation Education Resource Centre	5,315	12,018
TLE Trust	768	29,658
Other	<u>4,081</u>	<u>-</u>
Total accounts receivable	<u>103,941</u>	<u>108,812</u>

#### 5. LOANS RECEIVABLE

	2016 \$	2015 \$
Loans to First Nation members	403,270	418,617
Loan to God's Lake Smoke Shop & Restaurant	50,000	50,000
Less allowance	<u>(336,612)</u>	<u>(311,530)</u>
	<u>116,658</u>	<u>157,087</u>

#### 6. DUE FROM GOVERNMENT ORGANIZATIONS

	2016 \$	2015 \$
Federal government:		
Indigenous and Northern Affairs Canada	380,615	753,710
Health Canada	<u>-</u>	<u>98,072</u>
	380,615	851,782
Province of Manitoba	<u>91,479</u>	<u>97,091</u>
	<u>472,094</u>	<u>948,873</u>

## 7. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

Trust funds arise from moneys derived from capital as revenue sources as outlined in Section 62 of the Indian Act. These funds are held 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.

	Opening Balance \$	Additions \$	Withdrawals \$	Closing Balance \$	2015 \$
Revenue	3,683	-	-	3,683	3,683
Capital	<u>112,007</u>	<u>3,200</u>	<u>-</u>	<u>115,207</u>	<u>112,007</u>
Total	<u>115,690</u>	<u>3,200</u>	<u>-</u>	<u>118,890</u>	<u>115,690</u>

## 8. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

God's Lake First Nation owns 100% of God's Lake Smoke Shop & Restaurant and God's Lake Contracting Inc. God's Lake First Nation's investments in government business enterprises consist of the following:

	2016 \$	2015 \$
God's Lake Smoke Shop & Restaurant	105,514	34,230
God's Lake Contracting Inc.	<u>89,056</u>	<u>-</u>
	<u>194,570</u>	<u>34,230</u>

## 9. BANK LOAN

A bridge loan provided by Median Credit Union in the amount of \$100,000 to purchase a school bus. The term of the loan is 3 months at prime (2.70%) repayable by monthly interest payments with principal to be repaid from 2016/2017 fiscal year funding for education/transportation.

## 10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016 \$	2015 \$
Trade payables	3,641,627	3,656,847
Accrued salaries and benefits payable	102,627	-
Other accrued liabilities	<u>31,110</u>	<u>32,178</u>
	<u>3,775,364</u>	<u>3,689,025</u>

## 11. DUE TO GOVERNMENT ORGANIZATIONS

	2016 \$	2015 \$
Federal government	<u>1,564,953</u>	<u>660,875</u>



**12. DEFERRED REVENUE**

	Opening Balance \$	Funding Received \$	Revenue Recognized \$	Closing Balance \$	2015 \$
Federal government::					
Capital Projects	1,039,145	2,855,126	2,181,807	1,712,464	1,039,145
Other	<u>140,888</u>	<u>14,696,568</u>	<u>14,789,246</u>	<u>48,210</u>	<u>140,888</u>
	<u>1,180,033</u>	<u>17,551,694</u>	<u>16,971,053</u>	<u>1,760,674</u>	<u>1,180,033</u>

**13. LONG-TERM DEBT**

	2016 \$	2015 \$
Mortgage payable with payments of \$4,700 per month including interest of 1.53% per annum, maturing December 1, 2017, secured by ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on ten housing units.	134,545	175,697
Mortgage payable with payments of \$10,213 per month including interest of 4.64% per annum, maturing February 1, 2018, secured by ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on fifteen housing units.	139,971	211,387
Mortgage payable with payments of \$7,318 per month including interest of 2.03% per annum, maturing April 1, 2020, secured by ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on twenty housing units.	323,002	403,111
Mortgage payable with payments of \$8,664 per month including interest of 2.63% per annum, maturing June 1, 2016, secured by ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on fourteen housing units.	1,306,270	1,375,003
Mortgage payable with payments of \$3,189 per month including interest of 1.65% per annum, maturing June 1, 2017, secured by ministerial guarantee from Indigenous and Northern Affairs Canada and a first mortgage on five housing units.	540,549	569,651
Commercial loan of \$137,895 repayable by monthly blended payments of \$6,171 at 6.95% commencing April 1, 2016 to March 1, 2018.	137,895	-
CMHC mortgage advance on 6 unit project. Interest rate and payment terms not finalized at year-end.	1,378,672	-

