



**George Gordon First Nation  
Consolidated Financial Statements**  
*March 31, 2016*



**ACCOUNTING > CONSULTING > TAX**  
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# George Gordon First Nation

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For the year ended March 31, 2016

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To the Members of George Gordon First Nation:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to the Members of George Gordon First Nation; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Chief and Council and management to discuss their audit findings.

July 25, 2016

Signed by: Angela McNab

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Management

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To the Members of George Gordon First Nation:

We have audited the accompanying consolidated financial statements of George Gordon First Nation which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated 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 financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from 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 auditors' 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of George Gordon First Nation as at March 31, 2016, and the results of its operations, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Saskatoon, Saskatchewan

July 25, 2016

*MNP LLP*

Chartered Professional Accountants

**George Gordon First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2016*

	<b>2016</b>	<b>2015</b>
<b>Financial assets</b>		
<b>Current</b>		
Accounts receivable (Note 3)	772,804	1,138,519
Inventory for resale	80,365	77,549
	<b>853,169</b>	1,216,068
<b>Restricted cash (Note 4)</b>	<b>4,819,323</b>	4,231,121
<b>Investments in First Nation business entities (Note 5)</b>	<b>2,116,425</b>	(519,524)
<b>Funds held in Ottawa Trust Fund (Note 6)</b>	<b>92,765</b>	74,497
<b>Total financial assets</b>	<b>7,881,682</b>	5,002,162
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 7)	251,514	1,027,361
Accounts payable and accruals	700,954	575,934
Deferred revenue (Note 8)	4,285,958	3,503,946
Due to related parties (Note 9)	61,385	70,823
Current portion of long-term debt (Note 10)	812,450	712,127
Term loans due on demand	-	644,551
	<b>6,112,261</b>	6,534,742
<b>Long-term debt (Note 10)</b>	<b>6,641,956</b>	5,832,156
<b>Total financial liabilities</b>	<b>12,754,217</b>	12,366,898
<b>Net debt</b>	<b>(4,872,535)</b>	(7,364,736)
<b>Contingencies (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 11)	22,907,420	20,050,362
Prepaid expenses	1,300	1,300
<b>Total non-financial assets</b>	<b>22,908,720</b>	20,051,662
<b>Accumulated surplus (Note 12)</b>	<b>18,036,185</b>	12,686,926

**Approved on behalf of the Council**

Signed by: Bryan McNabb

**Chief**

Signed by: Hugh Pratt

**Councilor**

**George Gordon First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2016*

	2016 Budget (Note 16)	2016 Actual	2015 Actual
<b>Revenues</b>			
Indigenous and Northern Affairs Canada (Note 18)	6,144,069	5,827,835	5,900,293
Health Canada (Note 19)	1,118,022	1,232,557	751,900
Retail Sales	3,747,427	3,137,828	3,733,774
Earnings (loss) from investment in First Nation business entities (Note 5)	-	2,823,949	(1,149,204)
First Nations Trust	1,000,000	1,217,848	1,220,654
Other revenue	812,332	892,613	950,257
TLE annual income	999,996	769,772	1,033,717
Rental	199,992	792,398	470,325
CMHC Subsidy	-	456,044	427,051
Touchwood Agency Tribal Council Inc.	292,760	313,400	376,553
Land lease	-	17,056	34,137
Interest	-	1,212	4,367
Commissions	-	-	1,032,325
	<b>14,314,598</b>	<b>17,482,512</b>	<b>14,786,149</b>
<b>Program expenses</b>			
TLE Revenue Account	649,008	770,188	358,617
Band Government	1,249,769	1,170,961	697,111
Community Development	925,689	2,620,671	2,411,677
Education	2,157,614	2,075,622	2,257,072
Health	1,218,999	1,271,745	880,728
Land Management	68,238	159,260	193,044
Social Development	2,082,220	2,208,282	2,182,337
Retail Operations	3,749,649	3,140,196	3,774,135
CMHC	-	1,080,688	861,694
Band Project Revenue	1,406,959	1,438,604	2,797,719
	<b>13,508,145</b>	<b>15,936,217</b>	<b>16,414,134</b>
<b>Surplus (deficit) before other item</b>	<b>806,453</b>	<b>1,546,295</b>	<b>(1,627,985)</b>
<b>Other item</b>			
Contribution from George Gordon TLE Trust (Note 11)	-	3,802,964	3,353,029
<b>Annual surplus</b>	<b>806,453</b>	<b>5,349,259</b>	<b>1,725,044</b>
<b>Accumulated surplus, beginning of year</b>	<b>12,686,926</b>	<b>12,686,926</b>	<b>10,961,882</b>
<b>Accumulated surplus, end of year</b>	<b>13,493,379</b>	<b>18,036,185</b>	<b>12,686,926</b>

**George Gordon First Nation**  
**Consolidated Statement of Changes in Net Debt**  
*For the year ended March 31, 2016*

	<b>2016 Budget (Note 16)</b>	<b>2016 Actual</b>	<b>2015 Actual</b>
<b>Annual surplus</b>	<b>806,453</b>	<b>5,349,259</b>	1,725,044
Purchases of tangible capital assets	-	<b>(564,089)</b>	(1,578,380)
Amortization of tangible capital assets	-	<b>1,509,995</b>	1,461,540
Contribution from George Gordon TLE Trust	-	<b>(3,802,964)</b>	(3,353,029)
	-	<b>(2,857,058)</b>	(3,469,869)
Use of prepaid expenses	-	-	84,148
<b>Decrease (increase) in net debt</b>	<b>806,453</b>	<b>2,492,201</b>	(1,660,677)
<b>Net debt, beginning of year</b>	<b>(7,364,736)</b>	<b>(7,364,736)</b>	(5,704,059)
<b>Net debt, end of year</b>	<b>(6,558,283)</b>	<b>(4,872,535)</b>	(7,364,736)

