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GOD'S LAKE FIRST NATION  
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020

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# **GOD'S LAKE FIRST NATION**

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**MARCH 31, 2020**

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of God's Lake First Nation and all the information in this annual report 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.

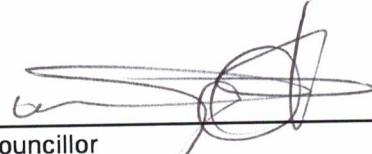
The Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to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

The external auditors, Exchange Group, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of God's Lake First Nation and meet when required.

Chief

Councillor

Councillor

  
Councillor

Councillor

Councillor

## INDEPENDENT AUDITORS' REPORT

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To the Chief, Council and Membership of God's Lake First Nation

### *Qualified Opinion*

We have audited the consolidated financial statements of God's Lake First Nation (the First Nation), which comprise the consolidated statement of financial position as at March 31, 2020, and the consolidated statements of operations, change in net debt and cash flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2020, and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

We were not provided with audit evidence to support several invoices recorded within accounts payable and accrued liabilities. We were also not provided with several invoices that were paid after year end to support the cutoff of expenses. As a result, we cannot offer an opinion on the existence, valuation, or completeness of obligations recorded in the consolidated statement of financial position, or the impact that any changes would have had on the consolidated statement of operations.

Given the significant time that has passed between the audit report date and March 31, 2020, it is not realistic to have performed work on the entire subsequent period, and anecdotal statements from management may not be complete. We therefore modify our opinion to reflect the fact that amounts recorded in the financial statements have not been amended for potential events occurring after year end, if any exist. Furthermore, potential disclosures related to such events have not been disclosed in the financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit 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 relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the First Nation's financial reporting process.

*(continues)*

Independent Auditors' Report to the Chief, Council and Membership of God's Lake First Nation *(continued)*

*Auditors' Responsibilities for the Audit of the 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.

*Exchange*

Chartered Professional Accountants Inc.  
Winnipeg, Manitoba  
May 6, 2025

# GOD'S LAKE FIRST NATION

STATEMENT 1

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2020

2019

### FINANCIAL ASSETS

Cash <i>(Note 2)</i>	\$ 13,293,498	\$ 3,689,783
Restricted cash <i>(Note 3)</i>	46,458	25,528
Accounts receivable <i>(Note 4)</i>	8,470,106	5,600,491
Inventory <i>(Note 5)</i>	1,257,626	1,294,860
Long term investments <i>(Note 6)</i>	36,163	79,217
Total financial assets	<u>23,103,851</u>	<u>10,689,879</u>

### LIABILITIES

Accounts payable and accrued liabilities <i>(Note 7)</i>	18,637,513	22,849,360
Deferred revenue <i>(Note 8)</i>	16,363,105	1,851,075
Long term debt <i>(Note 9)</i>	5,592,174	5,436,361
Total liabilities	<u>40,592,792</u>	<u>30,136,796</u>
Net debt	<u>( 17,488,941)</u>	<u>( 19,446,917)</u>

### NON-FINANCIAL ASSETS

Prepaid expenses <i>(Note 10)</i>	1,366,316	440,797
Tangible capital assets <i>(Note 11)</i>	42,043,659	41,880,287
Construction in progress <i>(Note 12)</i>	68,780,977	45,686,394
Total non-financial assets	<u>112,190,952</u>	<u>88,007,478</u>
Accumulated surplus	<u>\$ 94,702,011</u>	<u>\$ 68,560,561</u>