Two fuel purchase loans of \$150,000 each payable on demand and repayable in twelve equal monthly installments of \$25,960 including interest at 7.00% per annum commencing April 1, 2015 and ending March 1, 2016.

**300,000**      300,000

Demand loan of \$2,700,000 repayable in ninety equal monthly blended payments of \$30,000 including interest at Credit Union prime plus 4% commencing February 1, 2013 to April 1, 2020.

**795,731**      1,467,551

Inventory loan of \$50,000 to God's Lake Smoke Shop payable on demand and repayable in 24 equal monthly installments of \$2,339 including interest at 7.2% per annum, commencing April 1, 2015 and ending March 1, 2017.

**25,000**      **50,000**

**5,081,635**      **4,552,400**

Scheduled principal repayments are estimated as follows:

	<b>Mortgage Loan \$</b>	<b>Operating Loan \$</b>	<b>Total \$</b>
Mortgage advance	<b>1,378,672</b>	-	<b>1,378,672</b>
2017	<b>296,346</b>	<b>735,574</b>	<b>1,031,920</b>
2018	<b>295,980</b>	<b>403,735</b>	<b>699,715</b>
2019	<b>233,317</b>	<b>119,317</b>	<b>352,634</b>
2020	<b>186,434</b>	-	<b>186,434</b>
2021	<b>109,854</b>	-	<b>109,854</b>
thereafter	<u><b>1,322,406</b></u>	<u>-</u>	<u><b>1,322,406</b></u>
	<u><b>3,823,009</b></u>	<u><b>1,258,626</b></u>	<u><b>5,081,635</b></u>

#### 14. EMPLOYEE BENEFIT OBLIGATIONS

God's Lake First Nation provides a defined contribution plan for eligible members of its education staff. Members are required to contribute 5% of their salary while God's Lake First Nation contributes 5% which is contributed directly to the staff's contribution account. The amount of the retirement benefit to be received by the employees will be the amount of retirement annuity that could be purchased based on the staff's share of the pension plan at the time of the staff's withdrawal from the plan. God's Lake First Nation contributed during the year \$103,093 (2015 - \$78,829) for retirement benefits. As of March 31, 2016, God's Lake First Nation was not in compliance with remitting deductions within 30 days and funds were not held in trust pending payment.



## 15. TANGIBLE CAPITAL ASSETS

	Cost		Accumulated Amortization				2016	2015
	Opening Balance \$	Additions/ (Disposals) \$	Closing Balance \$	Opening Balance \$	Amortization \$	Closing Balance \$	Net Book Value \$	Net Book Value \$
Facilities	53,267,258	-	53,267,258	46,774,763	363,763	47,138,526	6,128,732	6,492,495
Roads	6,469,425	-	6,469,425	4,261,149	110,414	4,371,563	2,097,862	2,208,276
Environmental infrastructure	15,270,958	-	15,270,958	7,284,746	319,448	7,604,194	7,666,764	7,986,212
Vehicles	3,783,927	505,606	4,289,533	3,237,852	140,076	3,377,928	911,605	546,075
Computer equipment	20,958	-	20,958	17,029	1,965	18,994	1,964	3,929
CMHC housing	8,337,336	-	8,337,336	2,720,682	290,511	3,011,193	5,326,143	5,616,654
Construction in progress	87,149,862	505,606	87,655,468	64,296,221	1,226,177	65,522,398	22,133,070	22,853,641
	<u>10,064,355</u>	<u>1,898,669</u>	<u>11,963,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,963,024</u>	<u>10,064,355</u>
	<u>97,214,217</u>	<u>2,404,275</u>	<u>99,618,492</u>	<u>64,296,221</u>	<u>1,226,177</u>	<u>65,522,398</u>	<u>34,096,094</u>	<u>32,917,996</u>

## **16. CONTINGENCIES**

God's Lake First Nation has entered in contribution agreements with various federal government departments. Funding received under these contribution agreements are subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements. In addition, in the normal course of operations, God's Lake First Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur and a reasonable estimate of the loss can be made or estimated liability is accrued and an expense recorded on God's Lake First Nation's financial statements.

