

**George Gordon First Nation
Consolidated Financial Statements
March 31, 2017**

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Consolidated Financial Statements
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George Gordon First Nation
Management's Responsibility for Financial Reporting
March 31, 2017

The financial statements have been prepared by management in accordance with the recommendations of the Public Sector Accounting Board (PSAB) and the reporting requirements of the funding agreement with Indigenous and Northern Affairs Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as 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 financial statements and the external auditors' report.

Chalupiak & Associates, an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.



George Gordon First Nation

August 11, 2017

Date

Chalupiak & Associates
Chartered Professional Accountants
3261 Saskatchewan Drive, Regina, SK S4T 6S4
Phone (306) 359-3711 Fax (306) 569-3030

Independent Auditors' Report

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, 2017, and the consolidated statements of operations, accumulated surplus, change in net debt, 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 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 First Nation'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 First Nation'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, 2017, and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

The consolidated statement of financial position, statement of accumulated surplus, statement of net debt, statement of cash flows and the consolidated statement of operations for the year ended March 31, 2016 were audited by another accounting firm.

Regina, Saskatchewan
August 11, 2017

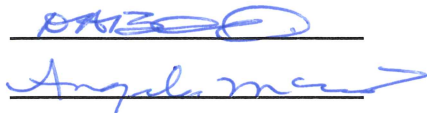
Chalupiak & Associates

Chartered Professional Accountants

George Gordon First Nation
Consolidated Statement of Financial Position
March 31, 2017

	2017	2016
Financial Assets		
Restricted cash - TLE revenue account (Note 3)	\$ 3,772,053	\$ 3,595,823
Restricted cash - CMHC (Note 3)	1,285,747	1,223,500
Trust funds held by federal government (Notes 3 and 4)	98,335	92,765
Accounts receivable (Notes 5 and 6)	751,342	772,805
Inventory (Note 7)	98,111	80,365
Investments in related business entities (Notes 8 and 9)	3,785,247	2,116,425
	<u>9,790,835</u>	<u>7,881,683</u>
Liabilities		
Bank indebtedness (Notes 3 and 10)	650,841	251,514
Short-term financing (Note 11)	288,564	-
Accounts payable (Note 12)	721,254	700,953
Deferred revenue - unexpended funds - INAC (Note 13)	230,145	-
Deferred revenue - unexpended funds - health (Note 14)	459,248	-
Deferred revenue (Note 15)	4,053,387	4,285,958
Due to related entities (Note 16)	308,379	61,385
Current portion of long-term debt (Note 17)	361,129	349,050
Current portion of CMHC housing mortgage (Note 18)	414,436	463,400
Long-term debt (Note 17)	2,032,226	2,396,210
CMHC mortgages (Note 18)	3,848,043	4,245,746
	<u>13,367,652</u>	<u>12,754,216</u>
Net debt	<u>(3,576,817)</u>	<u>(4,872,533)</u>
Non-financial Assets		
Capital assets (Note 19)	22,026,627	22,907,420
Prepaid expenses (Note 20)	38,497	1,300
	<u>22,065,124</u>	<u>22,908,720</u>
Accumulated Surplus (Note 21)	<u>\$ 18,488,307</u>	<u>\$ 18,036,187</u>

Approved on behalf of the George Gordon First Nation:


Angela M. M. M.

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Consolidated Statement of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - grant contribution	\$ 425,636	\$ 522,192	\$ -
INAC - fixed contribution	2,819,877	2,986,253	-
INAC - set contribution	396,023	2,009,176	-
INAC - flexible contribution	698,309	698,309	-
INAC - prior period revenue (recovery)	-	746	-
INAC - current year receivable (payable)	-	(5,288)	-
Indigenous Northern Affairs Canada	-	-	5,827,836
Health Canada	1,308,514	1,328,490	1,348,026
CMHC	-	972,397	456,044
First Nations Trust	20,000	1,120,046	1,217,848
TLE revenue	-	1,141,064	769,772
Touchwood Agency Tribal Council Inc.	297,764	319,512	313,400
Funds earned and held in trust by the federal government	-	103,537	18,268
Dakota Dunes CDC	-	418,296	339,187
Government of Saskatchewan	-	15,055	52,782
Retail sales	-	3,380,761	3,137,828
Sask Finance rebates retained	-	365,821	-
George Gordon Developments LP	-	120,000	-
Land lease	-	253,792	305,416
Rental income	-	196,222	486,938
Other revenue	141,605	218,298	497,447
Increase (decrease) in value of business entities	-	1,668,822	2,824,049
Administration - internal allocation	512,011	378,788	3,141
Prior year revenue adjustments	-	(59,890)	-
Prior period accounts payable write down	-	123,691	-
Unexpended funds transferred - prior year	-	188,083	-
Deferred revenue - prior year	-	4,285,958	-
Deferred revenue - current year	-	(4,053,387)	(115,470)
	6,619,739	18,696,744	17,482,512
Expenses			
Community Development (Schedule 1)	1,448,074	3,047,702	2,620,674
Economic Development (Schedule 2)	120,000	48,400	214,394
Education (Schedule 3)	716,695	2,157,261	2,075,622
Indian Government Support (Schedule 4)	1,007,149	1,401,622	1,144,813
Land Management (Schedule 5)	163,411	166,004	159,260
Social Development (Schedule 6)	490,130	2,058,419	2,207,065
Indian Registration (Schedule 7)	27,457	27,457	26,148
Health (Schedule 8)	1,308,514	1,544,891	1,272,962
CMHC (Schedule 9)	-	960,014	1,080,688
Other Programs (Schedule 10)	1,110,511	1,694,077	1,224,208
Treaty Land Entitlement (Schedule 11)	-	1,047,389	770,188
George Gordon Retail Operations (Schedule 12)	-	3,932,032	3,140,196
	6,391,941	18,085,268	15,936,218

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Consolidated Statement of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Current surplus before other items	227,798	611,476	1,546,297
Other items			
Contribution from George Gordon TLE Trust	-	530,040	3,802,964
Unexpended funds transferred to deferred revenue	-	(689,393)	-
	-	(159,353)	3,802,964
Current surplus	\$ 227,798	\$ 452,123	\$ 5,349,261

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Consolidated Statement of Accumulated Surplus
For the year ended March 31, 2017

	2017	2016
Surplus at beginning of year	\$ 18,036,187	\$ 12,686,926
Current surplus	452,123	5,349,261
Surplus at end of year	\$ 18,488,310	\$ 18,036,187