**George Gordon First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2016*

	2016	2015
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus	5,349,259	1,725,044
Non-cash items		
Amortization	1,509,995	1,461,540
Earnings (loss) from investment in First Nation business entities <i>(Note 5)</i>	(2,823,949)	1,149,204
Contribution from George Gordon TLE Trust	(3,802,964)	(3,353,029)
	232,341	982,759
Changes in working capital accounts		
Accounts receivable	365,715	(508,530)
Inventory for resale	(2,816)	20,274
Prepaid expenses	-	84,148
Accounts payable and accruals	125,020	(70,694)
Deferred revenue	782,012	992,421
	1,502,272	1,500,378
<b>Financing activities</b>		
Decrease (increase) in funds held in Ottawa Trust Fund	(18,268)	41,495
Increase (decrease) in bank indebtedness	(775,847)	437,961
Decrease in due to related parties	(9,438)	(42,961)
Advances of long-term debt and terms loans due on demand	1,655,449	1,228,912
Repayment of long-term debt	(1,389,877)	(679,440)
	(537,981)	985,967
<b>Capital activities</b>		
Purchases of tangible capital assets	(564,089)	(1,578,380)
<b>Investing activities</b>		
Increase of restricted cash	(588,202)	(683,133)
Withdrawals from (contributions to) First Nation business entities <i>(Note 5)</i>	188,000	(209,922)
Purchase of Guaranteed Investment Certificate	-	(14,910)
	(400,202)	(907,965)
<b>Decrease in cash resources</b>	-	-
<b>Cash resources, beginning of year</b>	-	-
<b>Cash resources, end of year</b>	-	-
<b>Supplementary cash flow information</b>		
Interest paid	188,319	196,902

The accompanying notes are an integral part of these consolidated financial statements



**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

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**1. Nature of Operations**

The George Gordon First Nation (the "First Nation") is located in Treaty 4 Territory in the Province of Saskatchewan, and provides various services to its Members. The George Gordon First Nation financial reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

**2. Significant accounting policies**

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

***Reporting entity***

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenues and expenses of the following entities and departments:

- George Gordon First Nation;
- George Gordon First Nation C.M.H.C. Housing;
- George Gordon TLE Holdings;
- George Gordon First Nation - TLE Revenue Account; and
- Gordon Retail Centre

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

First Nation business enterprises that are owned or controlled by the First Nation, but not dependent on it for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity 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 and distributions received.

Entities accounted for by the modified equity basis include:

- George Gordon Developments Limited Partnership; and
- George Gordon Security Inc.

***Basis of presentation***

Sources of financing and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Restricted cash***

Restricted cash consists of funds held in the C.M.H.C. replacement reserve bank account, the C.M.H.C. operating reserve bank account, Guaranteed Investment Certificate restricted for C.M.H.C. replacement reserve and the TLE Revenue Account bank account.

***Inventory***

Inventory for resale is valued at the lower of cost and estimated net realizable value. Cost is determined using the first-in first-out method.

2. **Significant accounting policies** *(Continued from previous page)*

**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 normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

**Net debt**

The First Nation's consolidated 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 financial assets less its liabilities. Net debt combined with non-financial assets comprises a second indicator of financial position, accumulated surplus.

**Tangible capital assets**

Tangible capital assets are recorded at cost. Contributed tangible assets are recorded at their fair value at the date of contribution.

Tangible capital assets are amortized using the straight line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Housing	25 years
Buildings	20 to 25 years
Roads	40 years
Water and sewer	25 years
Equipment	10 years
Land improvement	25 years
Vehicles	5 years

Land is not amortized. Projects under construction are not amortized until they are put into use.

The First Nation holds original reserve land. This land is not recognized in the First Nation's consolidated financial statements.

**Funds held in Ottawa Trust Fund**

These funds are held in trust on behalf of the First Nation by the Government of Canada. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions or the sale of land or other First Nation capital assets; and
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

Revenues from trust moneys are recognized when measurable, earned and collection is reasonably assured. These moneys are managed and reported on by the Government of Canada.

**2. Significant accounting policies** *(Continued from previous page)*

***Revenue recognition***

The First Nation recognizes funding as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt.

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Rental revenue is recognized over the rental term. Other revenues earned from other services provided by the First Nation are recognized when the services have been provided.

Commissions are recognized as they become receivable under the terms of applicable agreements.

Retail sales are recognized when the sale is made and the customer takes possession of the merchandise.

TLE annual income is restricted to be used for authorized expenses or band development and is recognized when the related expenses have been incurred.

***Use of estimates***

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates/assumptions are reviewed periodically and, as adjustments become necessary, they are reported in the records in the periods in which they become known.

Accounts receivable and due from related parties are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

***Other Economic Interests***

The George Gordon First Nation is a member of Touchwood Agency Specific Claim. Touchwood Agency Specific Claim is an organization of five Nations, whose purpose is to negotiate a specific claim with regards to the Department of Indigenous and Northern Affairs Canada's alleged mismanagement of funds of the Touchwood Agency during the period 1920 to 1924.

The George Gordon First Nation is a member of Touchwood Child & Family Services Inc. Touchwood Child & Family Services Inc. is an organization of seven Nations, whose purpose is to provide Child and Family services to the member Nations.

