

**George Gordon First Nation  
Consolidated Financial Statements**

*March 31, 2019*

# George Gordon First Nation Contents

For the year ended March 31, 2019

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# **Management's Responsibility**

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

MNP LLP 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 auditor has full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.

July 29, 2019

Signed by: Derek Morris

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Management

## **Independent Auditor's Report**

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To the Members of George Gordon First Nation:

### **Opinion**

We have audited the consolidated financial statements of George Gordon First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, changes in net financial assets (debt) and cash flows and related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2019, and the results of its consolidated operations, its consolidated changes in net financial assets (debt) and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Matter - Comparative Information**

The consolidated financial statements of George Gordon First Nation for the year ended March 31, 2018 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on July 22, 2018.

### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

# Independent Auditor's Report

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## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saskatoon, Saskatchewan

July 29, 2019

*MNP LLP*

Chartered Professional Accountants

**George Gordon First Nation**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Financial assets</b>		
<b>Current</b>		
Cash	677,365	70,952
Restricted cash (Note 4)	5,768,330	5,615,025
Accounts receivable (Note 5)	3,143,252	400,420
Inventory	60,206	103,813
	9,649,153	6,190,210
<b>Investment in Nation business entity (Note 6)</b>	<b>3,017,656</b>	3,670,226
<b>Funds held in trust (Note 7)</b>	<b>75,773</b>	16,980
	<b>12,742,582</b>	9,877,416
<b>Liabilities</b>		
<b>Current</b>		
Bank indebtedness (Note 8)	611,568	1,137,512
Accounts payable and accruals	838,203	609,746
Deferred revenue (Note 9)	4,934,961	5,335,201
Due to related parties (Note 10)	8,937	109,147
Short-term financing (Note 11)	869,640	50,875
Current portion of long-term debt (Note 12)	684,648	735,856
	7,947,957	7,978,337
<b>Long-term debt (Note 12)</b>	<b>4,476,785</b>	5,154,742
<b>Total liabilities</b>	<b>12,424,742</b>	13,133,079
<b>Net financial assets (debt)</b>	<b>317,840</b>	(3,255,663)
<b>Contingent liabilities (Note 13)</b>		
<b>Subsequent events (Note 22)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 14)	19,823,018	20,604,204
Prepaid expenses	339,153	73,396
<b>Total non-financial assets</b>	<b>20,162,171</b>	20,677,600
<b>Accumulated surplus (Note 15)</b>	<b>20,480,011</b>	17,421,937

**Approved on behalf of the Council**

Signed by: Chief Alexander (Byron) Bitternose  
**Chief**

Signed by: Jason Morris

**Councilor**

**George Gordon First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2019*

	<i>Schedules</i>	<i>2019 Budget (Note 18)</i>	<i>2019 Actual</i>	<i>2018 Actual</i>
<b>Revenues</b>				
Indigenous Services Canada (Note 20)		6,289,861	7,588,303	6,525,880
Indigenous Services Canada - FNIHB		1,365,005	1,799,951	1,447,943
Retail sales		-	2,704,994	2,805,819
TCFS - Prevention (Note 22)		-	2,587,711	-
First Nations Trust		1,052,000	1,136,890	1,136,068
TLE Annual Income		732,330	983,131	484,475
Rental income		-	802,750	663,146
Other revenue		599,798	776,555	444,027
Touchwood Agency Tribal Council Inc.		197,400	687,897	374,900
Canada Mortgage and Housing Corporation		-	481,085	449,408
Community Development Corporation		-	338,758	377,271
Interest income		-	9,172	2,107
Loss from investment in Nation business entity (Note 6)		-	(354,455)	(115,021)
<b>Total revenues</b>		<b>10,236,394</b>	<b>19,542,742</b>	<b>14,596,023</b>
<b>Program expenses</b>				
Treaty Land Entitlement	4	600,330	909,725	588,509
Band Government	5	1,192,007	1,225,699	1,419,768
Community Development	6	1,457,222	2,370,442	2,168,638
Education	7	2,292,061	2,803,155	2,409,688
Health	8	1,339,871	1,738,110	1,491,925
Land Management	9	133,961	189,362	180,718
Social Development	10	2,144,731	1,911,056	2,104,611
Retail Operations	11	-	2,733,753	3,159,416
CMHC	12	-	1,022,556	1,031,608
Band Project Revenue	13	1,352,587	1,685,663	1,107,513
<b>Total program expenses</b>		<b>10,512,770</b>	<b>16,589,521</b>	<b>15,662,394</b>
<b>Annual surplus (deficit) before other item</b>		<b>(276,376)</b>	<b>2,953,221</b>	<b>(1,066,371)</b>
<b>Other item</b>				
Gain on disposal of tangible capital assets		-	104,853	-
<b>Annual surplus (deficit)</b>		<b>(276,376)</b>	<b>3,058,074</b>	<b>(1,066,371)</b>
<b>Accumulated surplus, beginning of year</b>		<b>17,421,937</b>	<b>17,421,937</b>	<b>18,488,308</b>
<b>Accumulated surplus, end of year</b>		<b>17,145,561</b>	<b>20,480,011</b>	<b>17,421,937</b>