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Current surplus	\$ 227,798	\$ 452,123	\$ 5,349,261
Acquisition of tangible capital assets	-	(127,095)	(564,089)
Amortization of tangible capital assets	-	1,537,925	1,509,995
Contribution from George Gordon TLE Trust	-	(530,040)	(3,802,964)
	-	880,790	(2,857,058)
Acquisition of prepaid asset	(38,497)	(38,497)	(1,300)
Use of prepaid asset	1,300	1,300	1,300
	(37,197)	(37,197)	-
Increase in net financial assets	190,601	1,295,716	2,492,203
Net debt at beginning of year	(4,872,533)	(4,872,533)	(7,364,736)
Net debt at end of year	\$ (4,681,932)	\$ (3,576,817)	\$ (4,872,533)

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2017

	2017	2016
Cash flows from Operating activities		
Current surplus	\$ 452,123	\$ 5,349,261
Items not affecting cash		
Amortization	1,537,925	1,509,995
Loss (earnings) from investment in First Nation business entities	(1,788,822)	(2,823,949)
Contribution from George Gordon TLE Trust	(530,040)	(3,802,964)
	(328,814)	232,343
Change in non-cash operating working capital		
Accounts receivable	21,463	365,714
Prepaid expenses	(37,197)	-
Inventory	(17,746)	(2,816)
Accounts payable	20,301	125,018
Deferred revenue - unexpended funds - INAC	230,145	-
Deferred revenue - unexpended funds - health	459,248	-
Deferred revenue	(232,571)	782,012
	114,829	1,502,271
Capital activities		
Purchase of capital assets	(127,095)	(564,089)
Financing activities		
Due from related entities	246,994	(9,437)
Decrease (increase) in trust funds held by federal government	(5,570)	(18,268)
Advances of long-term debt and terms loans due on demand	-	1,655,449
Repayment of long-term debt	(400,869)	(1,389,877)
Repayment of CMHC mortgages	(397,703)	-
Short-term financing	288,564	-
	(268,584)	237,867
Investing activities		
Decrease (increase) in Restricted cash - TLE revenue account	339,390	-
Increase of Restricted cash - CMHC	(62,247)	(588,202)
Withdrawals from (contributions to) First Nation Business entities	120,000	188,000
Guaranteed investment certificates	(515,620)	-
	(118,477)	(400,202)
Increase (decrease) in cash and cash equivalents	(399,327)	775,847
Cash and cash equivalents, beginning of year	(251,514)	(1,027,361)
Cash and cash equivalents, end of year	\$ (650,841)	\$ (251,514)
Represented by		
Cash	\$ (650,841)	\$ (251,514)

The accompanying notes are an integral part of the financial statements

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

1. 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. Basis of presentation and significant accounting policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting entity

The George Gordon First Nation reporting entity includes the George Gordon First Nation government and all related entities that are controlled by the First Nation.

(b) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the Consolidated Statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only George Gordon First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of George Gordon First Nation.

Organizations consolidated in George Gordon First Nation's financial statements include:

- George Gordon First Nation CMHC Housing
- George Gordon TLE Holdings
- George Gordon First Nation - TLE Revenue Account
- Gordon Retail Centre

Organizations accounted for on a modified equity basis include:

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

(c) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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 assets, prepaid expenses and inventory of supplies.

2. Basis of presentation and significant accounting policies (continued)

(d) Net debt or net financial assets

The financial statements are presented so as to highlight net debt as the measurement of financial position. The net debt or net financial asset is determined by its financial assets less liabilities. Net debt or net financial assets, is comprised of two components, non-financial assets and accumulated surplus.

(e) Cash and cash equivalents

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

(f) Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts 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, 2017.

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's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

2. Basis of presentation and significant accounting policies (continued)

(g) Tangible capital assets

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

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and George Gordon First Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Buildings	20 - 25 years Straight line
Automotive equipment	5 years Straight line
Equipment	3 - 10 years Straight line
CMHC - houses	25 years Straight line
Store assets	4 - 20% Declining balance
Land improvements	25 years Straight line
Roads	40 years Straight line
Water Treatment Plant	25 years Straight line
Band Housing	25 years Straight line

Tangible capital assets are written down when conditions indicate that they no longer contribute to George Gordon 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.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(h) Trust funds

Funds earned and held in trust on behalf of First Nation members by the Government of Canada. Trust moneys consist of:

- Capital Trust moneys derived from non-renewable resources transactions on 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 reported on by the Government of Canada.

2. Basis of presentation and significant accounting policies (continued)

(i) 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 disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

(j) Segments

The First Nation conducts its business through reportable segments. 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 attributed 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.

(k) Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees - internal allocation."

(l) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an 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 being performed is deferred and recognized when the fee is earned or the service is performed.

(m) Expense recognition

Expenses are accounted for in the period the goods or services are acquired and a liability is incurred or transfers are due.

(n) Comparative figures

Comparative figures have been reclassified, where applicable, to conform to current presentation.

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

3. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, George Gordon First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or 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 the Replacement and Subsidy Fund. Cash and cash equivalents is comprised of the following:

Cash received to complete capital projects is held in separate bank accounts or guaranteed investment certificates.

Funds held in trust are held by the federal government in trust for the First Nation.

	2017	2016
Unrestricted cash		
CMHC operations	\$ 9,684	\$ (10,168)
General operations	(736,483)	(299,269)
Social development	(15,150)	(26,791)
Retail operations	91,108	84,714
	<u>(650,841)</u>	<u>(251,514)</u>
Restricted cash - CMHC		
CMHC Operating Reserve	479,104	425,996
CMHC Replacement Reserve	806,643	3,048
GIC - Replacement reserve	-	794,456
	<u>1,285,747</u>	<u>1,223,500</u>
Restricted cash - TLE revenue account		
TLE revenue account	3,256,433	3,595,823
GIC - interest 1.1%, reinvested annually, matures August 2018	515,620	-
	<u>3,772,053</u>	<u>3,595,823</u>
Restricted cash - funds held in trust by the federal government		
Capital funds	16,330	16,330
Revenue funds	82,005	76,435
	<u>98,335</u>	<u>92,765</u>
	<u>\$ 4,505,294</u>	<u>\$ 4,660,574</u>

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

4. Trust funds held by federal government

	2017 Revenue	2017 Capital	2017 Total	2016 Total
Surplus, beginning of year	\$ 76,436	\$ 16,330	\$ 92,766	\$ 74,497
Withdrawals	(97,968)	-	(97,968)	-
Lease revenue	100,379	-	100,379	17,056
Interest earnings	3,158	-	3,158	1,212
Surplus, end of year	\$ 82,005	\$ 16,330	\$ 98,335	\$ 92,765