## **17. ECONOMIC DEPENDENCE**

The government of God's Lake First Nation receives a major portion of its revenue from Indigenous and Northern Affairs Canada and Health Canada. The nature and extent of this revenue is of such significance that the First Nation is economically dependant on this source of revenue.



	Education			Health			Economic Development			Housing		
	Budget 2016	2016	2015	Budget 2016	2016	2015	Budget 2016	2016	2015	Budget 2016	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues												
Federal Capital	-	-	-	-	-	-	-	-	-	-	-	-
Federal Operating	4,796,218	5,087,312	4,935,573	1,805,141	1,886,628	1,862,207	168,585	168,585	168,585	265,915	323,384	247,852
Provincial Operating	-	-	-	-	-	-	-	-	-	-	-	-
Economic Activities	-	-	-	-	-	-	250,000	569,720	660,752	260,200	239,405	314,367
Other revenue	34,484	72,450	77,570	-	-	-	-	-	-	-	-	-
Total revenue	4,830,702	5,159,762	5,013,143	1,805,141	1,886,628	1,862,207	418,585	738,305	829,337	526,115	562,789	562,219
Expenses												
Salaries & benefits	3,393,404	3,264,737	2,743,955	1,007,416	950,228	909,626	-	-	173,333	50,453	448	13,490
Amortization	-	59,231	50,500	-	92,191	91,814	-	-	-	276,500	290,511	538,544
Debt servicing	-	-	-	-	-	-	-	15,275	-	83,500	55,310	68,985
Other expenses	1,437,298	2,009,735	2,196,982	989,267	1,386,464	1,126,790	398,585	660,412	820,701	168,200	252,150	332,827
Total expenses	4,830,702	5,333,703	4,991,437	1,996,683	2,428,883	2,128,230	398,585	675,687	994,034	578,653	598,419	953,846
Annual surplus (deficit)	-	(173,941)	21,706	(191,542)	(542,255)	(266,023)	20,000	62,618	(164,697)	(52,538)	(35,630)	(391,627)