The George Gordon First Nation is a member of Touchwood Agency Tribal Council Inc. Touchwood Agency Tribal Council Inc. is an organization of four Nations. The Tribal Council is to enhance the services provided to the member Nations.

The First Nation does not have a share in the profit or loss of the above entities. As a result, the financial statements of Touchwood Agency Specific Claim, Touchwood Child & Family Services Inc. and Touchwood Agency Tribal Council Inc. have not been consolidated with the financial statements of George Gordon First Nation. Further, the First Nation is a member of several other entities in which it does not share in the profit or loss and these entities have not been reported in these consolidated financial statements.

**2. Significant accounting policies** *(Continued from previous page)*

***Related Entities Financial Statements***

Separate financial statements are prepared for the following related entities:

- George Gordon First Nation C.M.H.C. Housing;
- Gordon Retail Centre;
- George Gordon Developments Limited Partnership;
- George Gordon Security Inc.;
- George Gordon First Nation - TLE Revenue Account; and
- George Gordon TLE Trust - Principal Trust Account

These entities are related by common ownership, except for the George Gordon Treaty Land Entitlement - Principal Trust Account, which is related as the First Nation is the beneficiary.

The financial results of the George Gordon TLE Trust - Principal Trust Account are not included in the financial statements of the George Gordon First Nation as the First Nation does not control the operations of the Trust and it is governed by a Trust Agreement. The financial statements of George Gordon Developments Limited Partnership, George Gordon First Nation - TLE Revenue Account and George Gordon TLE Trust - Principal Trust Account have a December 31 year end. George Gordon Security Inc. has an August 31 year end.

***Liability for contaminated site***

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2016.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. There are no known liabilities at March 31, 2016.

***Segments***

The First Nation conducts its business through 13 reportable segments (Note 17). These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions and to assess operational performance.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

**2. Significant accounting policies** *(Continued from previous page)*

***Recent accounting pronouncements***

**Financial instruments**

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. A related standard, PS 1201, was issued to address changes to financial statement presentation related to financial instruments. In June 2015, the effective date of these standards was deferred to fiscal years beginning on or after April 1, 2019. Earlier adoption is permitted.

**Related Party Transactions and Inter-Entity Transactions**

In March 2015, PSAB issued PS 2200 Related Party Disclosures and PS 3420 Inter-Entity Transactions. These new Sections define related parties and establish disclosures required for related party transactions. Disclosure is required when related party transactions have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

They also establish standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

This standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**Assets, Contingent Assets and Contractual Rights**

In June 2015, new PS 3210 Assets, PS 3320 Contingent Assets and PS 3380 Contractual Rights were included in the CPA Canada Public Sector Accounting Handbook (PSA HB).

PS 3210 Assets provides additional guidance to clarify the definition of assets set out in PS 1000 Financial Statement Concepts.

PS 3320 Contingent Assets establishes disclosure standards on contingent assets.

PS 3380 Contractual Rights establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this Standard are as follows:

Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.

Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.

Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

These standards are effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**3. Accounts receivable**

	2016	2015
Dakota Dunes Community Development Corporation	279,005	307,945
Other	246,209	305,689
Indigenous and Northern Affairs Canada	117,647	149,709
Touchwood Agency Tribal Council Inc.	70,017	64,021
CMHC	65,798	35,569
Advances	7,708	10,510
First Nations Trust	-	278,656
	<b>786,384</b>	<b>1,152,099</b>
Less: Allowance for doubtful accounts	<b>13,580</b>	<b>13,580</b>
	<b>772,804</b>	<b>1,138,519</b>

**4. Restricted cash**

	2016	2015
TLE Revenue Account	3,595,823	3,075,712
Guaranteed Investment Certificate	794,456	781,330
CMHC operating reserve	425,996	372,965
CMHC replacement reserve	3,048	1,114
	<b>4,819,323</b>	<b>4,231,121</b>

The Guaranteed Investment Certificate earns interest at 1.94% and matures in February 2018. The Guaranteed Investment Certificate relates to the C.M.H.C. Housing Program and is restricted as to its use.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**5. Investments in First Nation business entities**

The First Nation has investments in the following Government Business Enterprises:

	2015	Withdrawals by the Nation	Net income (loss)	2016
George Gordon Developments Limited Partnership	(565,569)	(120,000)	2,815,542	2,129,973
George Gordon Security Inc.	(250,537)	-	8,407	(242,130)
Due from George Gordon Security Inc.	296,582	(68,000)	-	228,582
	(519,524)	(188,000)	2,823,949	2,116,425

Summary financial information for each First Nation business enterprise, accounted for using the modified equity method, for their respective year-ends, are as follows:

	<i>George Gordon Developments Limited Partnership As at December 31, 2015</i>	<i>George Gordon Security Inc. As at August 31, 2015</i>
<b>Assets</b>		
Current assets	8,080,920	68,758
Long-term assets	875,302	-
<b>Total assets</b>	<b>8,956,222</b>	<b>68,758</b>
<b>Liabilities</b>		
Current liabilities	6,408,765	14,306
Long-term liabilities	417,484	296,582
<b>Total liabilities</b>	<b>6,826,249</b>	<b>310,888</b>
	<b>2,129,973</b>	<b>(242,130)</b>
<b>Total revenue</b>	<b>15,102,516</b>	<b>53,714</b>
<b>Total expenses</b>	<b>12,286,974</b>	<b>45,307</b>
<b>Net income</b>	<b>2,815,542</b>	<b>8,407</b>

The current year net income of George Gordon Developments Limited Partnership includes a one time transaction of approximately \$2,400,000 relating to the forgiveness of amounts owing to a third party, as well as losses of \$522,500 from discontinued operations.