**George Gordon First Nation**  
**Consolidated Statement of Change in Net Financial Assets (Net Debt)**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 18)</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>Annual surplus (deficit)</b>	<b>(276,376)</b>	<b>3,058,074</b>	<b>(1,066,371)</b>
Purchases of tangible capital assets	-	(578,231)	(7,964)
Amortization of tangible capital assets	-	1,315,645	1,430,386
Gain on disposal of tangible capital assets	-	(104,853)	-
Proceeds on disposal of tangible capital assets	-	148,625	-
	-	781,186	1,422,422
Acquisition of prepaid expenses (net)	-	(265,757)	(34,899)
<b>Change in net debt</b>	<b>(276,376)</b>	<b>3,573,503</b>	<b>321,152</b>
<b>Net debt, beginning of year</b>	<b>(3,255,663)</b>	<b>(3,255,663)</b>	<b>(3,576,815)</b>
<b>Net financial assets (debt), end of year</b>	<b>(3,532,039)</b>	<b>317,840</b>	<b>(3,255,663)</b>

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

**George Gordon First Nation**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	3,058,074	(1,066,371)
Non-cash items		
Amortization of tangible capital assets	1,315,645	1,430,386
Gain on disposal of tangible capital assets	(104,853)	-
Loss from investment in Nation business entity	354,455	115,021
	<b>4,623,321</b>	479,036
Changes in accounts		
Accounts receivable	(2,742,832)	350,922
Prepaid expenses	(265,757)	(34,899)
Inventory	43,607	(5,702)
Accounts payable and accruals	228,457	(111,506)
Deferred revenue	(400,240)	592,421
	<b>1,486,556</b>	1,270,272
<b>Financing activities</b>		
Decrease (increase) in funds held in trust	(58,793)	81,356
Advances of short-term financing	818,765	50,875
Due from related entities	(100,210)	(199,232)
Repayment of long-term debt	(729,165)	(1,053,801)
	<b>(69,403)</b>	(1,120,802)
<b>Capital activities</b>		
Purchases of tangible capital assets	(578,231)	(7,964)
Proceeds on disposal of tangible capital assets	148,625	-
	<b>(429,606)</b>	(7,964)
<b>Investing activities</b>		
Increase in restricted cash	(153,305)	(557,225)
Withdrawal from Nation business entity	298,115	-
	<b>144,810</b>	(557,225)
<b>Increase (decrease) in cash resources</b>	<b>1,132,357</b>	(415,719)
<b>Cash resources (deficiency), beginning of year</b>	<b>(1,066,560)</b>	(650,841)
<b>Cash resources (deficiency), end of year</b>	<b>65,797</b>	(1,066,560)
<b>Cash resources (deficiency) are composed of:</b>		
Cash	677,365	70,952
Bank indebtedness	(611,568)	(1,137,512)
	<b>65,797</b>	(1,066,560)

*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, 2019*

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**1. Operations**

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

**2. Change in accounting policies**

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following Section, as set out in the CPA Canada Public Sector Accounting Handbook:

- PS 3430 *Restructuring Transactions*

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements from adopting the new Section.

**3. Significant accounting policies**

These consolidated financial statements are the representations of management and are 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;
- Gordon Retail Centre;
- George Gordon First Nation Off-Reserve Advisory Board Inc.;
- George Gordon First Nation - TLE Revenue Account; and
- George Gordon First Nation TLE Holdings;

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.

George Gordon First Nation TLE Trust - Principal Trust Account has not been included in these consolidated financial statements as Chief and Council does not control the Trust.

Business enterprises that are separate legal entities and are owned or controlled by the First Nation's Chief and Council but not dependent on the First Nation 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 contributions and decreased by post acquisition losses and distributions received. George Gordon Developments Limited Partnership is accounted for by the modified equity basis.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***Basis of presentation***

Sources of revenues and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses 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.

***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.

***Restricted cash***

Restricted cash consists of funds held for specific purposes in the C.M.H.C. replacement reserve bank account, the C.M.H.C. operating reserve bank account, the TLE Revenue Account bank account, and bank accounts for capital projects.

***Inventory***

Inventory for resale includes fuel, tobacco, confectionary and other and is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method.

***Funds held in trust***

Funds held in trust on behalf of the First Nation's Members by the Government of Canada consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or 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.

***Net financial assets (debt)***

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

***Tangible capital assets***

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

Land purchased is recorded at the purchase price. Original reserve land is not recognized in the First Nation's consolidated financial statements.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

***Amortization***

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:

	<b>Rate</b>
Housing	15 to 25 years
Roads	40 years
Equipment	3 to 10 years
Land improvement	20 years
Vehicles	5 years
Buildings	25 years
Water and sewer	25 years

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

***Revenue recognition***

Revenue from funding agencies is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the 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 service has been provided. Insurance proceeds are recognized when collection is reasonably assured. Retail sales are recognized when the sale is made and the customer takes possession of the merchandise.

