

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



**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.

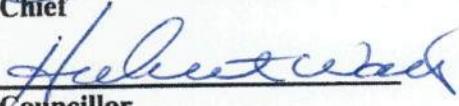
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

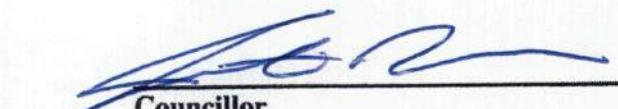
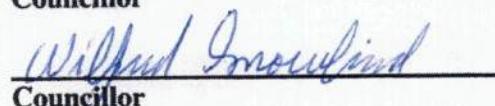
The Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

Wilfred Inoufand
Councillor

September 22, 2016



Imani Chartered Accountant Inc.

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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.

Imani Chartered Accountant
CHARTERED PROFESSIONAL ACCOUNTANT

Winnipeg, Manitoba
September 22, 2016

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

STATEMENT 1

	2016	2015
	\$	\$
FINANCIAL ASSETS		
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>
TOTAL FINANCIAL ASSETS	<u>1,979,674</u>	<u>1,364,692</u>
LIABILITIES		
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>
TOTAL LIABILITIES	<u>12,282,626</u>	<u>10,099,765</u>
NET DEBT	<u>(10,302,952)</u>	<u>(8,735,073)</u>
NON-FINANCIAL ASSETS		
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>
TOTAL NON-FINANCIAL ASSETS	<u>35,918,102</u>	<u>34,600,484</u>
ACCUMULATED SURPLUS	<u>25,615,150</u>	<u>25,865,410</u>
CONTINGENCIES (Note 16)		

APPROVED BY CHIEF AND COUNCIL

John _____ Chief

Hebert Ake _____ Councillor

Wilfred Inasulid _____ Councillor

John _____ Councillor

_____ Councillor

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

STATEMENT 2

	Budget (Unaudited)	2016 \$	2015 \$
REVENUE			
Federal government transfers for operating	13,952,452	14,837,456	14,971,173
Federal government transfers for capital	936,500	2,205,323	3,405,125
Provincial government transfers for operating	402,903	440,623	388,323
Amounts earned and held in trust by federal government	-	3,191	5,148
Rent	272,200	271,480	238,837
Other	<u>1,767,326</u>	<u>2,960,542</u>	<u>3,328,880</u>
	<u>17,331,381</u>	<u>20,718,615</u>	<u>22,337,486</u>
EXPENDITURES			
Governance and Administration	1,060,159	1,219,660	1,438,845
Economic Development	398,585	675,687	994,034
Community Services	1,039,339	1,871,839	1,782,559
Housing	578,653	598,419	579,422
Capital and Construction	1,361,010	2,324,356	2,258,692
Social Services	4,565,951	4,831,512	4,855,797
Training and Development	455,000	482,765	444,310
Health	1,996,683	2,428,883	2,128,230
Child Care	193,000	199,259	232,466
Education	4,830,702	5,333,703	4,991,436
Other	<u>212,500</u>	<u>1,002,792</u>	<u>476,519</u>
	<u>16,691,582</u>	<u>20,968,875</u>	<u>20,182,310</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>639,799</u>	<u>(250,260)</u>	<u>2,155,176</u>
ACCUMULATED SURPLUS, beginning of year		<u>25,865,410</u>	<u>23,710,234</u>
ACCUMULATED SURPLUS, end of year		<u>25,615,150</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
	\$	\$
EXCESS OF REVENUES OVER EXPENDITURES	<u>(250,260)</u>	<u>2,155,176</u>
Acquisition of tangible capital assets	(505,606)	(1,265,687)
Amortization of tangible capital assets	1,226,176	1,236,346
Acquisition of/transfer from construction in progress	(1,898,669)	(1,334,225)
Acquisition of prepaid expenses	(1,822,008)	(1,682,488)
Use of prepaid expenses	<u>1,682,488</u>	<u>1,533,967</u>
	<u>(1,317,619)</u>	<u>(1,512,087)</u>
NET CHANGE IN DEBT FOR THE YEAR	<u>(1,567,879)</u>	<u>643,089</u>
NET DEBT, beginning of year	<u>(8,735,073)</u>	<u>(9,378,162)</u>
NET DEBT, end of year	<u>(10,302,952)</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
	\$	\$
OPERATING ACTIVITIES:		
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>	-
Cash provided by operating activities	<u>2,865,994</u>	<u>1,650,854</u>
CAPITAL ACTIVITIES:		
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>
FINANCING ACTIVITIES:		
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>
INCREASE (DECREASE) IN CASH FOR THE YEAR	990,953	(1,596,007)
CASH , beginning of year	(17,432)	1,578,575
CASH , end of year	<u>973,521</u>	<u>(17,432)</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>	-
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	-	98,072
Province of Manitoba	<u>380,615</u>	<u>851,782</u>
	<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
	<u>5,081,635</u>	<u>4,552,400</u>

Scheduled principal repayments are estimated as follows:

	Mortgage Loan	Operating Loan	Total
	\$	\$	\$
Mortgage advance	1,378,672	-	1,378,672
2017	296,346	735,574	1,031,920
2018	295,980	403,735	699,715
2019	233,317	119,317	352,634
2020	186,434	-	186,434
2021	109,854	-	109,854
thereafter	<u>1,322,406</u>	<u>-</u>	<u>1,322,406</u>
	<u>3,823,009</u>	<u>1,258,626</u>	<u>5,081,635</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 Net Book Value \$	2015 Net Book Value \$
	Opening Balance \$	Additions/ Disposals \$	Closing Balance \$	Opening Balance \$	Amortization \$		
Facilities	53,267,258	-	53,267,258	46,774,763	363,763	47,138,526	6,128,732
Roads	6,469,425	-	6,469,425	4,261,149	110,414	4,371,563	2,097,862
Environmental infrastructure	15,270,958	-	15,270,958	7,284,746	319,448	7,604,194	7,666,764
Vehicles	3,783,927	505,606	4,289,533	3,237,852	140,076	3,377,928	911,605
Computer equipment	20,958	-	20,958	17,029	1,965	18,994	1,964
CMHC housing	8,337,336	-	8,337,336	2,720,682	290,511	3,011,193	5,326,143
Construction in progress	87,149,862 10,064,355	505,606 1,898,669	87,655,468 11,963,024	64,296,221 -	1,226,177 -	65,522,398 -	22,133,070 11,963,024
	97,214,217	2,404,275	99,618,492	64,296,221	1,226,177	65,522,398	34,096,094
							32,917,996

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.

18. SEGMENT DISCLOSURE

The presentation by segment is based on the same accounting policies as described in the summary of significant accounting policies as described in Note 2. The following table presents the expenses incurred and the revenue generated by main object of expense and by major revenue type. The segment results are as follows:

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.