5. Accounts receivable

	2017	2016
Due from members		
Advances	\$ 1,662	\$ 7,708
Advances - Social Development	225,121	-
Total Due from members	226,783	7,708
Due from others		
Dakota Dunes Community Development Corporation	42,872	279,005
Touchwood Agency Tribal Council Inc.	45,283	70,017
Other	35,836	246,210
GST	77,344	-
George Gordon Store - receivables	144,399	-
TLE - receivables	46,773	-
Total Due from others	392,507	595,232
Due from government and other government organizations		
INAC	9,885	117,647
CMHC subsidy	35,289	-
CMHC retrofit	289,927	-
CMHC RRAP	13,280	-
CMHC	-	65,798
	348,381	183,445
Allowance for doubtful accounts	967,671 (216,329)	786,385 (13,580)
Total accounts receivable	\$ 751,342	\$ 772,805

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

6. Accounts receivable - INAC

	2017	2016
Basic Needs	\$ 9,885	\$ -
Band Employee Benefits	-	8,092
Land Management	-	64,655
Institutional Care	-	4,659
Reserve Lands	-	15,541
Environment	-	24,700
Total	\$ 9,885	\$ 117,647

7. Inventory

	2017	2016
George Gordon Retail Centre	\$ 98,111	\$ 80,365

8. Investments in government business entities

Commercial enterprises are those organizations that meet the definition of government business enterprises as described by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Government business enterprises have the power to contract in their own name, have the financial and operating authority to carry on a business, sell goods and services to customers outside the First Nation government as their principal activity, and that can, in the normal course of their operations, maintain operations and meet liabilities from revenues received from outside the First Nation government.

	2017	2016
George Gordon Developments Limited Partnership	\$ 3,799,885	\$ 2,129,973
George Gordon Security Inc.	(243,220)	(242,130)
Due from George Gordon Security Inc.	228,582	228,582
	\$ 3,785,247	\$ 2,116,425

	Investment, start of year	Withdrawals	Share of earnings (loss)	Investment, end of year
George Gordon Developments LP	\$ 2,129,973	\$ (120,000)	\$ 1,789,912	\$ 3,799,885
George Gordon Security Inc.	(242,130)	-	(1,090)	(243,220)
Due from George Gordon Security Inc.	228,582	-	-	228,582
	\$ 2,116,425	\$ (120,000)	\$ 1,788,822	\$ 3,785,247

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

9. Investments in government business entities

	George Gordon Developments LP Dec 31, 2016	George Gordon Security Inc. August 31, 2016	2017 Total	2016 Total
Cash	\$ 196,655	\$ 667	\$ 197,322	\$ 1,245,144
Other current assets	5,708,262	-	5,708,262	6,904,534
Tangible capital assets	710,787	-	710,787	748,148
Other assets	110,426	-	110,426	127,154
Total assets	\$ 6,726,130	\$ 667	\$ 6,726,797	\$ 9,024,980
Current liabilities	\$ 2,566,820	\$ 15,303	\$ 2,582,123	\$ 6,423,071
Long-term debt	359,425	228,583	588,008	714,066
Total liabilities	2,926,245	243,886	3,170,131	7,137,137
Share capital	-	1	1	1
Equity	3,799,885	(243,220)	3,556,665	1,887,842
Total equity	3,799,885	(243,219)	3,556,666	1,887,843
Total liabilities and equity	\$ 6,726,130	\$ 667	\$ 6,726,797	\$ 9,024,980
	George Gordon Developments LP Dec 31, 2016	George Gordon Security Inc. August 31, 2016	2017 Total	2016 Total
Revenue	\$ 13,318,116	\$ 35	\$ 13,318,151	\$ 12,356,450
Expenses	11,528,206	1,125	11,529,331	9,564,541
Total expenses	11,528,206	1,125	11,529,331	9,564,541
Net income	\$ 1,789,910	\$ (1,090)	\$ 1,788,820	\$ 2,791,909

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

10. Bank indebtedness

The First Nation has approved overdraft limits with Raymore Credit Union as follows:

General operations - authorized limit of \$500,000 (2016 - \$750,000) - interest prime plus 1.50%
Post secondary - authorized limit of \$100,000 (2016 - \$100,000) - interest prime plus 1.50%
Social assistance - authorized limit of \$25,000 (2016 - \$25,000) - interest prime plus 1.50%

On March 31, 2017 the authorized limits bear interest at 5.25%, unauthorized limits bear interest at 24.00%, secured by a general security agreement.

The First Nation has a line of credit with Royal Bank of Canada:

General operations - authorized limit of \$200,000 (2016 - \$200,000) - interest prime plus 3.50%

On March 31, 2017 the authorized limit bears interest at 6.20%, secured by a general security agreement.

As at March 31, 2017 the First Nation had drawn \$185,498 (2016 - \$228,306) from the lines of credit, with the remaining bank indebtedness consisting of outstanding cheques and overdraft balances.

11. Short-term financing

The First Nation has an approved line of credit of \$1,000,000. Interest is calculated at 4.0% and is due monthly.

	2017	2016
Raymore Credit Union quick loan	\$ 288,564	\$ -

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

12. Accounts payable

	2017	2016
Payables - as reported prior year	\$ -	\$ 700,953
Due to members		
Accrued payroll	108,235	-
Accrued vacation pay	22,978	-
	131,213	700,953
Due to others		
CMHC operations - payables	58,097	-
George Gordon Store - payables	305,973	-
TLE revenue account - payables	20,849	-
General operations	189,949	-
	574,868	-
Due to government and other government organizations		
INAC	15,173	-
	\$ 721,254	\$ 700,953

13. Deferred revenue - unexpended funds - INAC

INAC funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to INAC, deferred to the following year, or transferred to another INAC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue - unexpended funds" on the financial statements.

	2017	2016
Comprehensive education support	\$ 17,492	\$ -
Mature students	9,493	-
Summer students	3,982	-
Skills Link - Chief's office	28,382	-
Post Secondary	82,096	-
FNLM Developmental	44,129	-
RLEMP	44,571	-
	\$ 230,145	\$ -

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

14. Deferred revenue - unexpended funds - health

	2017	2016
Accreditation	\$ 36,318	\$ -
Pre-natal nutrition	43,166	-
FASD	5,816	-
Community health	12,681	-
Public health nurse	195,466	-
COHI	8,338	-
CDC immunization	19,506	-
Diabetes	84,026	-
Mental health	21,446	-
NNADAP	20,095	-
Youth solvent abuse	1,839	-
Medical transportation	10,551	-
	<u>\$ 459,248</u>	<u>\$ -</u>

15. 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:

	March 31, 2016	Funding received, 2017	Revenue recognized, 2017	March 31, 2017
Federal government				
Immediate needs - capacity	\$ -	\$ 130,000	\$ (75,959)	\$ 54,041
Immediate needs - innovation	-	25,000	(7,500)	17,500
School renovation project	112,290	-	(42,477)	69,813
Health Canada	533,914	1,328,490	(1,862,404)	-
CMHC - retrofit	-	408,581	(294,525)	114,056
Total	646,204	1,892,071	(2,282,865)	255,410
Other				
TLE Revenue Account	3,639,754	1,141,064	(982,841)	3,797,977
Total	<u>\$ 4,285,958</u>	<u>\$ 3,033,135</u>	<u>\$ (3,265,706)</u>	<u>\$ 4,053,387</u>

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

16. Due to (from) related entities

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

	2017	2016
George Gordon Developments Limited Partnership	\$ 294,380	\$ 87,290
George Gordon TLE Revenue Account	75,947	41,728
George Gordon TLE Holdings	(61,948)	(10,201)
George Gordon Pow wow committee	-	(57,432)
	<u>\$ 308,379</u>	<u>\$ 61,385</u>

17. Long-term debt

	2017	2016
Royal Bank of Canada - CMHC reserves. Term loan, quarterly blended payments of \$33,900, interest at 3.79%. Secured by BCR and general security agreement, due August 2019.	\$ 318,694	\$ 440,860
Raymore Credit Union - retail operations. Mortgage, monthly blended payments of \$8,585, interest at 5.25%. Secured by related capital asset, BCR and general security agreement, due April 2028.	847,408	904,400
Raymore Credit Union - consolidation loan. Term loan, quarterly blended payments of \$57,770, interest at 4.75%. Secured by BCR and general security agreement, due March 2023.	1,227,253	1,400,000
	2,393,355	2,745,260
Current portion	361,129	349,050
	<u>\$ 2,032,226</u>	<u>\$ 2,396,210</u>

Principal portion of long-term debt due within the next five years:

2019	\$ 377,687
2020	323,212
2021	272,826
2022 and thereafter	1,419,630
	<u>\$ 2,393,355</u>

	2017	2016
Interest expense for the year on long-term debt	\$ 125,996	\$ 124,134

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

18. CMHC mortgages

	Phase number	Renewal date	Interest rate	Blended monthly payment	2017	2016
CMHC	1	6/1/2016	2.63%	\$ 1,893	\$ -	\$ 5,658
Scotiabank	2	2/1/2017	3.99%	1,021	-	11,015
RBC	3	9/1/2016	3.00%	4,686	-	27,880
Scotiabank	4	11/1/2017	4.39%	6,262	85,347	155,118
CMHC	5	10/1/2019	2.01%	1,268	102,584	115,607
CMHC	6	6/1/2020	1.39%	2,121	192,636	215,255
CMHC	7	6/1/2017	1.65%	1,928	216,496	235,911
CMHC	8	3/1/2018	1.62%	1,350	163,158	176,610
CMHC	9	4/1/2019	1.92%	1,043	134,039	143,889
CMHC	10	10/1/2020	1.04%	1,614	157,496	175,132
CMHC	11	12/1/2017	1.53%	7,957	946,175	1,026,599
CMHC	12	3/1/2018	1.62%	8,028	956,911	1,037,128
CMHC	14	5/1/2019	1.98%	2,270	294,392	315,607
CMHC	15	9/1/2018	2.35%	1,652	333,578	345,467
CMHC	16	9/1/2020	0.94%	4,468	679,667	722,270
					4,262,479	4,709,146
Less: Current portion					414,436	463,400
Due beyond one year					\$ 3,848,043	\$ 4,245,746

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

19. Tangible capital assets

	Cost	Additions	Disposals	Accumulated amortization	2017 Net book value
Land	\$ 8,544,618	\$ 530,040	\$ -	\$ -	\$ 9,074,658
Buildings	10,547,881	-	-	7,851,982	2,695,898
Automotive equipment	330,850	-	-	267,120	63,730
Equipment	1,617,035	115,955	-	859,798	873,192
CMHC - houses	12,363,703	-	-	6,985,380	5,378,323
Store assets	1,843,112	-	13,223	338,807	1,491,082
Land improvements	175,000	-	-	74,000	101,000
Roads	2,582,876	-	-	2,453,004	129,872
Water Treatment Plant	3,176,345	-	-	1,001,504	2,174,841
Band Housing	11,848,964	24,360	-	11,829,294	44,030
	<u>\$ 53,030,384</u>	<u>\$ 670,355</u>	<u>\$ 13,223</u>	<u>\$ 31,660,889</u>	<u>\$ 22,026,626</u>

	Cost	Additions	Disposals	Accumulated amortization	2016 Net book value
Land	\$ 4,741,654	\$ 3,802,964	\$ -	\$ -	\$ 8,544,618
Buildings	10,547,881	-	-	7,488,998	3,058,882
Automotive equipment	288,254	42,596	-	220,428	110,422
Equipment	1,311,645	305,390	-	656,945	960,090
CMHC - houses	12,223,020	140,682	-	6,377,796	5,985,907
Store assets	1,829,889	13,223	-	248,469	1,594,643
Land improvements	175,000	-	-	67,000	108,000
Roads	2,582,876	-	-	2,409,713	173,163
Water Treatment Plant	3,114,147	62,198	-	874,450	2,301,895
Band Housing	11,848,964	-	-	11,779,165	69,799
	<u>\$ 48,663,330</u>	<u>\$ 4,367,053</u>	<u>\$ -</u>	<u>\$ 30,122,964</u>	<u>\$ 22,907,419</u>

During the prior year, George Gordon TLE - Principle Account purchased land with a cost of \$3,802,964 on behalf of the First Nation.

20. Prepaid expenses

	2017	2016
Social assistance	\$ 38,497	\$ -
Other	-	1,300
	<u>\$ 38,497</u>	<u>\$ 1,300</u>

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

21. Accumulated surplus

	2017	2016
Restricted		
Capital assets	\$ 16,598,046	\$ 16,853,014
Investments in related business entities (Note 9)	3,558,295	1,887,843
Trust funds held by federal government (Note 4)	98,335	92,765
CMHC reserves (Note 27)	2,006,593	1,864,449
Moveable asset reserve (Note 26)	25,908	25,908
	<u>22,287,177</u>	<u>20,723,979</u>
Unrestricted		
Operating surplus (deficit)	(3,797,240)	(2,687,792)
	<u>\$ 18,489,937</u>	<u>\$ 18,036,187</u>

Equity in capital assets is the net book value less any long term debt acquired to finance the assets.