***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 expenditures 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 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. Deferred revenues are recorded based on estimated eligible expenses incurred in the related programs.

***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 First Nation Off-Reserve Advisory Board Inc.;
- George Gordon First Nation - TLE Revenue Account;
- George Gordon TLE Holdings Ltd.; and
- George Gordon TLE Trust - Principal Trust Account

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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

These entities are related by common ownership. George Gordon Developments Limited Partnership, George Gordon First Nation - TLE Revenue Account, George Gordon TLE Holdings Ltd. and George Gordon TLE Trust - Principal Trust Account have December 31 year-ends.

**Segments**

The First Nation conducts its business through 12 reportable segments (Note 17). These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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.

**Other economic interests**

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

The George Gordon First Nation is a member of the Touchwood Agency Tribal Council Inc. The Touchwood Agency Tribal Council Inc. is an organization of four Nations, whose purpose is to provide services to the member Nations.

The First Nation does not share in the significant risks and benefits of the operations of the above entities. As a result, the financial statements of the Touchwood Agency Specific Claim, Touchwood Child and Family Services Inc. and Touchwood Agency Tribal Council Inc. have not been reported in these consolidated financial statements.

The First Nation is a member of several other entities. The First Nation does not share in the significant risks and benefits associated with the operations of these entities. As a result these entities have not been reported in these consolidated financial statements.

**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, 2019. No contaminated sites have been identified at March 31, 2019.

**4. Restricted cash**

	<b>2019</b>	<b>2018</b>
TLE Revenue Account	3,389,579	3,433,567
TLE Revenue Account - Guaranteed Investment Certificate	527,026	521,292
CMHC replacement reserve	690,198	807,753
CMHC operating reserve	611,980	532,294
Capital projects	549,547	320,119
	<b>5,768,330</b>	<b>5,615,025</b>

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**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

**5. Accounts receivable**

	<b>2019</b>	<b>2018</b>
Touchwood Child & Family Services Inc. - Prevention	<b>2,587,711</b>	-
Store receivables	290,809	294,655
Members	263,831	254,988
Dakota Dunes Community Development Corporation	124,798	23,350
Insurance proceeds receivable	104,853	-
Goods and Services Tax receivable	103,122	108,731
Other	71,050	51,410
CMHC subsidy	33,867	35,456
Touchwood Agency Tribal Council Inc.	-	91,741
	<b>3,580,041</b>	860,331
Less: Allowance for doubtful accounts	436,789	459,911
	<b>3,143,252</b>	400,420

**6. Investment in Nation business entity**

The First Nation holds the following investment in a commercial enterprise:

	<i>Opening</i>	<i>Share of loss</i>	<i>Withdrawals</i>	<i>Total investment</i>
George Gordon Developments Limited Partnership (includes general partner)	3,670,226	(354,455)	(298,115)	3,017,656

Summary financial information for George Gordon Developments Limited Partnership is as follows:

<i>As at December 31, 2018</i>	
<b>Assets</b>	
Current	2,974,100
Long-term	702,188
<b>Total assets</b>	<b>3,676,288</b>
<b>Liabilities</b>	
Current	419,059
Long-term	239,573
<b>Total liabilities</b>	<b>658,632</b>
<b>Partners capital</b>	<b>3,017,656</b>
<b>Total revenues</b>	<b>2,236,658</b>
<b>Total expenses</b>	<b>2,591,113</b>
<b>Net loss</b>	<b>(354,455)</b>

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

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<i>Thereafter</i>	<b>Total</b>
GGDLP	60,968	63,294	65,709	68,216	42,354	-	300,541

George Gordon Developments Limited Partnership has a different year-end than March 31, 2019. The First Nation uses the Partnership's year-end (December 31, 2018) financial statements to account for its investment.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**7. Funds held in trust**

Funds held in trust are held on behalf of the Members of George Gordon First Nation by the Government of Canada and consist of a revenue trust fund. Moneys are transferred from the fund to the First Nation on the authorization of the First Nation's Chief and Council, with the consent of the Minister of Indigenous Services Canada.

	<b>2019</b>	<b>2018</b>
<b>Revenue Trust</b>		
Balance, beginning of year	16,980	16,980
Interest	9,172	-
Land leases	184,621	-
	<b>210,773</b>	16,980
Less: Transfers to Nation	135,000	-
	<b>75,773</b>	16,980

**8. Bank indebtedness**

The First Nation has lines of credit available with Raymore Credit Union with authorized limits of:

- General \$500,000 with interest at 4.5%;
- Post secondary \$100,000 with interest at 5.75%;
- Social assistance \$25,000 with interest at 5.75%; and
- Gordon Retail Centre \$100,000 with interest at 5.75%.

The First Nation has a line of credit with Royal Bank of Canada with an authorized limit of \$200,000 (2018 - \$200,000) at interest prime plus 5.0%.