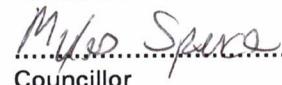
Contingent liabilities *(Note 13)*

Approved on behalf of Council

Chief



Councillor



Councillor

Councillor

Councillor

Councillor

Councillor

Councillor

# GOD'S LAKE FIRST NATION

STATEMENT 2

## CONSOLIDATED STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2020	2019
<b>REVENUE</b>			
Indigenous Services Canada	\$ 11,230,185	\$ 44,193,250	\$ 38,598,074
First Nations and Inuit Health		4,087,008	8,413,476
Canada Mortgage and Housing Corporation	265,915	366,672	531,889
Employment and Social Development Canada	549,400	904,072	719,529
Province of Manitoba	402,903	1,035,671	456,297
Band generated revenue	1,140,000	3,272,131	1,975,113
Other revenue	574,382	2,273,260	2,293,915
Rental income	316,980	281,118	332,783
Eliminations	<u>-</u>	(2,255,530)	(2,008,780)
	<u>14,479,765</u>	<u>54,157,652</u>	<u>51,312,296</u>
<b>EXPENDITURES</b>			
Governance and Administration	1,060,159	2,059,110	1,607,353
Economic Development	398,585	2,252,510	1,577,075
Social Development	4,551,951	4,675,839	4,846,205
Employment and Training	455,133	746,397	524,048
Child Care	179,400	316,151	387,561
Education	4,778,432	6,535,050	6,581,759
Health	14,000	4,031,506	3,223,212
Community Services	1,028,572	2,437,378	3,060,026
Capital and Capital Projects	196,529	4,168,067	3,659,179
Housing	578,653	802,223	1,064,704
Band Funds	643,330	2,247,501	2,556,480
Eliminations	<u>-</u>	(2,255,530)	(2,008,780)
	<u>13,884,744</u>	<u>28,016,202</u>	<u>27,078,822</u>
ANNUAL SURPLUS	595,021	26,141,450	24,233,474
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>68,560,561</u>	<u>68,560,561</u>	<u>44,327,087</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 69,155,582</u>	<u>\$ 94,702,011</u>	<u>\$ 68,560,561</u>

# GOD'S LAKE FIRST NATION

STATEMENT 3

## CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2020	2019
Annual surplus	\$ 595,021	\$ 26,141,450	\$ 24,233,474
Acquisition of tangible capital assets and construction in progress		( 25,724,026)	( 32,889,872)
Amortization of tangible capital assets	-	2,466,071	2,464,804
	-	( 23,257,955)	( 30,425,068)
Acquisition of prepaid expenses		( 1,366,316)	( 440,797)
Use of prepaid expenses	-	440,797	695,526
	-	( 925,519)	254,729
CHANGE IN NET DEBT FOR YEAR	595,021	1,957,976	( 5,936,865)
NET DEBT, <i>beginning of year</i>	( 19,446,917)	( 19,446,917)	( 13,510,052)
NET DEBT, <i>end of year</i>	\$ ( 18,851,896)	\$ ( 17,488,941)	\$ ( 19,446,917)

# **GOD'S LAKE FIRST NATION**

#### **STATEMENT 4**

## **CONSOLIDATED STATEMENT OF CASH FLOWS**

YEAR ENDED MARCH 31

2020 2019

## CASH FLOW FROM

## *OPERATING ACTIVITIES*

Cash received from funding and other sources	\$ 65,800,067	\$ 47,022,593
Cash paid to suppliers and employees	<u>( 30,607,209)</u>	<u>( 11,737,839)</u>
	<b>35,192,858</b>	<b>35,284,754</b>

## **CAPITAL ACTIVITIES**

Acquisition of tangible capital assets and construction in progress **( 25,724,026)** **( 32,889,872)**

## **FINANCING ACTIVITIES**

Proceeds from long term debt	<b>482,521</b>	300,000
Repayment of long term debt	<u>( 326,708)</u>	( 676,649)
	<b>155,813</b>	( 376,649)

#### NET INCREASE IN CASH DURING YEAR

**9,624,645** 2,018,233

### CASH, *beginning of year*

3,715,311      1,697,078

### CASH, *end of year*

\$ 13,339,956 \$ 3,715,311

### CASH COMPRISED OF

Cash	\$ 13,293,498	\$ 3,689,783
Restricted cash	<u>46,458</u>	<u>25,528</u>
	<u>\$ 13,339,956</u>	<u>\$ 3,715,311</u>

# GOD'S LAKE FIRST NATION

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

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### 1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

#### *REPORTING ENTITY*

The God's Lake First Nation reporting entity includes the God's Lake First Nation (the First Nation) government and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

Incorporated and unincorporated business entities which are owned and controlled by the First Nation which are not dependent on the First Nation for their continuing operations are included in the consolidated financial statements using the modified equity method. These include:

- God's Lake Smoke Shop and Restaurant
- God's Lake Contracting Inc.

The financial information for God's Lake Smoke Shop and Restaurant included in these financial statements is for the year ended December 31, 2019 and God's Lake Contracting Inc. is for the year ended March 31, 2020. The financial statements for these business entities have been prepared by management.

#### *ASSET CLASSIFICATION*

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

#### *CASH AND CASH EQUIVALENTS*

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

#### *LONG TERM INVESTMENTS*

The First Nation's investments in various commercial enterprises are accounted for using the modified equity method. Under the modified equity method, the cost of the investments are adjusted for the First Nation's share of the commercial enterprises' income or loss less dividends.