Principal repayments on long-term debt of the First Nation's business enterprises in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows:

	2017	2018	2019	2020	2021	Thereafter	Total
George Gordon Developments Limited Partnership	56,106	58,072	60,108	62,215	64,395	172,694	473,590

During the year, George Gordon Developments Limited Partnership received grant funding of \$274,054 (2015 - \$236,720) from the First Nation and paid rent and other services of \$15,750 (2015 - \$26,400) to the First Nation.



**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**6. Funds held in Ottawa Trust Fund**

	2016	2015
<b>Capital</b>		
Opening and ending balance	16,330	16,330
<b>Revenue</b>		
Opening balance	58,167	99,662
Interest	1,212	4,367
Rent	17,056	34,138
Payments to First Nation	-	(80,000)
Ending balance	76,435	58,167
<b>Total</b>	92,765	74,497

**7. Bank indebtedness**

The First Nation has three lines of credit with Raymore Credit Union: for its general operating bank account with an authorized limit of \$750,000 (2015 - \$750,000), for its post secondary bank account with an authorized limit of \$100,000 (2015 - \$100,000) and for its social assistance bank account with an authorized limit of \$25,000 (2015 - \$25,000). In addition, the First Nation has a line of credit with RBC with an authorized limit of \$200,000 (2015 - \$100,000). As at March 31, 2016 the First Nation had drawn \$228,306 (2015 - \$834,228) from the lines of credit, with the remaining bank indebtedness consisting of outstanding cheques and overdraft balances. The Raymore Credit Union lines of credit are secured by a general security agreement and bear interest at prime plus 1.50%. Raymore Credit Union prime at March 31, 2016 is 3.75%. The RBC line of credit is secured by a general security agreement and bears interest at bank prime plus 3.5%. RBC prime at March 31, 2016 is 2.75%.



**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**8. Deferred revenue**

Deferred revenue consists of unspent revenues that are externally restricted. Revenue from the TLE Revenue Account is restricted by the terms contained within the George Gordon TLE Trust Agreement. Revenue from funding agencies is restricted by the terms of the related funding agreement. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance at March 31, 2015</i>	<i>Contributions received</i>	<i>Contributions recognized</i>	<i>Balance at March 31, 2016</i>
TLE Revenue Account	3,085,502	554,252	-	3,639,754
Health Canada	418,444	1,348,027	1,232,557	533,914
Indigenous Affairs and Northern Development Canada - School Project	-	112,290	-	112,290
	<b>3,503,946</b>	<b>2,014,569</b>	<b>1,232,557</b>	<b>4,285,958</b>

**9. Due to (from) related parties**

	<i>2016</i>	<i>2015</i>
George Gordon Developments Limited Partnership	87,290	92,574
George Gordon TLE Revenue Account	41,728	(6,196)
George Gordon TLE Holdings	(10,201)	(10,399)
George Gordon Pow wow committee	(57,432)	(5,156)
	<b>61,385</b>	<b>70,823</b>

Amounts due to related parties are non-interest bearing, unsecured, and have no set terms of repayment.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**10. Long-term debt**

The following loans are secured by government guarantees, and relate to the construction of on reserve housing. The First Nation receives a subsidy from Canada Mortgage and Housing Corporation (CMHC) to assist with the payment of principal and interest on the following loans:

Phase	Monthly Payment Including Interest	Interest Rate	Renewal Date	2016	2015
I	1,893	2.63%	1-Jun-16	5,658	27,911
II	1,021	3.99%	1-Feb-17	11,015	22,858
III	4,686	3.00%	1-Sep-16	27,880	82,381
IV	6,262	4.39%	1-Nov-17	155,118	221,934
V	1,268	2.01%	1-Oct-19	115,607	128,361
VI	2,121	1.39%	1-Jun-20	215,255	237,168
VII	1,928	1.65%	1-Jun-17	235,911	254,992
VIII	1,350	1.62%	1-Mar-18	176,610	189,834
IX	1,043	1.92%	1-Apr-19	143,889	153,540
X	1,614	1.04%	1-Oct-20	175,132	191,859
XI	7,957	1.53%	1-Dec-17	1,026,599	1,105,736
XII	8,028	1.62%	1-Mar-18	1,037,128	1,115,987
XIV	2,270	1.98%	1-May-19	315,607	336,380
XV	1,652	2.35%	1-Sep-18	345,467	357,045
XVI	4,468	0.94%	1-Sep-20	722,270	---
				<b>4,709,146</b>	<b>4,425,713</b>
Raymore Credit Union consolidation loan repayable in quarterly instalments of \$57,770 including interest at 4%, secured by a general security agreement, due March 2023				<b>1,400,000</b>	-
Raymore Credit Union loan repayable in monthly instalments of \$8,585 including interest at Raymore Credit Union prime (4%) plus 1.5%, secured by the Retail Centre building and equipment, due April 2028				<b>904,400</b>	957,272
Royal Bank of Canada term loan repayable in quarterly instalments of \$33,900 including interest at 3.79%, secured by a general security agreement, due August 2019				<b>440,860</b>	500,000
Raymore Credit Union replacement reserve loan				-	467,161
Raymore Credit Union loan				-	194,137
				<b>7,454,406</b>	<b>6,544,283</b>
Less: current portion				<b>812,450</b>	<b>712,127</b>
				<b>6,641,956</b>	<b>5,832,156</b>

Principal repayments on long-term for the next five years, assuming loans are renewed at similar rates and terms, are estimated as follows:

2017	812,450
2018	822,473
2019	825,175
2020	812,721
2021	833,595

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**11. Tangible capital assets**