All lines of credit are secured by a Band Council Resolution and assignment of revenues. As at March 31, 2019, the First Nation has drawn \$350,862 (2018 - \$730,842) from the lines of credit. The remainder of bank indebtedness includes outstanding cheques and deposits that had not cleared the bank.

**9. Deferred revenue**

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

	<b>Balance 2018</b>	<b>Contributions received</b>	<b>Contributions recognized</b>	<b>Balance 2019</b>
TLE Revenue Account	3,984,171	-	43,817	3,940,354
ISC - First Nations & Inuit Health Branch	379,735	633,331	699,986	313,080
ISC - FNIHB - Health Asset Investment	298,795	-	110,650	188,145
ISC - Water Treatment Plant	-	400,000	223,057	176,943
ISC - Off-reserve Advisory Board	-	646,438	473,883	172,555
ISC - Post Secondary	221,060	1,356,192	1,514,255	62,997
ISC - Lands RLEMP	31,453	-	-	31,453
ISC - Lands Management Program	7,871	158,928	140,775	26,024
ISC - School Renovation Project	111,324	-	99,023	12,301
ISC - First Nations Land Management	41,504	14,000	44,395	11,109
ISC - Renovations and Additions	250,000	-	250,000	-
ISC - Other	9,288	-	9,288	-
	<b>5,335,201</b>	<b>3,208,889</b>	<b>3,609,129</b>	<b>4,934,961</b>

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**10. Due to related parties**

Amounts due to related parties are non-interest bearing, unsecured and with no fixed repayment terms. These parties are related as they are owned by the First Nation.

	<b>2019</b>	<b>2018</b>
George Gordon Developments Limited Partnership	98,638	64,265
George Gordon TLE Revenue Account	(89,701)	44,882
	<b>8,937</b>	109,147

**11. Short-term financing**

The First Nation has an approved revolving credit facility with the Raymore Credit Union with an authorized limit of \$1,000,000 with interest at 4.5%, due monthly. Principal payments fluctuate and are determined based on the amount drawn. Secured by Band Council Resolution.

	<b>2019</b>	<b>2018</b>
Raymore Credit Union	<b>869,640</b>	50,875

**12. 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 to assist with the payment of principal and interest on the following loans:

Phase	Monthly Payment Including Interest	Interest Rate	Renewal Date	2019	2018
IV	---	---	---	---	12,461
V	1,268	2.01%	1-Oct-19	75,754	89,303
VI	2,121	1.39%	1-Jun-20	146,460	169,708
VII	1,896	1.30%	1-Jun-22	176,204	196,527
VIII	1,405	2.48%	1-Aug-23	135,920	149,494
IX	1,043	1.92%	1-Apr-19	113,779	124,006
X	1,614	1.04%	1-Oct-20	121,677	139,679
XI	8,155	2.04%	1-Jan-23	783,830	864,871
XII	8,349	2.48%	1-Aug-23	794,445	875,427
XIV	2,270	1.98%	1-May-19	250,716	272,769
XV	1,699	2.70%	1-Nov-23	309,157	321,427
XVI	4,468	0.94%	1-Sep-20	584,329	632,222

3,492,271      3,847,894

Raymore Credit Union - consolidation loan. Term loan, quarterly blended payments of \$59,116, interest at 5.25%. Secured by BCR and general security agreement, due June 2019.

865,268      1,050,153

Raymore Credit Union - retail operations. Mortgage, monthly blended payments of \$8,585, interest at 5.75%. Secured by related tangible capital asset with a net book value of \$1,249,174 (2018 - \$1,312,704), and general security agreement, due April 2019.

740,215      798,806

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**12. Long-term debt** *(Continued from previous page)*

	<b>2019</b>	<b>2018</b>
Royal Bank of Canada term loan, quarterly blended payments of \$33,900, interest at 3.79%. Secured by BCR and general security agreement, due August 2019.	<b>63,679</b>	193,745
	<b>5,161,433</b>	5,890,598
Less: current portion of long-term debt	<b>684,648</b>	735,856
	<b>4,476,785</b>	5,154,742

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to renewal is renewed with similar rates and terms, are estimated as follows:

2020	684,648
2021	625,500
2022	630,000
2023	480,000
2024	395,000

**13. Contingent liabilities**

Touchwood Agency Specific Claim

The Government of Canada provided Touchwood Agency Specific Claim with an interest-free loan of approximately \$2,250,000. The loan was used for research, development and negotiation of its claim related to the alleged mismanagement of the Touchwood Agency funds from 1920 to 1924. The loan is interest free and repayable on the earlier of March 31, 2010 or the date on which the claim is settled. There are provisions in the loan agreement with Indigenous Services Canada to have the repayment period extended. The five Nations who are members of the Touchwood Agency Specific Claim may be directly or indirectly responsible for the repayment of this loan. The amount of the liability, if any, is not determinable at this time. If any liability results from the loan, it will be recorded in the period the liability is determinable. As at March 31, 2019 the Government of Canada has not requested repayment. If the claim is not settled, it is uncertain if the loan will have to be paid back to the Government of Canada.