#### *INVENTORY*

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2020****1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)******NET DEBT***

The First Nation's financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt of the First Nation is determined by its liabilities less its financial assets. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

***TANGIBLE CAPITAL ASSETS***

Tangible capital assets are stated at cost and recorded in the capital assets. Social housing assets acquired under Canada Mortgage and Housing Corporation sponsored programs are amortized over their estimated useful lives at a rate equivalent to the annual principal reduction in the related long term debt. Amortization of tangible capital assets is recorded on a straight line basis at the following annual rates:

Buildings	2.5 - 4%
Equipment	5 - 25%
Vehicle	10 - 20%
Infrastructure	2 - 5%
Roads and bridges	2 - 5%
Water and sewer	2 - 5%
Housing	4%

Amortization is computed at one-half of the annual amortization in the year of acquisition.

***SEGMENTS***

The First Nation conducts its business through a number of reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

***REVENUErecognition***

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements with the federal government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the federal government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

***FINANCIAL INSTRUMENTS***

Financial instruments include cash, accounts receivable, accounts payable and accrued liabilities and long term debt. Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Unless otherwise stated, the carrying value of First Nation's financial assets and liabilities approximates their fair value.

***USE OF ESTIMATES***

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities at the date of financial statements and the reported amounts of certain revenue and expenses during the year. Actual results could differ from those estimates.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2020****1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES *(continued)*****FAIR VALUE**

Due to the short term nature of all financial instruments other than long term debt and long term investments, the carrying value as presented in financial statements are reasonable estimates of fair value. Management has estimated fair value by reference to established financial markets. As is true for all estimates, actual fair value could differ from this estimate, and if so any difference would be accounted for in the period in which it becomes known. For long term investments and long term debt it is not practicable within constraints of timeliness or cost to determine the fair value with sufficient reliability because the instruments are not traded in an organized financial market.

**2. CASH**

Cash is comprised of the following:

	<b>2 0 2 0</b>	<b>2 0 1 9</b>
Unrestricted		
God's Lake First Nation	\$ 12,626,946	\$ 3,372,852
God's Lake Gas Bar	219,591	3,220
God's Lake Health Authority	82,822	262,841
God's Lake Housing Authority	<u>364,139</u>	<u>50,870</u>
	<b>\$ 13,293,498</b>	<b>\$ 3,689,783</b>

**3. RESTRICTED CASH****CMHC Replacement Reserve**

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to tangible capital assets. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2020, \$20,059 (2019 - \$205) had been deposited into separate accounts leaving an unfunded balance of \$206,074 (2019 - \$406,812).

**Ottawa Trust Fund**

The Ottawa Trust Fund arises 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. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Capital and revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	<b>2 0 2 0</b>	<b>2 0 1 9</b>
CMHC Replacement Reserve	\$ 20,059	\$ 205
Ottawa Trust Fund	<u>26,399</u>	<u>25,323</u>
	<b>\$ 46,458</b>	<b>\$ 25,528</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020

## 4. ACCOUNTS RECEIVABLE

	2 0 2 0	2 0 1 9
Indigenous Services Canada		
Administration	\$ 1,777	\$ 4,500
Band operated school		239,200
Capital - ACRS		17,484
Capital - equipment		287,752
Capital - fire truck building		1,088,784
Capital - housing		91,584
Capital housing insurance		620,000
Capital - MSI professional housing units	759,600	297,299
Capital - roads and bridges		150,000
Capital - water & sewer		201,734
Community opportunity readiness program		168,585
COVID-19 response	80,000	24,689
Economic development		20,710
Economic development - capacity		203,333
Employment and training - skills link		53,866
Environment support services		64,404
Management and governance capacity development		182,000
Manitoba school initiative		8,775
School mechanical upgrade project	5,129,655	2,295,785
School planning		85,476
School project		13,425
Waste diversion		453,797
Water treatment plant		425,107
Advances receivable	369,023	123,008
Assembly of Manitoba Chiefs	163,606	8,921
Canada Mortgage and Housing	442,905	
First Nations and Inuit Health - H&CC	101,308	36,849
Keewatin Tribal Council	224,865	163,055
Province of Manitoba	50,000	50,000
Related entities	33,839	110,360
Trade and other	8,878,523	5,981,962
Subtotal	( 408,417)	( 381,471)
Less: Allowance for doubtful accounts	<u>\$ 8,470,106</u>	<u>\$ 5,600,491</u>

## 5. INVENTORY

	2 0 2 0	2 0 1 9
Fuel	\$ 1,196,774	\$ 1,294,860
Oil and other	<u>60,852</u>	-
	<u><b>\$ 1,257,626</b></u>	<u><b>\$ 1,294,860</b></u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2020