22. INAC reconciliation

	2017	2016
INAC revenue per agreement	\$ 6,224,022	\$ 5,986,776
Prior period revenue (recovery)		
Band employee benefits	(8,092)	-
National child benefit reinvestment	746	-
15/16 Deferred revenue	-	(112,290)
15/16 Recovered funding	-	(54,742)
Current year receivable (payable)		
Basic Needs	9,885	-
Band employee benefits	(1,425)	8,092
Special needs	(13,748)	-
	<u>\$ 6,211,388</u>	<u>\$ 5,827,836</u>

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

23. Government Transfers

	2017		
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada	\$ 5,513,079	\$ 698,309	\$ 6,211,388
Health Canada	1,304,931	23,559	1,328,490
Canada Mortgage and Housing Corporation	480,262	492,135	972,397
Total	7,298,272	1,214,003	8,512,275
Provincial government transfers	15,055	-	15,055
Total	\$ 7,313,327	\$ 1,214,003	\$ 8,527,330

24. Contingent liabilities

George Gordon First Nation has the following contingent liabilities:

a) 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, 2017 the Government of Canada has no requested repayment.

25. Employee benefit obligations

Vacation and overtime

The vacation and overtime liability is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year.

Post-employment benefits

George Gordon First Nation does not provide extended health, dental and life insurance benefits to retired employees and therefore has no obligations with regards to post employment benefits.

Pension plan

George Gordon First Nation provides a defined contribution plan for eligible members of its staff. Members are required to contribute 3.0% to 7.0% of their basic salary; George Gordon First Nation contributes a matching portion which is directed to the member's contribution account. George Gordon First Nation does not have any other obligations with regards to the pension plan as at March 31, 2017.

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

26. Health Canada - Moveable Asset Reserve

Health Canada funding agreements require the First Nation to report on funding received and related expenditures for all assets over \$1,000 that are not permanently attached to the health facility building.

	2017	2016
Balance, beginning of year	\$ 25,908	\$ 26,709
Expenses	-	(801)
Balance, end of year	\$ 25,908	\$ 25,908

27. CMHC reserves and restricted cash

The CMHC funding agreements require that the First Nation set aside cash in specially funded reserve bank accounts. On March 31, 2017 the reserve fund was underfunded by \$720,846 (2016 - \$640,949).

28. Related party transactions

Transactions with related parties, if any, are in the normal course of business, and are for fair consideration that is mutually agreed upon by the related parties.

29. Fair value

The fair value of the financial assets (except the investments), and current liabilities approximates their carrying value due to their short term nature. It is not practical to determine fair value for the investments with sufficient reliability because of the limited market for them. The fair value of the First Nation's long-term debt approximates cost due to either the short-term nature (either to term or to renewal) or has interest floating at market rates.

30. Interest rate risk

The First Nation is not exposed to significant interest rate risk on its monetary assets and current liabilities, due to their short term maturity. The First Nation is exposed to interest rate price risk on its long term debt that has a fixed interest rate.

31. Budgeted figures

Budgeted figures are unaudited and have been provided for comparison purposes and derived from the estimates approved by the George Gordon First Nation.

32. Economic dependence

The First Nation receives a substantial amount of its funding from Indigenous and Northern Affairs Canada ("INAC") as a result of treaties entered into with the Government of Canada. These treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

33. Expenses by object

	2017 Budget	2017 Actual	2016 Actual
Administration - internal allocation	\$ 291,140	\$ 385,549	\$ 306,451
Administration - program	-	45,000	40,000
Advertising, promotions, sponsorships	2,500	52,761	26,894
Amortization	-	1,537,925	1,509,995
Assistance - social development	-	1,531,497	1,726,756
Assistance to band members	80,250	159,275	143,557
Bad debts	-	65,305	46,890
Bank charges and interest	20,250	39,154	56,593
Community development corporation	-	373,602	245,469
Consultants and contractors	1,034,864	1,129,725	1,103,691
Contribution to George Gordon Developments LP	-	-	210,000
Contribution to TLE principle trust account	-	283,500	-
Cultural programs	184,179	93,113	170,919
Elder services	42,000	8,558	6,250
Equipment purchases	37,200	40,600	43,597
Fibre optic internet	-	58,444	-
First Nations Trust expenses	136,200	184,733	140,909
Governance	-	121,604	126,967
Honorariums	389,800	506,775	484,902
Insurance	23,660	108,738	122,320
Internal expenses	-	-	(236,514)
Janitorial Supplies	13,000	12,733	12,566
Long term debt - interest on mortgages	-	71,161	82,774
Long term debt - interest paid	493,600	125,996	124,134
Office equipment rental/lease	6,000	16,735	3,659
Other equipment expenses	2,100	8,942	1,391
Pow wow	-	156,532	-
Prior period expenses	-	35,744	-
Prior period salary adjustments	-	(56,949)	-
Professional fees	28,000	306,977	205,492
Program expenses	417,713	575,669	500,875
Property taxes	-	83,268	26,904
Rent - office	-	5,206	295,363
Repairs and maintenance	90,018	769,813	842,031
Retail centre cost of sales	-	-	2,419,546
Road repairs and maintenance	55,620	47,878	102,262
Student expenses - books	-	58,418	-
Student expenses - living allowance	-	558,540	684,239
Student expenses - other	-	9,153	12,187
Student expenses - travel	-	27,240	29,640
Student expenses - tuition	-	335,193	361,601
Supplies	306,734	800,487	357,945
Telephone	41,720	86,734	74,329
Training	41,500	37,112	68,695
Travel, meetings, per diems	293,200	573,469	512,675

George Gordon First Nation
Notes to Consolidated Financial Statements
March 31, 2017

33. Expenses by object, continued

	2017 Budget	2017 Actual	2016 Actual
Unexpended funds - prior years	-	188,083	-
Utilities	125,315	238,738	244,913
Vehicle operating expenses	78,206	81,679	87,735
Wages and benefits	1,841,892	2,971,036	2,611,945
Workers compensation expense	-	50,408	-
Workshop and meetings	315,280	179,235	150,283
Transfer assets to balance sheet	-	(140,315)	(152,612)
	<u>\$ 6,391,941</u>	<u>\$ 14,940,773</u>	<u>\$ 15,936,218</u>

The expenses do not include cost of goods sold of \$3,144,495 from the retail operations.

34. INAC funding

The First Nation (Recipient) receives funding from Indigenous and Northern Affairs Canada (INAC) by entering into an agreement with INAC.

There are five approaches that INAC may consider in the design and delivery of transfer payment programs:

1. **Grant approach** – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. **Set contribution approach** – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to INAC annually.
3. **Fixed contribution approach** – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by INAC. A plan must be submitted and approved by INAC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by INAC.
4. **Flexible contribution approach** – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to INAC at the end of the project, program or agreement.
5. **Block contribution approach** – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by INAC.