Funding

These consolidated financial statements are subject to review by the First Nation's funding agencies. It is possible that adjustments could be made based on the results of their reviews. Any forfeited funding will be recorded in the year the amounts are determined.

Legal contingencies

The First Nation has obtained legal counsel to represent them in various claims against the Government of Canada. Fees relating to these claims have not been invoiced. It is expected that any fees relating to these claims will be invoiced when the claim is resolved and will be paid from settlement proceeds.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**14. Tangible capital assets**

Cost							Projects			2019	2018
	Water & Sewer	Housing	Buildings	Roads	Equipment	Land Improvement	Vehicles	Purchased Land	Under Construction		
Balance, beginning of year	3,176,346	24,212,667	12,077,555	2,582,876	2,006,958	175,000	330,850	9,074,658	58,570	<b>53,695,480</b>	53,687,516
Acquisition of tangible capital assets	291,664	-	-	-	13,494	-	134,873	138,200	-	<b>578,231</b>	7,964
Disposal of tangible capital assets	-	(163,422)	-	-	-	-	-	-	-	<b>(163,422)</b>	-
Balance, end of year	<b>3,468,010</b>	<b>24,049,245</b>	<b>12,077,555</b>	<b>2,582,876</b>	<b>2,020,452</b>	<b>175,000</b>	<b>465,723</b>	<b>9,212,858</b>	<b>58,570</b>	<b>54,110,289</b>	53,695,480
<b>Accumulated amortization</b>											
Balance, beginning of year	1,128,559	19,413,502	8,514,331	2,496,295	1,143,777	81,000	313,812	-	-	<b>33,091,276</b>	31,660,890
Annual amortization	138,719	521,219	402,690	43,291	167,232	7,000	35,494	-	-	<b>1,315,645</b>	1,430,386
Disposal of tangible capital assets	-	(119,650)	-	-	-	-	-	-	-	<b>(119,650)</b>	-
Balance, end of year	<b>1,267,278</b>	<b>19,815,071</b>	<b>8,917,021</b>	<b>2,539,586</b>	<b>1,311,009</b>	<b>88,000</b>	<b>349,306</b>	-	-	<b>34,287,271</b>	33,091,276
2019 Net book value	<b>2,200,732</b>	<b>4,234,174</b>	<b>3,160,534</b>	<b>43,290</b>	<b>709,443</b>	<b>87,000</b>	<b>116,417</b>	<b>9,212,858</b>	<b>58,570</b>	<b>19,823,018</b>	
2018 Net book value	2,047,787	4,799,165	3,563,224	86,581	863,181	94,000	17,038	9,074,658	58,570		20,604,204

During the year proceeds of \$148,625 were received on disposals of tangible capital assets (insurance on burnt houses).

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**15. Accumulated surplus**

Accumulated surplus consists of the following:

	<b>2019</b>	<b>2018</b>
Operating fund	390,775	(4,145,500)
Capital asset fund	14,892,974	15,763,760
Commercial fund	3,017,656	3,670,226
CMHC operating reserve	960,184	933,909
CMHC replacement reserve	1,117,563	1,157,204
Trust funds	75,773	16,980
Moveable asset reserve	25,086	25,358
	<b>20,480,011</b>	<b>17,421,937</b>

At March 31, 2019 the CMHC reserves are underfunded by \$775,570 (2018 - \$751,102). The possible effect of this violation of the CMHC funding agreements has not yet been determined.

**16. Funds / 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, with any related funding, capital financing proceeds and costs incurred transferred from the operating fund;
- Commercial Fund reports on commercial business operations owned by the First Nation;
- CMHC Operating Reserve is required as part of the First Nation's CMHC Housing 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 CMHC 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 the Government of Canada; and
- Moveable asset reserve is required by First Nations and Inuit Health Branch to report on funding received for expenses related to assets over \$1,000 that are not permanently attached to the health building.

**George Gordon First Nation**  
**Notes to the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**17. Segments**

The First Nation has 12 reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

**Ottawa Trust Funds** - reports revenues allocated to the funds and transfers to other segments.

**Investment in Business Enterprises** - reports on earnings and losses of the Nation's business enterprises.

**Treaty Land Entitlement** - reports on funds received from the George Gordon TLE Trust - Principal Trust Account.

**Band Government** - reports on administration and governance activities.

**Community Development** - reports activities for the maintenance of the community and its infrastructure.

**Education** - reports the operations of education programs.

**Health** - reports on the First Nation's health programs.

**Land Management** - reports activities for the development of the First Nation's land.

**Social Development** - activities include delivering social programs.

**Retail Operations** - reports operations of Gordon Retail Centre.

**CMHC** - reports housing operations funded by Canada Mortgage and Housing Corporation; and

**Band Project Revenue** - reports other band programs not funded by ISC.

Inter-segment transfers are recorded at their exchange amount. The accounting policies of the segments are the same as those described in Note 3.

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.