**Cost**

	<i>Housing</i>	<i>Buildings</i>	<i>Roads</i>	<i>Water and Sewer</i>	<i>Equipment</i>	<i>Land Improvement</i>	<i>Vehicles</i>	<i>Purchased Land</i>	<i>Projects Under Construction</i>	<i>2016</i>	<i>2015</i>
Balance, beginning of year	23,180,029	12,162,488	2,582,876	3,114,147	1,468,357	175,000	288,254	4,741,654	950,526	<b>48,663,331</b>	43,731,922
Acquisition of tangible capital assets	-	-	-	62,197	318,613	-	42,596	-	140,683	<b>564,089</b>	1,578,380
Completion of projects under construction	1,032,638	-	-	-	-	-	-	-	(1,032,638)	-	-
Contribution from George Gordon TLE Trust	-	-	-	-	-	-	-	3,802,964	-	<b>3,802,964</b>	3,353,029
Balance, end of year	<b>24,212,667</b>	<b>12,162,488</b>	<b>2,582,876</b>	<b>3,176,344</b>	<b>1,786,970</b>	<b>175,000</b>	<b>330,850</b>	<b>8,544,618</b>	<b>58,571</b>	<b>53,030,384</b>	48,663,331

**Accumulated amortization**

Balance, beginning of year	17,488,061	7,272,461	2,366,422	747,396	504,894	60,000	173,735	-	-	<b>28,612,969</b>	27,151,429
Annual amortization	607,584	524,172	43,291	127,054	154,203	7,000	46,691	-	-	<b>1,509,995</b>	1,461,540
Balance, end of year	<b>18,095,645</b>	<b>7,796,633</b>	<b>2,409,713</b>	<b>874,450</b>	<b>659,097</b>	<b>67,000</b>	<b>220,426</b>	-	-	<b>30,122,964</b>	28,612,969
2016 Net book value	<b>6,117,022</b>	<b>4,365,855</b>	<b>173,163</b>	<b>2,301,894</b>	<b>1,127,873</b>	<b>108,000</b>	<b>110,424</b>	<b>8,544,618</b>	<b>58,571</b>	<b>22,907,420</b>	
2015 Net book value	5,691,968	4,890,027	216,454	2,366,751	963,463	115,000	114,519	4,741,654	950,526		20,050,362

During the year George Gordon TLE - Principal Account purchased land with a cost of \$3,802,964 (2015 - \$3,353,029) on behalf of the First Nation.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**12. Accumulated surplus**

Accumulated surplus consists of the following:

	2016	2015
Operating Fund	(3,019,781)	(1,944,897)
Capital Asset Fund	16,853,014	13,328,689
Commercial Fund	1,887,843	(816,106)
Internally Restricted Fund	331,987	331,987
CMHC Operating Reserve	770,015	718,218
CMHC Replacement Reserve	1,094,434	967,829
Trust Funds	92,765	74,497
Moveable Asset Reserve	25,908	26,709
	<b>18,036,185</b>	<b>12,686,926</b>

**13. Funds and reserves**

The George Gordon First Nation maintains the following funds and reserves as part of its operations.

- Operating Fund reports on the general activities of the First Nation's administration;
- Capital Asset Fund reports on the capital assets and projects of the First Nation;
- Commercial Fund reports on commercial business operations owned by the First Nation;
- Internally Restricted Fund reports on the one time payment received by the First Nation in 2008 for \$643,455 relating to fuel and tobacco rebates. Chief and Council have internally restricted any surplus of these funds to be used for future projects;
- CMHC Operating Reserve is required as part of the First Nation's C.M.H.C. Housing Program, which receives funds pursuant to the Post 1997 - Fixed Subsidy Program. Any surpluses are externally restricted and reserved for future operating losses that relate to the operation of houses under this Program;
- CMHC Replacement Reserve is required as part of the First Nation's C.M.H.C. Housing Program. It has been established for replacement of capital equipment and for major repairs to the houses;
- Trust Funds report on trust moneys owned by the First Nation and held by a third party; and
- Moveable Asset Reserve is required as part of the First Nation's funding agreement with First Nations and Inuit Health Branch of Canada. It has been established as a reserve for future assets.

**14. Contingencies**

**Touchwood Agency Specific Claim**

The Government of Canada provided Touchwood Agency Specific Claim with an interest-free loan of approximately \$2,251,000 repayable on the earlier of March 31, 2010 or the date on which the claim is settled. The loan was advanced subject to conditions contained in a Native Claims Loan Agreement. The five Nations who are members of the Touchwood Agency Specific Claim may be responsible for the repayment of this loan. The amount of the liability, if any, is not determinable at this time. If any liability results, it will be recorded in the period the liability is determinable. As of March 31, 2016 the Government of Canada has not requested repayment.

**Funding**

These consolidated financial statements are subject to review by the First Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

**15. Economic dependence**

George Gordon First Nation receives a significant portion of its revenues from the Government of Canada as a result of Treaties entered into with Her Majesty the Queen. These Treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue to provide programs and essential services is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

**16. Budget information**

The budget was approved by Chief and Council of George Gordon First Nation in March 2015. The amount budgeted for interest on long-term debt includes the principal portion of loan payments. Amounts budgeted for investment in Nation business entities only include planned withdrawals or contributions.

The consolidated budget does not include certain programs, such as Community Development Corporation, or capital projects. These programs and projects require separate applications for funding or financing, and budgets are prepared on a project-by-project basis to accompany the applications.