35. Segmented information

As previously discussed in note 2 (j) the First Nation conducts its business through reportable segments as follows:

1) Indigenous and Northern Affairs Canada (INAC)

Claims and Indian Government:

Costs associated with the negotiation, settlement and implementation of specific claims and comprehensive land claim agreements as well as special claims and self-government agreements.

Community Development:

Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Economic Development:

Costs associated with economic development planning, proposal development, and planning and implementation of ongoing activities and one-time projects. Also costs to pursue economic objectives in areas such as the employment of community members, the development of community-owned and community member businesses, the development of land and resources under community control, access to economic opportunities on land and resources beyond community control, investment promotion, and research and advocacy.

Education:

Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with INAC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labor market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

Indian Government Support:

Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

35. Segmented information, continued

Land Management:

Costs associated to the administration of land transactions on designated and non-designated lands under sections 53 and 60 of the Indian Act.

Social Development:

First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

Indian Registration:

Costs associated with the maintenance of the Indian Register, a record of everyone who is registered as an Indian under the Indian Act.

Governance and Institutions of Government:

Costs associated with Governance and Institution of Government activities.

2) Health Programs (FNIHB)

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

3) Canada Mortgage and Housing Corporation (CMHC)

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

4) Band programs

Other programs that vary based on own source revenue. These could include First Nations Trust, Tribal Council, CDC, Band Trust Funds and other business ventures. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

Schedule #1
George Gordon First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed contribution	\$ 690,298	\$ 690,298	\$ -
INAC - flexible contribution	698,309	698,309	-
Indigenous Northern Affairs Canada	-	-	1,212,986
CMHC - RRAP	-	83,555	-
CMHC - Retrofit	-	408,581	-
CMHC - Youth Initiatives (HIIFNIY)	-	34,564	-
Touchwood Agency Tribal Council Inc.	32,764	-	-
George Gordon TLE	-	28,874	-
Other revenue	16,605	18,465	83,372
Administration - internal allocation	69,831	68,602	-
Unexpended funds transferred - prior year	-	34,181	-
Deferred revenue - prior year	-	112,290	-
Deferred revenue - current year	-	(255,410)	-
	1,507,807	1,922,309	1,296,358
Expenses			
Administration - internal allocation	121,525	108,845	-
Amortization	-	501,149	472,620
Consultants and contractors	421,985	391,505	393,411
Equipment purchases	-	-	157
Fibre optic internet	-	58,444	-
Insurance	17,660	30,286	49,666
Janitorial Supplies	13,000	12,670	12,566
Long term debt - interest paid	-	-	18,589
Office equipment rental/lease	-	162	-
Other equipment expenses	-	6,921	1,391
Professional fees	4,500	18,869	75
Rent - office	-	-	283,246
Repairs and maintenance	71,518	405,435	374,604
Road repairs and maintenance	55,620	47,878	102,262
Supplies	165,885	496,743	159,521
Telephone	1,550	12,701	8,791
Training	17,500	-	60
Travel, meetings, per diems	17,600	51,591	29,475
Utilities	95,800	180,150	189,581
Vehicle operating expenses	35,006	64,388	51,237
Wages and benefits	368,925	681,725	564,515
Workers compensation expense	-	17,736	-
Workshop and meetings	40,000	24,147	18,922
Transfer assets to balance sheet	-	(63,644)	(110,016)
	1,448,074	3,047,701	2,620,673
Current deficit before transfers	59,733	(1,125,392)	(1,324,315)
The accompanying notes are an integral part of the financial statements			

Schedule #1, continued
George Gordon First Nation
Community Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Transfers			
Transfer - TLE Revenue	-	189,244	-
Transfers between programs	-	-	305,000
Current deficit	\$ 59,733	\$ (936,148)	\$ (1,019,315)

The accompanying notes are an integral part of the financial statements

Schedule #2
George Gordon First Nation
Economic Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Indigenous Northern Affairs Canada	\$ -	\$ -	\$ 90,000
Touchwood Agency Tribal Council Inc.	120,000	120,000	120,000
George Gordon Developments LP	-	120,000	-
Increase (decrease) in value of business entities	-	1,668,822	2,824,049
	120,000	1,908,822	3,034,049
Expenses			
Consultants and contractors	30,000	30,227	4,210
Contribution to George Gordon Developments LP	-	-	210,000
Honorariums	-	565	-
Insurance	-	10,584	-
Long term debt - interest paid	90,000	-	-
Program expenses	-	7,024	-
Travel, meetings, per diems	-	-	184
	120,000	48,400	214,394
Current surplus	\$ -	\$ 1,860,422	\$ 2,819,655

The accompanying notes are an integral part of the financial statements

Schedule #3
George Gordon First Nation
Education
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed contribution	\$ 1,829,097	\$ 1,940,812	\$ -
Indigenous Northern Affairs Canada	-	-	1,782,121
Unexpended funds transferred - prior year	-	61,036	-
	<u>1,829,097</u>	<u>2,001,848</u>	<u>1,782,121</u>
Expenses			
Administration - internal allocation	31,660	41,268	13,083
Amortization	-	289,280	280,720
Bank charges and interest	-	870	4,080
Consultants and contractors	321,506	363,905	324,005
Cultural programs	10,287	819	4,000
Elder services	5,000	1,443	2,000
Equipment purchases	3,500	82	-
Honorariums	-	5,000	4,500
Internal expenses	-	-	7,670
Professional fees	-	2,480	279
Program expenses	110,645	147,414	148,291
Rent - office	-	-	500
Student expenses - books	-	58,418	-
Student expenses - living allowance	-	558,540	684,239
Student expenses - other	-	9,153	12,187
Student expenses - travel	-	27,240	29,640
Student expenses - tuition	-	335,193	361,601
Supplies	13,000	20,045	3,869
Telephone	1,500	3,648	1,339
Training	-	3,000	650
Travel, meetings, per diems	17,000	25,104	20,188
Vehicle operating expenses	7,000	4,423	11,537
Wages and benefits	191,997	228,024	137,773
Workers compensation expense	-	933	-
Workshop and meetings	3,600	30,978	23,472
	<u>716,695</u>	<u>2,157,260</u>	<u>2,075,623</u>
Current deficit before other items	1,112,402	(155,412)	(293,502)
Other items			
Unexpended funds transferred to deferred revenue	-	(141,445)	-
Current deficit	<u>\$ 1,112,402</u>	<u>\$ (296,857)</u>	<u>\$ (293,502)</u>