## 6. INVESTMENTS

	2 0 2 0	2 0 1 9
God's Lake Contracting Inc.	\$ 36,163	\$ 43,004
God's Lake Smoke Shop and Restaurant	<u>36,163</u>	<u>36,213</u>
	<u><u>36,163</u></u>	<u><u>79,217</u></u>

## 7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 0	2 0 1 9
Indigenous Services Canada		
Basic needs	\$ 353,826	\$ 353,826
Special needs	79,841	116,776
In-home care	24,615	24,615
Government Capital Development	4,219	
First Nations and Inuit Health	247,067	261,658
Accrued liabilities	866,679	202,307
Payroll remittances	344,204	761,481
Trade and other	<u>16,717,062</u>	<u>21,128,697</u>
	<u><u>18,637,513</u></u>	<u><u>22,849,360</u></u>

## 8. DEFERRED REVENUE

	2 0 2 0	2 0 1 9
Indigenous Services Canada		
Community Well Being	\$ 500,000	\$ 61,423
New School Fire Flow Upgrade		24,689
LEDSP Economic Development		322,613
8 Unit ISC Housing	31,842	44,581
Manitoba School Initiative	221,535	252,022
Sewer Treatment	11,175,584	
School Project	759,600	
MSI - Roads & Bridges	620,000	
MSI Professional Housing	910,490	
MSI Teacherage - Planning and Design	64,404	
MSI Teacherage - Fit Up of Educational Facilities	5,529	85,298
Waste diversion	-	101,991
Watermain project	<u>14,611,597</u>	<u>570,004</u>
First Nations and Inuit Health		
Jordan's Principle	1,018,441	640,428
Nursing Station	36,277	394,628
CDE Planning & Response	204,761	
Assembly of Manitoba Chiefs - Headstart	<u>492,029</u>	<u>246,015</u>
	<u><u>16,363,105</u></u>	<u><u>1,851,075</u></u>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**
**MARCH 31, 2020**
**9. LONG TERM DEBT**

	<b>2 0 2 0</b>	<b>2 0 1 9</b>
C.M.H.C. mortgage, 1.67%, repayable in monthly installments of \$3,633 (P & I), due May 2019, secured by Ministerial Guarantee and assignment of all risks insurance.	\$	7,250
C.M.H.C. mortgage, 2.03%, repayable in monthly installments of \$7,318 (P & I), due March 2020, secured by Ministerial Guarantee and assignment of all risks insurance.		71,886
C.M.H.C. mortgage, 1.14%, repayable in monthly installments of \$7,792 (P & I), due June 2021, secured by Ministerial Guarantee and assignment of all risks insurance.	986,906	1,068,648
C.M.H.C. mortgage, 1.50%, repayable in monthly installments of \$3,156 (P & I), due July, 2022, secured by Ministerial Guarantee and assignment of all risks insurance.	418,378	449,718
C.M.H.C. mortgage, 1.11%, repayable in monthly installments of \$5,330 (P & I), due April 2021, secured by Ministerial Guarantee and a first mortgage on six housing units.	1,202,085	1,252,396
C.M.H.C. mortgage, 1.43%, repayable in monthly installments of \$9,692, due April 1, 2022, secured by Ministerial Guarantee and a first mortgage on ten housing units.	2,202,284	2,286,463
C.M.H.C. mortgage advances to be converted to long term debt upon completion of 4 unit housing project.	482,521	
Kitayan CFDC fuel purchase loans, 7%, repayable in monthly installments of \$25,960 (P & I), due March 2021, secured by band guarantee.	300,000	300,000
	<u>\$ 5,592,174</u>	<u>\$ 5,436,361</u>

The scheduled principal amounts payable within the next five years to meet retirement provisions is estimated to be as follows:

March 31, 2021	\$ 1,033,264
2022	253,968
2023	257,235
2024	260,544
2025	263,896

**10. PREPAID EXPENSES**

	<b>2 0 2 0</b>	<b>2 0 1 9</b>
Materials and supplies	\$ 904,708	\$ 316,279
Social assistance	461,608	114,931
Student allowance	-	9,587
	<u>\$ 1,366,316</u>	<u>\$ 440,797</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**MARCH 31, 2020**