**18. Budget information**

The budget was approved by Chief and Council of George Gordon First Nation in July 2018. No amounts have been budgeted for amortization or tangible capital asset purchases.

The consolidated budget does not include budgeted amounts for CMHC Housing, and Gordon Retail Centre. CMHC Housing operates as a separate program and any amounts the First Nation expects to contribute are included in the budgets of other programs. The First Nation does not expect to contribute or receive distributions from the Gordon Retail Centre so no budget was prepared.

**19. Scope of operations**

George Gordon First Nation receives a significant portion of its revenues from the Government of Canada as a result of Treaties entered into with the Crown in Right of Canada. Indigenous Services Canada administers these Treaties on behalf of the Government of Canada 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 the Consolidated Financial Statements**  
*For the year ended March 31, 2019*

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**20. Indigenous Services Canada Reconciliation**

ISC funding per confirmation	6,767,404
<hr/>	
Add:	
Deferred revenue, beginning of year	672,500
Funding received and reported by George Gordon First	473,883
Nation Off-Reserve Advisory Board Inc.	
Deduct:	
Deferred revenue, end of year	(320,827)
Funding recovered - band employee benefits	(2,485)
Funding recovered - basic needs	(2,172)
	<hr/>
	7,588,303

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**21. Comparative figures**

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

**22. Subsequent events**

In June 2019, the First Nation purchased land for \$9,875,000. \$7,625,000 of the purchase price was contributed by the George Gordon TLE Trust - Principal Trust Account. Included in prepaid expenses is a \$250,000 deposit that was applied to the purchase. The remaining \$2,000,000 was drawn from the TLE Revenue Account.

This will impact the 2020 consolidated financial statements as follows: decrease in restricted cash \$2,000,000, decrease in deferred revenue \$2,000,000, increase tangible capital assets (purchased land) \$9,875,000, decrease prepaid expense \$250,000, increase in TLE Annual Income \$2,000,000, and increase in contribution from George Gordon TLE Trust - Principal Trust Account - \$7,625,000.

Also subsequent to year-end, the First Nation received a payment of \$2,587,711 for the reimbursement of eligible costs for First Nations Child and Family Services Program for the years 2016 through 2018. The amount was included in accounts receivable and revenue for the year ended March 31, 2019. The First Nation also submitted a reimbursement claim for 2019 for approximately \$1,150,000. Any amounts for the 2019 claim will be recorded when approved.

**George Gordon First Nation**  
**Schedule 1 - Schedule of Consolidated Expenses by Object**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
Salaries and benefits	2,914,926	2,879,004
Retail Centre cost of sales	2,204,428	2,396,818
Social assistance	1,657,572	1,619,489
Student expenses	1,433,901	1,104,880
Amortization of tangible capital assets	1,315,645	1,430,386
Contracted services	1,003,145	856,972
Repairs and maintenance	793,178	425,326
Travel	731,926	734,034
Community, senior and youth programs	659,185	755,736
Supplies	531,610	470,861
Professional fees	403,980	280,147
Office	366,523	203,388
Governance	349,696	338,260
Training	294,467	251,306
Utilities	257,072	250,629
Assistance	228,456	167,052
Culture programs	203,853	336,241
Interest on long-term debt	190,663	196,930
Community development corporation program expenses	186,012	251,728
Rent paid on behalf of Members	177,326	188,182
Insurance	158,292	102,402
Contribution to George Gordon TLE Trust - Principal Trust Account	107,782	-
Vehicle	96,278	65,011
Telephone	93,996	81,262
Bad debts	75,000	12,617
Contribution to GGDLP	65,000	-
Bank charges and interest	52,634	40,254
Administration	47,323	43,407
Store break-in losses	42,667	-
Property tax	37,767	65,103
Program education	31,694	60,774
Elders fees	15,142	6,926
Cash short	-	47,269
Recovery of prior year payroll liability	(137,618)	-
	<b>16,589,521</b>	<b>15,662,394</b>

**George Gordon First Nation**  
**Ottawa Trust Funds**  
**Schedule 2 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Rental income	184,621	-
Interest income	9,172	2,107
<b>Surplus before transfers</b>	<b>193,793</b>	<b>2,107</b>
<b>Transfers between programs</b>	<b>(135,000)</b>	<b>(83,461)</b>
<b>Surplus (deficit)</b>	<b>58,793</b>	<b>(81,354)</b>

**George Gordon First Nation**  
**Investment in Business Enterprises**  
**Schedule 3 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenue</b>		
Loss from investment in Nation business enterprise	(354,455)	(115,021)
<b>Deficit</b>	<b>(354,455)</b>	<b>(115,021)</b>