The accompanying notes are an integral part of the financial statements

Schedule #4
George Gordon First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - grant contribution	\$ 425,636	\$ 522,192	\$ -
INAC - fixed contribution	-	54,661	-
INAC - set contribution	-	58,595	-
INAC - current year receivable (payable)	-	(1,425)	-
Indigenous Northern Affairs Canada	-	-	503,903
Other revenue	-	77,564	342,844
Administration - internal allocation	442,181	310,186	-
Prior period accounts payable write down	-	123,691	-
Prior year revenue adjustments	-	(59,890)	-
	867,817	1,085,574	846,747
Expenses			
Advertising, promotions, sponsorships	-	50	-
Bad debts	-	-	27,341
Bank charges and interest	20,000	31,895	45,781
Consultants and contractors	85,000	81,349	167,362
Equipment purchases	25,000	32,858	-
Honorariums	384,800	387,589	421,379
Insurance	-	8,348	9,427
Internal expenses	-	-	(246,929)
Long term debt - payments (principle & interest)	-	5,504	15,930
Office equipment rental/lease	6,000	11,721	-
Prior period expenses	-	35,744	-
Prior period salary adjustments	-	(56,949)	-
Professional fees	20,000	194,064	109,536
Repairs and maintenance	-	-	98
Supplies	20,000	32,439	20,554
Telephone	20,000	39,164	36,526
Training	5,000	5,030	36,260
Travel, meetings, per diems	120,000	157,974	141,394
Utilities	10,000	10,734	2,899
Vehicle operating expenses	-	227	335
Wages and benefits	271,349	416,460	306,660
Workers compensation expense	-	6,534	-
Workshop and meetings	20,000	25,248	50,260
Transfer assets to balance sheet	-	(24,360)	-
	1,007,149	1,401,623	1,144,813
Current deficit before transfers	(139,332)	(316,049)	(298,066)

The accompanying notes are an integral part of the financial statements

Schedule #4, continued
George Gordon First Nation
Indian Government Support
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Transfers			
Transfer - Other Band Programs	-	219,813	-
Transfers between programs	-	-	200,000
Current deficit	\$ (139,332)	\$ (96,236)	\$ (98,066)

The accompanying notes are an integral part of the financial statements

Schedule #5
George Gordon First Nation
Land Management
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed contribution	\$ 127,961	\$ 127,961	\$ -
INAC - set contribution	35,450	35,450	-
Indigenous Northern Affairs Canada	-	-	165,461
Other revenue	-	2,000	-
Unexpended funds transferred - prior year	-	88,700	-
	163,411	254,111	165,461
Expenses			
Administration - internal allocation	15,391	15,390	29,667
Advertising, promotions, sponsorships	1,500	1,890	-
Amortization	-	2,882	2,510
Consultants and contractors	79,855	68,491	46,640
Equipment purchases	2,500	2,382	-
Other equipment expenses	300	199	-
Professional fees	-	-	7,000
Repairs and maintenance	1,000	2,610	2,569
Supplies	2,000	38,828	1,637
Telephone	1,500	1,121	1,213
Training	2,000	1,290	-
Travel, meetings, per diems	6,000	14,419	21,137
Utilities	3,515	526	344
Vehicle operating expenses	1,500	68	75
Wages and benefits	45,850	28,627	46,169
Workers compensation expense	-	933	-
Workshop and meetings	500	760	299
Transfer assets to balance sheet	-	(14,411)	-
	163,411	166,005	159,260
Current surplus before other items	-	88,106	6,201
Other items			
Unexpended funds transferred to deferred revenue	-	(88,700)	-
Contribution from George Gordon TLE Trust	-	530,040	3,802,964
	-	441,340	3,802,964
Current surplus	\$ -	\$ 529,446	\$ 3,809,165

The accompanying notes are an integral part of the financial statements

Schedule #6
George Gordon First Nation
Social Development
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed contribution	\$ 145,064	\$ 145,064	\$ -
INAC - set contribution	360,573	1,915,131	-
INAC - prior period revenue (recovery)	-	746	-
INAC - current year receivable (payable)	-	(3,863)	-
Indigenous Northern Affairs Canada	-	-	2,047,217
Unexpended funds transferred - prior year	-	4,166	-
	505,637	2,061,244	2,047,217
Expenses			
Administration - internal allocation	6,958	29,027	41,402
Assistance - basic needs	-	1,438,764	1,572,795
Assistance - special needs	-	105,289	153,961
Assistance - long term care	-	18,480	-
Assistance - prior period	-	(31,036)	-
Consultants and contractors	-	3,500	3,211
Cultural programs	60,522	37,114	35,294
Equipment purchases	1,500	837	845
Insurance	2,000	-	-
Office equipment rental/lease	-	2,926	2,614
Professional fees	1,700	2,500	557
Program expenses	180,500	183,653	179,148
Rent - office	-	510	-
Repairs and maintenance	5,500	5,400	6,215
Supplies	4,700	4,299	17,179
Telephone	6,320	3,779	3,612
Training	3,000	2,578	2,002
Travel, meetings, per diems	21,150	17,346	6,512
Utilities	-	6,432	6,657
Wages and benefits	190,780	217,655	171,267
Workshop and meetings	5,500	9,367	3,793
	490,130	2,058,420	2,207,064
Current surplus (deficit)	\$ 15,507	\$ 2,824	\$ (159,847)

The accompanying notes are an integral part of the financial statements

Schedule #7
George Gordon First Nation
Indian Registration
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
INAC - fixed contribution	\$ 27,457	\$ 27,457	\$ -
Indigenous Northern Affairs Canada	-	-	26,148
	27,457	27,457	26,148
Expenses			
Administration - internal allocation	-	2,746	2,615
Equipment purchases	2,000	1,685	-
Supplies	1,550	1,544	151
Telephone	450	588	-
Travel, meetings, per diems	3,000	3,042	2,777
Wages and benefits	20,307	17,747	19,893
Workshop and meetings	150	105	712
	27,457	27,457	26,148
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #8
George Gordon First Nation
Health
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Health Canada	\$ 1,308,514	\$ 1,332,994	\$ 1,348,026
Health Canada - prior period revenue (recovery)	-	(4,504)	-
Other revenue	-	1,715	13,745
Administration - internal allocation	-	-	3,141
Deferred revenue - prior year	-	533,914	-
Deferred revenue - current year	-	-	(115,470)
	1,308,514	1,864,119	1,249,442
Expenses			
Administration - internal allocation	115,606	118,323	149,469
Advertising, promotions, sponsorships	1,000	8,428	200
Amortization	-	46,692	46,691
Assistance to band members	250	185	-
Bank charges and interest	-	256	-
Consultants and contractors	96,518	156,548	107,024
Cultural programs	22,870	23,276	25,500
Elder services	7,000	5,726	2,600
Equipment purchases	-	121	42,596
Honorariums	5,000	3,167	-
Insurance	1,500	15,425	2,045
Internal expenses	-	-	2,745
Janitorial Supplies	-	63	-
Office equipment rental/lease	-	1,926	1,045
Professional fees	-	5,000	-
Program expenses	64,067	96,478	70,663
Rent - office	-	-	77
Repairs and maintenance	7,000	46,664	4,551
Supplies	57,600	75,115	38,581
Telephone	6,400	13,141	9,250
Training	14,000	12,816	14,306
Travel, meetings, per diems	89,950	131,842	136,008
Utilities	5,000	11,981	19,660
Vehicle operating expenses	30,000	8,000	17,488
Wages and benefits	542,223	658,542	580,917
Workers compensation expense	-	17,736	-
Workshop and meetings	242,530	87,440	44,139
Transfer assets to balance sheet	-	-	(42,596)
	1,308,514	1,544,891	1,272,959
Current surplus (deficit) before other items	-	319,228	(23,517)