### 11. TANGIBLE CAPITAL ASSETS

	Cost				Accumulated Amortization				Net Book Value	
	Opening Balance	Additions	Disposals, Write-offs & Adjustments	Closing Balance	Opening Balance	Amortization	Disposals, Write-offs & Adjustments	Closing Balance	Total 2020	Total 2019
Buildings	\$ 62,958,952	\$ 5,413,757	\$ 68,372,709	\$ 49,446,303	\$ 809,318	\$ 1,899,227	\$ 52,154,848	\$ 16,217,861	\$ 13,512,649	
Environmental Infrastructure	25,855,311		25,855,311	9,707,891	645,897		10,353,788	15,501,523	16,147,420	
Roads	6,469,425		6,469,425	4,670,770	89,933		4,760,703	1,708,722	1,798,655	
Equipment	465,388	55,162	520,550	83,072	45,780		128,852	391,698	532,315	
Vehicles	4,934,313	759,639	5,693,952	2,156,764	548,436		2,705,200	2,988,752	2,627,547	
CMHC Housing	<u>10,455,874</u>	<u>—</u>	<u>(3,599,117)</u>	<u>6,856,757</u>	<u>3,194,173</u>	<u>326,708</u>	<u>(1,899,227)</u>	<u>1,621,654</u>	<u>5,235,103</u>	<u>7,261,701</u>
	<u>\$ 111,139,263</u>	<u>\$ 814,801</u>	<u>\$ 1,814,640</u>	<u>\$ 113,768,704</u>	<u>\$ 69,258,973</u>	<u>\$ 2,466,072</u>	<u>\$ —</u>	<u>\$ 71,725,045</u>	<u>\$ 42,043,659</u>	<u>\$ 41,880,287</u>

### 12. CONSTRUCTION IN PROGRESS

	2020	2019
Community Well-being Safe House	\$ 216,321	\$
ISC 8 Unit Housing Project	838,549	
Health - Nursing Station	20,344,911	19,986,591
10 Unit Camp Project	3,278,000	3,278,000
ISC 6 Unit Project - SVB		1,814,640
School Project	42,246,718	18,754,535
CMHC 4 Unit Project - SVB	934,000	934,000
CMHC 4 Unit Project	<u>922,478</u>	<u>918,628</u>
	<u>\$ 68,780,977</u>	<u>\$ 45,686,394</u>

Construction in progress will be transferred to tangible capital assets upon completion and will be amortized accordingly.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2020**

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**13. CONTINGENT LIABILITIES**

God's Lake First Nation has signed agreements with various government bodies for funding of programs which may require that surpluses be returned. If any amounts become repayable, they will be accounted for in the year of determination.

**14. ECONOMIC DEPENDENCE**

God's Lake First Nation receives a major portion of its revenues pursuant to a funding arrangement with Indigenous Services Canada and Health Canada. The nature and extent of this revenue is of such that the First Nation is economically dependant on this source of revenue.

**15. RECONCILIATION OF INDIGENOUS SERVICES CANADA REVENUE**

	2 0 2 0	2 0 1 9
Agreement:	\$ 58,962,747	\$ 37,412,088
Plus: Revenue deferred from previous years	570,004	1,028,086
Advance on 19/20 MSI funding for School Project	727,904	
Less: Revenue deferred to subsequent year	( 14,611,597)	( 570,004)
Advance on 19/20 MSI funding for School Project	<u>( 727,904)</u>	-
<b>TOTAL I.S.C. REVENUE PER FINANCIAL STATEMENTS</b>	<b>\$ 44,193,250</b>	<b>\$ 38,598,074</b>

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****MARCH 31, 2020****16. EXPENSES BY OBJECT**

The following is a summary of expenses by object:

	<b>2 0 2 0</b>	<b>2 0 1 9</b>
Administration	\$ 1,246,489	\$ 754,624
Amortization of capital assets	2,466,072	2,464,804
Bad debts	23,330	10,244
Bank and interest charges	280,223	465,270
Community initiatives and contributions	956,222	679,906
Contract services	77,521	971,725
Equipment and materials	313,617	403,502
Freight	143,080	81,236
Fuel and oil	2,382,276	1,650,918
Insurance	509,639	505,977
Office expenses	24,384	17,995
Other	615,709	463,745
Professional fees	1,315,526	918,638
Repairs and maintenance	452,041	1,401,299
Replacement reserve	197,426	112,355
Rent	45,413	61,798
Wages and benefits	10,212,423	8,668,095
Social assistance	4,030,505	4,292,393
Student support	668,083	560,176
Supplies	1,748,330	2,208,630
Telephone	209,727	154,572
Travel	1,450,740	1,375,654
Training and workshops	67,242	83,147
Tuition	312,170	278,594
Utilities	523,544	502,305
Eliminations	( 2,255,530)	( 2,008,780)
	<u>\$ 28,016,202</u>	<u>\$ 27,078,822</u>