**17. Segments**

The First Nation has 13 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segment are as follows:

Ottawa Trust Funds - reports revenues allocated to the fund and transfers to other segments.  
Investment in Business Enterprises - reports on gains and losses of the Nation's business enterprises.  
TLE Revenue Account - manages funds received from Principal Trust Account.  
Band Government - includes administration and governance activities.  
Community Development - includes activities for the maintenance of the community and its infrastructure.  
Education - includes the operations of education programs.  
Health - reports on the First Nation's health programs.  
Land Management - includes activities for the development of the First Nation's land.  
Social Development - activities include delivering social programs.  
Retail Operations - operations of Gordon Retail Centre.  
CMHC - housing operations funded by Canada Mortgage and Housing Corporation.  
Band Project Revenue - other band programs not funded by INAC or Health Canada.  
Capital - reports on capital projects.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 2.

Details of the segment revenues and expenses are provided in the accompanying schedules. There are no revenues or expenses that have not been allocated to a segment.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2016*

**18. Indigenous and Northern Affairs Canada Reconciliation**

INAC funding per confirmation	5,986,775
Add:	
15/16 Band Employee Benefits reconciliation	8,092
Deduct:	
15/16 Deferred revenue	112,290
15/16 Recovered funding	54,742
	5,827,835

**19. Health Canada reconciliation**

Health Canada funding per confirmation	1,348,027
Add:	
14/15 Deferred revenue	418,444
Deduct:	
15/16 Deferred revenue	533,914
	1,232,557

**20. Moveable Asset Reserve**

	2016	2015
Balance, beginning of year	26,709	26,709
Amount provided in agreement for MAR	-	-
	26,709	26,709
Revenues generated	-	-
Expenses	(801)	-
	25,908	26,709

**21. Comparative figures**

Certain comparative figures have been reclassified to conform with current year's presentation.

**George Gordon First Nation**  
**Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2016*

	2016 Budget (Note 16)	2016 Actual	2015 Actual
Salaries and benefits	2,435,064	2,615,674	2,247,981
Retail centre cost of sales	3,371,974	2,419,546	2,999,257
Social assistance	1,632,000	1,726,756	1,743,317
Amortization	-	1,509,995	1,461,540
Contracted services	432,905	1,216,132	847,701
Student expenses	1,495,339	1,087,667	1,286,637
Repairs and maintenance	287,252	754,028	608,116
Travel	454,294	572,131	463,272
Senior and youth programs	398,597	545,735	594,653
Governance	408,200	432,129	419,799
Rent	29,869	295,363	297,897
Supplies	142,940	280,266	348,809
Utilities	207,860	245,823	242,469
Administration	838,205	236,905	153,298
Community development corporation	-	225,387	329,932
Contribution to GGDLP	120,000	210,000	146,347
Band support	18,000	208,439	196,805
Professional fees	149,980	205,493	241,189
Interest on long-term debt	527,033	188,319	196,902
Office supplies	113,434	159,656	157,002
Training	159,552	159,062	244,489
Community events	-	135,125	183,432
Insurance	69,292	122,321	99,111
Vehicle	65,729	87,734	103,964
Telephone	73,176	72,489	76,072
Program education	-	64,827	46,262
Bank charges and interest	51,390	56,593	54,198
Bad debts	-	46,890	55,577
Program expense	17,160	28,828	15,667
Property tax	-	26,904	17,520
Per capita recovery	-	-	(27,200)
Contributions to other First Nations	8,900	-	562,119
	13,508,145	15,936,217	16,414,134

**George Gordon First Nation**  
**Ottawa Trust Funds**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Lease	-	17,056	34,137
Interest	-	1,212	4,367
<b>Surplus before transfers</b>	-	18,268	38,504
<b>Transfers between programs</b>	-	-	(80,000)
<b>Surplus (deficit)</b>	-	18,268	(41,496)



**George Gordon First Nation**  
**Investment in First Nation Business Entities**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenue</b>			
Loss from investment in First Nation business entities	-	2,823,949	(1,149,204)
<b>Surplus (deficit)</b>	-	2,823,949	(1,149,204)

**George Gordon First Nation**  
**TLE Revenue Account**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
TLE Annual Income	999,996	769,772	1,033,717
Rental income	199,992	305,416	-
	<b>1,199,988</b>	<b>1,075,188</b>	<b>1,033,717</b>
<b>Expenses</b>			
Travel	110,400	172,979	127,593
Administration	124,800	166,967	87,400
Repairs and maintenance	199,992	160,411	16,056
Salaries and benefits	47,700	107,599	49,867
Professional fees	100,000	60,018	32,216
Office supplies	2,496	51,933	21,354
Property tax	-	26,904	17,520
Contracted services	2,400	17,617	30,581
Insurance	4,992	5,000	-
Bank charges and interest	-	760	445
Per capita recovery	-	-	(27,200)
Training	27,996	-	2,785
Rent	12,600	-	-
Telephone	4,932	-	-
Utilities	1,800	-	-
Contributions to other First Nations	8,900	-	-
	<b>649,008</b>	<b>770,188</b>	<b>358,617</b>
<b>Surplus before transfers</b>	<b>550,980</b>	<b>305,000</b>	<b>675,100</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(305,000)</b>	<b>(675,100)</b>
<b>Surplus</b>	<b>550,980</b>	<b>-</b>	<b>-</b>

