



**George Gordon First Nation
Consolidated Financial Statements**

March 31, 2024



George Gordon First Nation Contents

For the year ended March 31, 2024

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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, 2024, and the consolidated statements of operations and accumulated surplus, changes in net financial assets 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, 2024, and the results of its consolidated operations, its consolidated changes in net financial assets 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.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 14 to the consolidated financial statements which describes that George Gordon First Nation initiated a claim against the Government of Canada for damages sustained by the First Nation. The First Nation has obtained a loan to fund the costs of negotiations and has taken insurance to cover the repayment of the loan if it is in excess of settlement proceeds.

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.

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

Independent Auditor's Report (*continued from previous page*)

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 5, 2024

MNP LLP
Chartered Professional Accountants

MNP



George Gordon First Nation
Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023
Financial assets		
Current		
Cash	15,860,241	14,237,021
Restricted cash (Note 5)	7,711,563	7,747,940
Accounts receivable (Note 6)	4,200,663	1,821,313
Inventory	-	132,902
	27,772,467	23,939,176
Investments in Nation business entities (Note 7)	5,786,943	4,734,852
Funds held in Ottawa Trust Fund (Note 8)	236,453	495,786
	33,795,863	29,169,814
Liabilities		
Current		
Bank indebtedness (Note 9)	47,555	18,148
Accounts payable and accruals	3,551,711	3,107,148
Deferred revenue (Note 10)	15,960,149	12,882,657
Current portion of long-term debt (Note 11)	460,563	563,645
Current portion of term loans subject to refinancing (Note 11)	223,846	1,536,749
Current portion of capital lease obligations (Note 12)	19,241	18,400
	20,263,065	18,126,747
Long-term debt (Note 11)	2,496,455	2,776,668
Capital lease obligations (Note 12)	-	19,241
Asset retirement obligations (Note 13)	1,621,569	2,212,220
Total liabilities	24,381,089	23,134,876
Net financial assets	9,414,774	6,034,938
Contingent asset (Note 14)		
Contingent liabilities (Note 15)		
Non-financial assets		
Tangible capital assets (Note 16)	41,498,521	41,243,013
Accumulated surplus (Note 17)	50,913,295	47,277,951
Approved on behalf of the Council		

Signed by: Chief Alexander (Byron) Bittemose

Chief

Signed by: Angela McNab

Councillor



George Gordon First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2024

	<i>Schedules</i>	<i>2024 Budget (Note 22)</i>	<i>2024 Actual</i>	<i>2023 Actual</i>
Revenues				
Indigenous Services Canada (Note 20)				
Flexible funding	2,361,894	13,058,506	10,026,233	
Fixed funding	7,377,301	11,905,419	11,068,116	
Health - Block	1,539,691	1,639,562	1,602,648	
Grant funding	497,634	696,584	612,090	
Set funding	197,900	249,713	229,013	
Funding recovered	-	(51,908)	-	
Deferred revenue - prior year	1,490,271	11,252,483	12,645,500	
Deferred revenue - current year	(20,000)	(13,921,873)	(11,252,483)	
Retail sales (Note 4)	13,444,691	24,828,486	24,931,117	
First Nations Trust	800,000	1,847,701	1,544,742	
Other revenue	577,500	1,637,251	1,884,297	
Touchwood Agency Tribal Council Inc.	66,409	1,494,664	1,342,341	
TCFS - Prevention	-	802,764	513,127	
Rental income - TLE Holdings	-	551,261	548,481	
Community Development Corporation	-	508,369	356,021	
TLE Annual Income	578,000	500,874	148,478	
Canada Mortgage and Housing Corporation	-	405,721	1,152,642	
Rental income - CMHC	-	316,785	325,164	
Canada Mortgage and Housing Corporation - RRAP	-	104,079	-	
Interest income	-	79,845	85,868	
National Housing Co-Investment Fund	-	70,150	-	
Rental income - Ottawa Trust Fund	300,000	31,740	38,222	
Earnings from investment in Nation business entities (Note 7)	-	15,425	1,413,440	
Total revenues	15,766,600	35,668,355	37,484,154	
Program expenses				
Treaty Land Entitlement	4	578,000	1,052,135	791,141
Band Government	5	3,162,209	2,000,999	2,323,285
Community Development	6	1,594,904	4,647,325	3,649,328
Education	7	1,821,709	5,579,651	6,908,945
Post Secondary	8	-	1,757,874	1,819,801
Health	9	2,503,121	4,817,546	3,165,421
Land Management	10	(2,857)	221,421	212,476
Social Development	11	433,368	3,427,528	2,983,765
Band Project Revenue	14	997,409	5,194,086	2,823,411
Retail Operations	12	-	2,482,673	3,249,238
CMHC	13	-	1,206,816	887,297
Total expenses		11,087,863	32,388,054	28,814,108
Surplus before other item		4,678,737	3,280,301	8,670,046
Other item				
Gain on disposal of tangible capital assets		-	355,043	-
Surplus		4,678,737	3,635,344	8,670,046
Accumulated surplus, beginning of year		47,277,951	47,277,951	38,607,905
Accumulated surplus, end of year		51,956,688	50,913,295	47,277,951