	Budget 2016	2016	2015	Budget 2016	2016	2015	Budget 2016	2016	2015	Budget 2016	2016	2015	Budget 2016	2016	2015
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Social Services</b>															
Revenues															
Federal Capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Operating	4,485,251	4,783,287	4,651,174	843,463	905,303	824,644	944,879	1,031,040	1,156,268	455,000	451,955	424,233			
Provincial Government	-	-	-	72,903	79,402	-	-	-	-	-	-	-			
Other revenue	-	-	-	297,382	371,087	770,389	94,460	9,330	10,619	-	-	-			
Total revenue	<u>4,485,251</u>	<u>4,783,287</u>	<u>4,651,174</u>	<u>1,213,748</u>	<u>1,355,792</u>	<u>1,595,033</u>	<u>1,039,339</u>	<u>1,040,370</u>	<u>1,166,887</u>	<u>455,000</u>	<u>451,955</u>	<u>424,233</u>			
Expenses															
Salaries & benefits	188,240	184,700	223,515	328,600	279,790	333,633	523,825	452,371	345,594	86,249	155,991	110,925			
Amortization	-	-	-	-	1,965	3,930	-	490,561	428,088	-	-	-			
Debt servicing	-	18,541	32,425	75,000	147,261	233,319	-	-	-	-	-	-			
Other expenses	<u>4,377,711</u>	<u>4,628,271</u>	<u>4,599,856</u>	<u>656,559</u>	<u>790,644</u>	<u>867,965</u>	<u>515,514</u>	<u>928,907</u>	<u>1,008,877</u>	<u>368,751</u>	<u>326,774</u>	<u>333,386</u>			
Total expenses	<u>4,565,951</u>	<u>4,831,512</u>	<u>4,855,796</u>	<u>1,060,159</u>	<u>1,219,660</u>	<u>1,438,847</u>	<u>1,039,339</u>	<u>1,871,839</u>	<u>1,782,559</u>	<u>455,000</u>	<u>482,765</u>	<u>444,311</u>			
Annual surplus (deficit)	<u>(80,700)</u>	<u>(48,225)</u>	<u>(204,622)</u>	<u>153,589</u>	<u>136,132</u>	<u>156,186</u>	<u>-</u>	<u>(831,469)</u>	<u>(615,672)</u>	<u>-</u>	<u>(30,810)</u>	<u>(20,078)</u>			
<b>Governance &amp; Admin</b>															
Revenues															
Federal Capital	-	-	-	-	-	-	-	-	-	-	-	-			
Federal Operating	4,485,251	4,783,287	4,651,174	843,463	905,303	824,644	944,879	1,031,040	1,156,268	455,000	451,955	424,233			
Provincial Government	-	-	-	72,903	79,402	-	-	-	-	-	-	-			
Other revenue	-	-	-	297,382	371,087	770,389	94,460	9,330	10,619	-	-	-			
Total revenue	<u>4,485,251</u>	<u>4,783,287</u>	<u>4,651,174</u>	<u>1,213,748</u>	<u>1,355,792</u>	<u>1,595,033</u>	<u>1,039,339</u>	<u>1,040,370</u>	<u>1,166,887</u>	<u>455,000</u>	<u>451,955</u>	<u>424,233</u>			
Expenses															
Salaries & benefits	188,240	184,700	223,515	328,600	279,790	333,633	523,825	452,371	345,594	86,249	155,991	110,925			
Amortization	-	-	-	-	1,965	3,930	-	490,561	428,088	-	-	-			
Debt servicing	-	18,541	32,425	75,000	147,261	233,319	-	-	-	-	-	-			
Other expenses	<u>4,377,711</u>	<u>4,628,271</u>	<u>4,599,856</u>	<u>656,559</u>	<u>790,644</u>	<u>867,965</u>	<u>515,514</u>	<u>928,907</u>	<u>1,008,877</u>	<u>368,751</u>	<u>326,774</u>	<u>333,386</u>			
Total expenses	<u>4,565,951</u>	<u>4,831,512</u>	<u>4,855,796</u>	<u>1,060,159</u>	<u>1,219,660</u>	<u>1,438,847</u>	<u>1,039,339</u>	<u>1,871,839</u>	<u>1,782,559</u>	<u>455,000</u>	<u>482,765</u>	<u>444,311</u>			