**George Gordon First Nation**  
**Band Government**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada	1,316,374	530,051	467,777
Other revenue	533,200	342,944	243,889
	<b>1,849,574</b>	<b>872,995</b>	<b>711,666</b>
<b>Expenses</b>			
Governance	388,400	421,379	403,636
Salaries and benefits	323,517	326,554	231,248
Contracted services	24,960	167,362	61,059
Travel	228,360	144,170	118,308
Professional fees	49,980	109,536	140,173
Office supplies	60,072	50,972	46,149
Bank charges and interest	49,980	45,781	38,274
Telephone	45,600	36,526	41,082
Training	10,200	36,260	47,885
Bad debts	-	27,341	4,941
Supplies	9,300	20,705	10,721
Interest on long-term debt	-	15,930	15,903
Insurance	15,000	9,427	11,039
Utilities	41,400	2,899	13,038
Vehicle	-	335	-
Repairs and maintenance	-	98	753
Rent	3,000	-	4,220
Administration	-	(244,314)	(491,318)
	<b>1,249,769</b>	<b>1,170,961</b>	<b>697,111</b>
<b>Surplus (deficit) before transfers</b>	<b>599,805</b>	<b>(297,966)</b>	<b>14,555</b>
<b>Transfers between programs</b>	<b>-</b>	<b>200,000</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>599,805</b>	<b>(97,966)</b>	<b>14,555</b>

**George Gordon First Nation**  
**Community Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada	827,812	1,212,985	1,234,865
Other revenue	105,600	83,329	103,908
Rental income	-	44	-
Touchwood Agency Tribal Council Inc.	32,764	-	8,189
	<b>966,176</b>	<b>1,296,358</b>	<b>1,346,962</b>
<b>Expenses</b>			
Salaries and benefits	478,915	564,842	462,957
Amortization	-	472,620	494,355
Contracted services	14,764	490,265	137,584
Repairs and maintenance	83,560	286,601	415,523
Rent	1,200	283,246	260,055
Supplies	62,840	160,914	268,791
Utilities	156,780	190,491	198,118
Vehicle	34,550	51,236	61,484
Insurance	44,000	49,666	49,547
Travel	9,480	29,904	42,009
Training	21,420	18,982	1,308
Office supplies	13,800	13,038	13,566
Telephone	4,020	8,791	5,380
Professional fees	-	75	1,000
Bank charges and interest	360	-	-
	<b>925,689</b>	<b>2,620,671</b>	<b>2,411,677</b>
<b>Surplus (deficit) before transfers</b>	<b>40,487</b>	<b>(1,324,313)</b>	<b>(1,064,715)</b>
<b>Transfers between programs</b>	<b>-</b>	<b>305,000</b>	<b>(856,565)</b>
<b>Surplus (deficit)</b>	<b>40,487</b>	<b>(1,019,313)</b>	<b>(1,921,280)</b>

**George Gordon First Nation**  
**Education**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada	1,784,825	1,782,121	1,791,371
<b>Expenses</b>			
Student expenses	1,495,339	1,087,667	1,286,637
Contracted services	321,506	324,005	322,486
Amortization	-	280,720	280,720
Salaries and benefits	99,542	137,774	135,828
Senior and youth programs	71,352	83,464	68,605
Program education	-	64,827	46,262
Training	11,580	24,122	20,081
Administration	63,600	20,753	15,000
Travel	14,510	20,188	20,242
Vehicle	7,800	11,537	8,760
Governance	6,000	6,500	14,080
Bank charges and interest	1,050	4,080	3,439
Community events	-	4,000	6,201
Office supplies	3,000	3,067	7,694
Telephone	1,680	1,339	1,689
Supplies	52,790	800	2,874
Rent	7,865	500	7,200
Professional fees	-	279	5,012
Repairs and maintenance	-	-	132
Program expense	-	-	4,130
	2,157,614	2,075,622	2,257,072
<b>Deficit</b>	<b>(372,789)</b>	<b>(293,501)</b>	<b>(465,701)</b>

**George Gordon First Nation**  
**Health**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Health Canada	1,118,022	1,232,557	751,900
Other revenue	19,532	13,745	5,003
Touchwood Agency Tribal Council Inc.	-	-	59,964
	<b>1,137,554</b>	<b>1,246,302</b>	<b>816,867</b>
<b>Expenses</b>			
Salaries and benefits	748,743	582,704	386,478
Administration	120,960	152,214	81,350
Travel	74,244	136,011	67,796
Contracted services	69,275	107,024	78,170
Senior and youth programs	47,760	63,585	61,373
Training	67,817	49,240	108,284
Amortization	-	46,691	38,172
Supplies	10,640	35,978	19,263
Community events	-	25,000	4,751
Utilities	6,800	18,806	151
Vehicle	17,000	17,420	17,359
Office supplies	7,200	11,751	5,648
Program expense	17,160	7,578	-
Telephone	9,000	7,355	730
Repairs and maintenance	3,300	4,550	4,730
Insurance	5,300	3,161	1,251
Governance	13,800	2,600	1,983
Rent	-	77	-
Professional fees	-	-	3,239
	<b>1,218,999</b>	<b>1,271,745</b>	<b>880,728</b>
<b>Deficit</b>	<b>(81,445)</b>	<b>(25,443)</b>	<b>(63,861)</b>

**George Gordon First Nation**  
**Land Management**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	73,320	165,461	193,147
<b>Expenses</b>			
Contracted services	-	46,640	80,776
Salaries and benefits	43,494	46,169	30,155
Administration	4,800	29,667	7,300
Travel	12,000	21,137	25,466
Professional fees	-	7,000	-
Repairs and maintenance	-	2,569	9,652
Amortization	-	2,510	2,510
Supplies	1,200	1,637	22,302
Telephone	1,944	1,213	1,432
Utilities	-	344	397
Training	2,400	299	10,314
Vehicle	-	75	340
Rent	2,400	-	2,400
	68,238	159,260	193,044
<b>Surplus before other item</b>	5,082	6,201	103
<b>Other item</b>			
Land purchased by TLE Principal Account	-	3,802,964	3,353,029
<b>Surplus</b>	5,082	3,809,165	3,353,132