The accompanying notes are an integral part of the financial statements

Schedule #8, continued
George Gordon First Nation
Health
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Other items			
Unexpended funds transferred to deferred revenue	-	(459,248)	-
Current deficit	\$ -	\$ (140,020)	\$ (23,517)

The accompanying notes are an integral part of the financial statements

Schedule #9
George Gordon First Nation
CMHC
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
CMHC	\$ -	\$ 445,698	\$ 456,044
Rental income	-	196,222	486,938
Interest revenue	-	9,904	-
	-	651,824	942,982
Expenses			
Administration - internal allocation	-	69,949	70,216
Amortization	-	607,584	607,583
Insurance	-	35,502	33,959
Long term debt - interest paid	-	71,161	82,774
Professional fees	-	20,353	16,948
Repairs and maintenance	-	155,465	269,208
	-	960,014	1,080,688
Current deficit	\$ -	\$ (308,190)	\$ (137,706)

The accompanying notes are an integral part of the financial statements

Schedule #10
George Gordon First Nation
Other Programs
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
First Nations Trust	\$ 20,000	\$ 1,120,046	\$ 1,217,848
Touchwood Agency Tribal Council Inc.	145,000	199,512	193,400
Funds earned and held in trust by the federal government	-	103,537	18,268
Dakota Dunes CDC	-	418,296	339,187
Government of Saskatchewan	-	15,055	52,782
Other revenue	125,000	41,706	24,842
	290,000	1,898,152	1,846,327
Expenses			
Assistance to band members	80,000	159,090	143,557
Bank charges and interest	250	307	187
Community development corporation	-	373,602	245,469
Consultants and contractors	-	29,482	40,209
Cultural programs	90,500	31,903	106,125
Elder services	30,000	1,389	1,650
Equipment purchases	2,700	2,635	-
First Nations Trust expenses	136,200	184,733	140,909
Insurance	2,500	3,594	664
Long term debt - interest paid	-	-	39,461
Long term debt - payments (principle & interest)	403,600	369,371	-
Long term debt - principle repayment	-	(294,913)	-
Other equipment expenses	1,800	1,822	-
Pow wow	-	156,532	-
Professional fees	1,800	3,304	3,733
Program expenses	62,500	141,102	102,772
Rent - office	-	-	6,750
Repairs and maintenance	5,000	5,955	4,126
Supplies	42,000	50,022	51,267
Telephone	4,000	6,491	8,515
Training	-	99	2,307
Travel, meetings, per diems	18,500	31,113	16,436
Unexpended funds - prior years	-	188,083	-
Utilities	11,000	5,825	6,983
Vehicle operating expenses	4,700	4,574	7,063

The accompanying notes are an integral part of the financial statements

Schedule #10, continued
George Gordon First Nation
Other Programs
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Wages and benefits	210,461	268,136	287,337
Workers compensation expense	-	6,534	-
Workshop and meetings	3,000	1,191	8,688
Transfer assets to balance sheet	-	(37,900)	-
	1,110,511	1,694,076	1,224,208
Current surplus before transfers	(820,511)	204,076	622,119
Transfers			
Transfer - Indian Government Support	-	(219,813)	-
Transfers between programs	-	-	(200,000)
Current surplus (deficit)	\$ (820,511)	\$ (15,737)	\$ 422,119

The accompanying notes are an integral part of the financial statements

Schedule #11
George Gordon First Nation
Treaty Land Entitlement
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
TLE revenue	\$ -	\$ 1,141,064	\$ 769,772
Land lease	-	253,792	305,416
Deferred revenue - prior year	-	3,639,754	-
Deferred revenue - current year	-	(3,797,977)	-
	-	1,236,633	1,075,188
Expenses			
Administration - program	-	45,000	40,000
Bank charges and interest	-	622	760
Consulting	-	4,717	17,617
Contribution to TLE principle trust account	-	283,500	-
Governance	-	121,604	126,967
Honorariums - committees	-	110,454	59,024
Insurance	-	5,000	5,000
Professional fees	-	49,668	60,018
Property taxes	-	83,268	26,904
Repairs and maintenance	-	114,542	160,411
Supplies	-	67,663	51,933
Travel	-	100,380	113,955
Wages and benefits	-	60,971	107,599
	-	1,047,389	770,188
Current surplus before transfers	-	189,244	305,000
Transfers			
Transfer - Community Development	-	(189,244)	-
Transfers between programs	-	-	(305,000)
Current surplus	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements

Schedule #12
George Gordon First Nation
George Gordon Retail Operations
Schedule of Operations
For the year ended March 31, 2017

	2017 Budget	2017 Actual	2016 Actual
Revenue			
Retail sales	\$ -	\$ 3,380,761	\$ 3,137,828
Other revenue	-	38,068	32,643
	-	3,418,829	3,170,471
Cost of goods sold	-	3,144,495	-
Gross profit	-	274,334	3,170,471
Expenses			
Retail centre cost of sales	-	-	2,419,546
Advertising, promotions, sponsorships	-	42,394	26,694
Amortization	-	90,338	99,871
Bad debts	-	65,305	19,549
Bank charges and interest	-	5,204	5,785
Insurance	-	-	21,560
Long term debt - interest paid	-	46,033	50,154
Professional fees	-	10,740	7,347
Rent - office	-	4,696	4,790
Repairs and maintenance	-	33,743	20,249
Supplies	-	13,788	13,245
Telephone	-	6,100	5,083
Training	-	12,299	13,110
Travel, meetings, per diems	-	40,658	24,609
Utilities	-	23,090	18,790
Wages and benefits	-	393,149	389,814
	-	787,537	3,140,196
Current surplus (deficit) before other items	-	(513,203)	30,275
Other items			
Sask Finance rebates retained	-	365,821	-
Current surplus (deficit)	\$ -	\$ (147,382)	\$ 30,275

The accompanying notes are an integral part of the financial statements