Annual surplus (deficit)	<u>(80,700)</u>	<u>(48,225)</u>	<u>(204,622)</u>	<u>153,589</u>	<u>136,132</u>	<u>156,186</u>	<u>-</u>	<u>(831,469)</u>	<u>(615,672)</u>	<u>-</u>	<u>(30,810)</u>	<u>(20,078)</u>			
<b>Capital &amp; Construction</b>															
Revenues															
Federal Capital	936,500	2,205,323	3,405,125	-	-	-	-	-	-	936,500	2,205,323	3,785,125			
Federal Operating	-	-	-	174,400	213,058	242,986	-	-	-	13,938,852	14,850,552	14,513,522			
Provincial Government	280,000	308,231	335,139	-	-	-	50,000	52,990	53,184	402,903	440,623	388,323			
Economic Activities	-	-	-	-	-	-	-	-	-	250,000	569,720	-			
Other revenue	<u>928,000</u>	<u>1,143,555</u>	<u>1,348,008</u>	<u>5,000</u>	<u>-</u>	<u>3,184</u>	<u>170,000</u>	<u>816,570</u>	<u>465,628</u>	<u>1,789,526</u>	<u>2,652,397</u>	<u>3,650,517</u>			
Total revenue	<u>2,144,500</u>	<u>3,657,109</u>	<u>5,088,272</u>	<u>179,400</u>	<u>213,058</u>	<u>246,170</u>	<u>220,000</u>	<u>869,560</u>	<u>898,812</u>	<u>17,317,781</u>	<u>20,718,615</u>	<u>22,337,487</u>			
Expenses															
Salaries & benefits	436,607	490,705	365,621	105,800	96,694	91,155	-	-	-	6,120,594	5,875,664	-			
Amortization	-	291,747	29,453	-	-	-	-	-	-	276,500	1,226,206	1,142,329			
Debt servicing	69,303	68,180	-	-	-	-	-	-	114,679	227,803	304,567	449,408			
Other expenses	<u>855,100</u>	<u>1,473,724</u>	<u>1,489,193</u>	<u>73,600</u>	<u>102,565</u>	<u>141,311</u>	<u>212,500</u>	<u>1,002,792</u>	<u>361,839</u>	<u>10,053,085</u>	<u>13,562,438</u>	<u>13,279,727</u>			
Total expenses	<u>1,361,010</u>	<u>2,324,356</u>	<u>1,884,267</u>	<u>179,400</u>	<u>199,259</u>	<u>232,466</u>	<u>212,500</u>	<u>1,002,792</u>	<u>476,518</u>	<u>16,677,982</u>	<u>20,968,875</u>	<u>14,871,464</u>			
Annual surplus (deficit)	<u>783,490</u>	<u>1,332,753</u>	<u>3,204,005</u>	<u>-</u>	<u>13,799</u>	<u>13,704</u>	<u>7,500</u>	<u>(133,232)</u>	<u>422,294</u>	<u>639,799</u>	<u>(250,260)</u>	<u>7,466,023</u>			
<b>Child Care</b>															
Revenues															
Federal Capital	936,500	2,205,323	3,405,125	-	-	-	-	-	-	936,500	2,205,323	3,785,125			
Federal Operating	-	-	-	174,400	213,058	242,986	-	-	-	13,938,852	14,850,552	14,513,522			
Provincial Government	280,000	308,231	335,139	-	-	-	50,000	52,990	53,184	402,903	440,623	388,323			
Economic Activities	-	-	-	-	-	-	-	-	-	250,000	569,720	-			
Other revenue	<u>928,000</u>	<u>1,143,555</u>	<u>1,348,008</u>	<u>5,000</u>	<u>-</u>	<u>3,184</u>	<u>170,000</u>	<u>816,570</u>	<u>465,628</u>	<u>1,789,526</u>	<u>2,652,397</u>	<u>3,650,517</u>			
Total revenue	<u>2,144,500</u>	<u>3,657,109</u>	<u>5,088,272</u>	<u>179,400</u>	<u>213,058</u>	<u>246,170</u>	<u>220,000</u>	<u>869,560</u>	<u>898,812</u>	<u>17,317,781</u>	<u>20,718,615</u>	<u>22,337,487</u>			
Expenses															
Salaries & benefits	436,607	490,705	365,621	105,800	96,694	91,155	-	-	-	6,120,594	5,875,664	-			
Amortization	-	291,747	29,453	-	-	-	-	-	-	276,500	1,226,206	1,142,329			
Debt servicing	69,303	68,180	-	-	-	-	-	-	114,679	227,803	304,567	449,408			