**George Gordon First Nation**  
**Treaty Land Entitlement**  
**Schedule 4 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
TLE Annual Income	983,131	484,475
Rental income	279,861	303,334
	<b>1,262,992</b>	<b>787,809</b>
<b>Expenses</b>		
Repairs and maintenance	257,679	78,734
Travel	218,012	215,557
Contribution to George Gordon TLE Trust - Principal Trust Account	107,782	-
Professional fees	113,287	52,289
Salaries and benefits	76,723	73,000
Administration	48,194	49,183
Office	44,492	48,886
Property tax	37,767	65,103
Insurance	5,000	5,000
Bank charges and interest	789	757
	<b>909,725</b>	<b>588,509</b>
<b>Surplus before transfers</b>	<b>353,267</b>	<b>199,300</b>
<b>Transfers between programs</b>	<b>(187,422)</b>	<b>(199,300)</b>
<b>Surplus</b>	<b>165,845</b>	-

**George Gordon First Nation**  
**Band Government**  
**Schedule 5 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	653,474	645,729
Other revenue	150,596	191,048
Touchwood Agency Tribal Council Inc.	4,972	-
	<b>809,042</b>	836,777
<b>Expenses</b>		
Governance	349,696	338,260
Salaries and benefits	310,393	417,876
Travel	161,515	265,418
Professional fees	102,797	152,688
Office	65,819	40,348
Training	54,659	35,902
Telephone	41,744	40,644
Contracted services	38,989	46,749
Bank charges and interest	35,890	26,125
Supplies	32,967	6,634
Utilities	16,903	16,471
Insurance	5,825	4,967
Elders fees	3,167	3,000
Administration	2,691	2,707
Interest on long-term debt	2,500	10,326
Repairs and maintenance	144	-
Bad debts	-	11,653
	<b>1,225,699</b>	1,419,768
<b>Deficit before transfers</b>	<b>(416,657)</b>	(582,991)
<b>Transfers between programs</b>	<b>402,679</b>	547,002
<b>Deficit</b>	<b>(13,978)</b>	(35,989)

**George Gordon First Nation**  
**Community Development**  
**Schedule 6 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	1,803,952	1,472,795
Other revenue	106,115	21,336
Canada Mortgage and Housing Corporation	76,500	25,656
	<b>1,986,567</b>	1,519,787
<b>Expenses</b>		
Salaries and benefits	607,745	633,777
Amortization of tangible capital assets	421,903	422,545
Contracted services	388,006	206,019
Supplies	326,763	267,499
Repairs and maintenance	307,469	237,821
Utilities	191,037	181,254
Insurance	102,480	41,046
Travel	37,459	32,065
Vehicle	31,548	34,604
Office	23,672	16,761
Telephone	13,382	14,487
Training	2,464	72,820
Professional fees	309	5,578
Bank charges and interest	229	151
Administration	(84,024)	2,211
	<b>2,370,442</b>	2,168,638
<b>Deficit before other item and transfers</b>	<b>(383,875)</b>	(648,851)
<b>Other item</b>		
Gain on disposal of tangible capital assets	104,853	-
<b>Deficit before transfers</b>	<b>(279,022)</b>	(648,851)
<b>Transfers between programs</b>	<b>-</b>	10,800
<b>Deficit</b>	<b>(279,022)</b>	(638,051)

**George Gordon First Nation**  
**Education**  
**Schedule 7 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	2,470,979	2,113,057
Other revenue	11,323	5,758
	<b>2,482,302</b>	2,118,815
<b>Expenses</b>		
Student expenses	1,433,119	1,103,870
Contracted services	384,648	302,923
Salaries and benefits	322,268	320,760
Amortization of tangible capital assets	293,251	290,873
Administration	95,672	89,406
Community, senior and youth programs	75,138	89,551
Supplies	48,791	43,699
Training	34,754	37,391
Program education	31,694	60,774
Office	31,370	5,073
Travel	24,014	25,767
Vehicle	14,492	13,642
Culture programs	10,705	22,733
Telephone	1,935	600
Elders fees	1,304	2,626
	<b>2,803,155</b>	2,409,688
<b>Deficit</b>	<b>(320,853)</b>	(290,873)

**George Gordon First Nation**  
**Health**  
**Schedule 8 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada - FNIHB		
Current year	1,622,646	1,667,225
Deferred	177,305	(219,282)
Other revenue	1,799,951	1,447,943
Touchwood Agency Tribal Council Inc.	4,510	4,754
	-	500
	<b>1,804,461</b>	1,453,197
<b>Expenses</b>		
Salaries and benefits	634,557	602,444
Training	166,292	71,436
Administration	155,831	114,508
Travel	155,362	114,894
Community, senior and youth programs	130,977	145,570
Contracted services	126,569	153,286
Professional fees	108,788	6,770
Supplies	65,002	109,421
Culture programs	47,378	65,638
Vehicle	43,373	10,785
Amortization of tangible capital assets	24,996	46,692
Office	23,539	17,767
Utilities	14,057	15,065
Telephone	11,712	9,725
Elders fees	10,271	1,100
Insurance	10,201	1,197
Repairs and maintenance	5,194	4,089
Bank charges and interest	3,513	477
Assistance	498	1,061
	<b>1,738,110</b>	1,491,925
<b>Surplus (deficit)</b>	<b>66,351</b>	(38,728)