**George Gordon First Nation**  
**Social Development**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada	2,141,738	2,047,217	2,085,458
Other revenue	-	3,141	8
	<b>2,141,738</b>	<b>2,050,358</b>	<b>2,085,466</b>
<b>Expenses</b>			
Social assistance	1,632,000	1,726,756	1,743,317
Senior and youth programs	204,525	214,442	228,112
Salaries and benefits	132,604	171,317	187,592
Administration	79,045	41,402	(81,370)
Supplies	-	15,994	3,480
Utilities	1,080	7,511	2,001
Travel	-	6,513	14,811
Repairs and maintenance	-	6,215	26,005
Training	5,000	6,055	6,716
Office supplies	23,166	5,689	20,515
Telephone	4,800	3,668	9,707
Contracted services	-	3,211	2,581
Professional fees	-	557	-
Vehicle	-	68	8,649
Rent	-	-	2,400
Bank charges and interest	-	-	4,032
Insurance	-	(1,116)	3,789
	<b>2,082,220</b>	<b>2,208,282</b>	<b>2,182,337</b>
<b>Surplus (deficit)</b>	<b>59,518</b>	<b>(157,924)</b>	<b>(96,871)</b>



**George Gordon First Nation**  
**Retail Operations**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Retail sales	3,747,427	3,137,828	3,733,774
Other revenue	-	32,643	43,922
	<b>3,747,427</b>	<b>3,170,471</b>	<b>3,777,696</b>
<b>Expenses</b>			
Retail centre cost of sales	3,371,974	2,419,546	2,999,257
Salaries and benefits	377,675	389,814	418,519
Amortization	-	99,871	107,042
Interest on long-term debt	-	50,154	52,999
Band support	-	26,694	13,425
Travel	-	24,609	21,235
Insurance	-	21,560	-
Repairs and maintenance	-	20,249	17,100
Bad debts	-	19,549	50,636
Utilities	-	18,790	20,926
Office supplies	-	13,245	10,410
Training	-	13,110	1,598
Professional fees	-	7,347	43,424
Bank charges and interest	-	5,785	7,875
Telephone	-	5,083	8,067
Rent	-	4,790	1,622
	<b>3,749,649</b>	<b>3,140,196</b>	<b>3,774,135</b>
<b>Surplus (deficit)</b>	<b>(2,222)</b>	<b>30,275</b>	<b>3,561</b>

**George Gordon First Nation**  
**CMHC**

**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	<i>2016 Budget (Note 16)</i>	<i>2016 Actual</i>	<i>2015 Actual</i>
<b>Revenues</b>			
Rental income	-	486,938	470,325
CMHC	-	456,044	427,051
Other revenue	-	-	19,767
	-	942,982	917,143
<b>Expenses</b>			
Amortization	-	607,583	538,741
Repairs and maintenance	-	269,208	117,805
Interest on long-term debt	-	82,774	92,969
Administration	-	70,216	67,288
Insurance	-	33,959	32,289
Professional fees	-	16,948	12,602
	-	1,080,688	861,694
<b>Surplus (deficit) before transfers</b>	-	(137,706)	55,449
<b>Transfers between programs</b>	-	-	(35,391)
<b>Surplus (deficit)</b>	-	(137,706)	20,058

**George Gordon First Nation**  
**Band Project Revenue**  
**Schedule of Segment Revenues and Expenses and Surplus (Deficit)**  
*For the year ended March 31, 2016*

	2016 <i>Budget</i> <i>(Note 16)</i>	2016 <i>Actual</i>	2015 <i>Actual</i>
<b>Revenues</b>			
Indigenous and Northern Affairs Canada	-	90,000	127,675
First Nations Trust	1,000,000	1,217,848	1,220,654
Touchwood Agency Tribal Council Inc.	259,996	313,400	308,400
Other revenue	154,000	416,811	533,761
Commissions	-	-	1,032,325
	<b>1,413,996</b>	<b>2,038,059</b>	<b>3,222,815</b>
<b>Expenses</b>			
Salaries and benefits	182,874	288,901	345,335
Community development corporation	-	225,387	329,932
Grants transferred to George Gordon Developments Limited Partnership	120,000	210,000	146,347
Senior and youth programs	74,960	184,244	236,563
Band support	18,000	181,745	183,380
Community events	-	106,125	172,480
Contracted services	-	60,008	134,466
Supplies	6,170	44,238	21,379
Interest on long-term debt	527,033	39,461	35,030
Program expense	-	21,250	11,537
Travel	5,300	16,620	25,812
Training	13,139	10,994	45,518
Office supplies	3,700	9,961	31,667
Telephone	1,200	8,514	7,985
Vehicle	6,379	7,063	7,371
Utilities	-	6,982	7,838
Rent	2,804	6,750	20,000
Repairs and maintenance	400	4,127	360
Professional fees	-	3,733	3,523
Governance	-	1,650	100
Insurance	-	664	1,196
Bank charges and interest	-	187	133
Contributions to other First Nations	-	-	562,119
Administration	445,000	-	467,648
	<b>1,406,959</b>	<b>1,438,604</b>	<b>2,797,719</b>
<b>Surplus before transfers</b>	<b>7,037</b>	<b>599,455</b>	<b>425,096</b>
<b>Transfers between programs</b>	<b>-</b>	<b>(200,000)</b>	<b>1,647,056</b>
<b>Surplus</b>	<b>7,037</b>	<b>399,455</b>	<b>2,072,152</b>