Other expenses	<u>855,100</u>	<u>1,473,724</u>	<u>1,489,193</u>	<u>73,600</u>	<u>102,565</u>	<u>141,311</u>	<u>212,500</u>	<u>1,002,792</u>	<u>361,839</u>	<u>10,053,085</u>	<u>13,562,438</u>	<u>13,279,727</u>			
Total expenses	<u>1,361,010</u>	<u>2,324,356</u>	<u>1,884,267</u>	<u>179,400</u>	<u>199,259</u>	<u>232,466</u>	<u>212,500</u>	<u>1,002,792</u>	<u>476,518</u>	<u>16,677,982</u>	<u>20,968,875</u>	<u>14,871,464</u>			
Annual surplus (deficit)	<u>783,490</u>	<u>1,332,753</u>	<u>3,204,005</u>	<u>-</u>	<u>13,799</u>	<u>13,704</u>	<u>7,500</u>	<u>(133,232)</u>	<u>422,294</u>	<u>639,799</u>	<u>(250,260)</u>	<u>7,466,023</u>			
<b>Consolidated Total</b>															
Revenues															
Federal Capital	936,500	2,205,323	3,405,125	-	-	-	-	-	-	936,500	2,205,323	3,785,125			
Federal Operating	-	-	-	174,400	213,058	242,986	-	-	-	13,938,852	14,850,552	14,513,522			
Provincial Government	280,000	308,231	335,139	-	-	-	50,000	52,990	53,184	402,903	440,623	388,323			
Economic Activities	-	-	-	-	-	-	-	-	-	250,000	569,720	-			
Other revenue	<u>928,000</u>	<u>1,143,555</u>	<u>1,348,008</u>	<u>5,000</u>	<u>-</u>	<u>3,184</u>	<u>170,000</u>	<u>816,570</u>	<u>465,628</u>	<u>1,789,526</u>	<u>2,652,397</u>	<u>3,650,517</u>			
Total revenue	<u>2,144,500</u>	<u>3,657,109</u>	<u>5,088,272</u>	<u>179,400</u>	<u>213,058</u>	<u>246,170</u>	<u>220,000</u>	<u>869,560</u>	<u>898,812</u>	<u>17,317,781</u>	<u>20,718,615</u>	<u>22,337,487</u>			
Expenses															
Salaries & benefits	436,607	490,705	365,621	105,800	96,694	91,155	-	-	-	6,120,594	5,875,664	-			
Amortization	-	291,747	29,453	-	-	-	-	-	-	276,500	1,226,206	1,142,329			
Debt servicing	69,303	68,180	-	-	-	-	-	-	114,679	227,803	304,567	449,408			
Other expenses	<u>855,100</u>	<u>1,473,724</u>	<u>1,489,193</u>	<u>73,600</u>	<u>102,565</u>	<u>141,311</u>	<u>212,500</u>	<u>1,002,792</u>	<u>361,839</u>	<u>10,053,085</u>	<u>13,562,438</u>	<u>13,279,727</u>			
Total expenses	<u>1,361,010</u>	<u>2,324,356</u>	<u>1,884,267</u>	<u>179,400</u>	<u>199,259</u>	<u>232,466</u>	<u>212,500</u>	<u>1,002,792</u>	<u>476,518</u>	<u>16,677,982</u>	<u>20,968,875</u>	<u>14,871,464</u>			
Annual surplus (deficit)	<u>783,490</u>	<u>1,332,753</u>	<u>3,204,005</u>	<u>-</u>	<u>13,799</u>	<u>13,704</u>	<u>7,500</u>	<u>(133,232)</u>	<u>422,294</u>	<u>639,799</u>	<u>(250,260)</u>	<u>7,466,023</u>			



**19. ANNUAL SURPLUS NET OF CAPITAL RELATED REVENUES AND AMORTIZATION**

	2016 \$	2015 \$
Annual surplus	<u>(280,260)</u>	<u>2,155,176</u>
Less capital related revenue included in annual surplus *: Federal government transfers for capital	<u>(719,656)</u>	<u>(2,599,912)</u>
Add amortization	<u>1,226,176</u>	<u>1,236,346</u>
	<u>506,520</u>	<u>(1,363,566)</u>
Annual surplus net of capital related revenues and amortization	<u>226,260</u>	<u>791,610</u>

\* Capital related revenue include only those capital amounts that have no related expenditures.

**20. BUDGETED FIGURES**

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the Chief and Council of God's Lake First Nation.