**George Gordon First Nation**  
**Land Management**  
**Schedule 9 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	184,203	177,836
Other revenue	967	-
	<b>185,170</b>	177,836
<b>Expenses</b>		
Salaries and benefits	60,137	49,001
Professional fees	27,829	-
Contracted services	22,493	38,858
Supplies	18,496	16,360
Administration	15,796	19,194
Training	15,477	17,071
Travel	13,097	16,914
Office	9,358	1,953
Amortization of tangible capital assets	4,192	2,882
Telephone	1,697	2,192
Utilities	479	554
Vehicle	311	1,606
Repairs and maintenance	-	526
Community, senior and youth programs	-	13,407
Elders fees	-	200
	<b>189,362</b>	180,718
<b>Deficit</b>	<b>(4,192)</b>	<b>(2,882)</b>

**George Gordon First Nation**  
**Social Development**  
**Schedule 10 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	2,001,812	2,096,503
Touchwood Agency Tribal Council Inc.	142,923	-
Other revenue	1,548	-
	<b>2,146,283</b>	2,096,503
<b>Expenses</b>		
Social assistance	1,657,572	1,619,489
Salaries and benefits	139,471	165,082
Administration	54,429	48,512
Community, senior and youth programs	23,291	163,501
Office	15,789	23,672
Travel	10,257	12,227
Bank charges and interest	5,655	5,565
Telephone	3,023	3,248
Utilities	1,569	300
Contracted services	-	6,266
Training	-	3,102
Supplies	-	533
Culture programs	-	53,114
	<b>1,911,056</b>	2,104,611
<b>Surplus (deficit)</b>	<b>235,227</b>	(8,108)

**George Gordon First Nation**  
**Retail Operations**  
**Schedule 11 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Retail sales	2,704,994	2,805,819
Other revenue	15,137	29,232
	<b>2,720,131</b>	2,835,051
<b>Expenses</b>		
Retail Centre cost of sales	2,204,428	2,396,818
Salaries and benefits	298,459	396,488
Bad debts	75,000	964
Amortization of tangible capital assets	54,870	83,450
Interest on long-term debt	48,016	49,499
Store break-in losses	42,667	-
Travel	35,862	25,659
Office	39,854	37,138
Utilities	25,316	27,582
Professional fees	18,872	45,247
Repairs and maintenance	15,027	20,865
Bank charges and interest	6,558	7,179
Telephone	5,351	4,579
Insurance	764	12,623
Administration	327	-
Training	-	4,056
Cash short	-	47,269
Recovery of prior year payroll liability	(137,618)	-
	<b>2,733,753</b>	3,159,416
<b>Deficit</b>	<b>(13,622)</b>	(324,365)

**George Gordon First Nation**  
**CMHC**  
**Schedule 12 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Canada Mortgage and Housing Corporation	404,585	423,752
Rental income	338,268	359,812
Other revenue	127,781	1,984
	<b>870,634</b>	785,548
<b>Expenses</b>		
Amortization of tangible capital assets	516,433	583,944
Rent paid on behalf of Members	177,326	188,182
Repairs and maintenance	159,309	73,656
Interest on long-term debt	60,263	65,257
Administration	59,828	67,030
Insurance	33,822	35,964
Professional fees	15,575	17,575
	<b>1,022,556</b>	1,031,608
<b>Deficit</b>	<b>(151,922)</b>	(246,060)

**George Gordon First Nation**  
**Band Project Revenue**  
**Schedule 13 - Schedule of Segment Revenues and Expenses**  
*For the year ended March 31, 2019*

	<b>2019</b>	<b>2018</b>
<b>Revenues</b>		
Indigenous Services Canada	473,883	19,960
TCFS - Prevention	2,587,711	-
First Nations Trust	1,136,890	1,136,068
Touchwood Agency Tribal Council Inc.	540,002	374,400
Other revenue	358,578	189,915
Community Development Corporation	338,758	377,271
	<b>5,435,822</b>	<b>2,097,614</b>
<b>Expenses</b>		
Salaries and benefits	465,173	220,576
Community, senior and youth programs	429,779	343,707
Assistance	227,958	165,991
Community development corporation program expenses	186,012	251,728
Culture programs	145,770	194,756
Office	112,630	11,790
Interest on long-term debt	79,884	71,848
Contribution to GGDLP	65,000	-
Repairs and maintenance	48,356	9,635
Travel	76,348	25,533
Contracted services	42,440	102,871
Supplies	39,591	26,715
Training	20,821	9,528
Professional fees	16,523	-
Telephone	15,152	5,787
Utilities	7,711	9,403
Vehicle	6,554	4,374
Student expenses	782	1,010
Elders fees	400	-
Insurance	200	1,605
Administration	(301,421)	(349,344)
	<b>1,685,663</b>	<b>1,107,513</b>
<b>Surplus before transfers</b>	<b>3,750,159</b>	<b>990,101</b>
<b>Transfers between programs</b>	<b>(80,257)</b>	<b>(275,041)</b>
<b>Surplus</b>	<b>3,669,902</b>	<b>715,060</b>