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



George Gordon First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2024

	2024 Budget (Note 22)	2024 Actual	2023 Actual
Surplus	4,678,737	3,635,344	8,670,046
Purchases of tangible capital assets	(575,753)	(3,594,217)	(6,877,825)
Amortization of tangible capital assets	-	1,561,662	1,399,761
Recognition of asset retirement obligations	-	-	(2,147,786)
Change in estimate of asset retirement obligation	-	633,750	-
Change in reporting entity - Gordon Retail Centre (Note 4)	-	1,110,465	-
Gain on disposal of tangible capital assets	-	(355,043)	-
Proceeds on disposal of tangible capital assets	-	387,875	-
	(575,753)	(255,508)	(7,625,850)
Use of prepaid expenses and deposits	-	-	65,000
Increase in net financial assets	4,102,984	3,379,836	1,109,196
Net financial assets, beginning of year	6,034,938	6,034,938	4,925,742
Net financial assets, end of year	10,137,922	9,414,774	6,034,938



George Gordon First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Surplus	3,635,344	8,670,046
Non-cash items		
Amortization of tangible capital assets	1,561,662	1,399,761
Accretion of asset retirement obligations	43,099	64,434
Gain on disposal of tangible capital assets	(355,043)	-
Earnings from investment in Nation business entities	(15,425)	(1,413,440)
	4,869,637	8,720,801
Changes in working capital accounts		
Accounts receivable	(2,405,891)	(537,488)
Prepaid expenses and deposits	-	65,000
Inventory	37,059	(5,861)
Accounts payable and accruals	485,417	1,579,628
Deferred revenue	3,077,492	(1,063,832)
	6,063,714	8,758,248
Financing activities		
Advances of long-term debt	418,782	1,633,888
Repayment of capital lease obligations	(18,400)	(17,598)
Repayment of long-term debt	(1,706,871)	(499,450)
	(1,306,489)	1,116,840
Capital activities		
Purchases of tangible capital assets	(3,594,217)	(6,877,825)
Proceeds on disposal of tangible capital assets	387,875	-
	(3,206,342)	(6,877,825)
Investing activities		
Decrease in restricted cash	36,377	325,520
Decrease (increase) in funds held in trust	259,333	(52,613)
Withdrawals from Nation business entities	-	177,221
Change in reporting entity (Note 4)	(252,780)	-
	42,930	450,128
Increase in cash resources	1,593,813	3,447,391
Cash resources, beginning of year	14,218,873	10,771,482
Cash resources, end of year	15,812,686	14,218,873
Cash resources are composed of:		
Cash	15,860,241	14,237,021
Bank indebtedness	(47,555)	(18,148)
	15,812,686	14,218,873

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, 2024

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 policy

Revenue

Effective April 1, 2023, the First Nation adopted the Public Sector Accounting Board's (PSAB) new standard for the recognition, measurement and disclosure of revenue under PS 3400 *Revenue*. The new standard establishes when to recognize and how to measure revenue, and provides the related financial statement presentation and disclosure requirements. Pursuant to these recommendations, the change was applied prospectively, and prior periods have not been restated.

There was no material impact on the consolidated financial statements from the prospective application of the new accounting recommendations.

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 including the following significant accounting policies:

Reporting entity consolidated

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 CMHC Housing;
- Gordon Retail Centre;
- George Gordon First Nation Off-Reserve Advisory Board Inc.;
- GHawk Enterprises Ltd.;
- George Gordon First Nation - TLE Revenue Account; and
- George Gordon First Nation TLE Holdings Ltd.

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

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 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 and 4 Claw Retail Limited Partnership are accounted for by the modified equity method.



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

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 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 whose purpose is to provide Child and Family 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 and Touchwood Child and Family Services 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.

Basis of presentation

Sources of revenue 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.

Related entities financial statements

Separate financial statements are prepared for the following related entities:

- George Gordon First Nation CMHC Housing;
- Gordon Retail Centre;
- George Gordon Developments Limited Partnership;
- George Gordon First Nation - TLE Revenue Account; and
- George Gordon TLE Trust - Principal Trust Account

With the exception of George Gordon TLE Trust - Principal Trust Account these entities are controlled by the First Nation. The Members of George Gordon First Nation are the beneficiaries of George Gordon TLE Trust - Principal Trust Account. George Gordon Developments Limited Partnership, George Gordon First Nation - TLE Revenue Account, and George Gordon TLE Trust - Principal Trust Account have December 31 year-ends. Gordon Retail Centre had a December 31, 2023 year-end for 2024 (March 31, 2023 - 2023).

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.



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

Net financial assets

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

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Restricted cash

Restricted cash consists of funds held for specific purposes in the CMHC replacement reserve bank account, the CMHC operating reserve bank account, the TLE Revenue Account bank account, TLE Revenue Account Guaranteed Investment Certificate, Treaty Benefits Claim bank account and bank accounts for capital projects.

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition the First Nation may irrevocably elect to subsequently measure at fair value financial instruments that meet certain criteria. The First Nation has not made such an election during the year.

Portfolio investments in equity instruments that are quoted in an active market are measured at fair value. All other financial assets and liabilities are measured at amortized cost.

The First Nation has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. All financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

All financial assets are tested annually for impairment. Management considers recent collection experience for receivables, such as delinquency in payments, in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value.

Funds held in Ottawa Trust Fund

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

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

Tangible capital assets

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

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

Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at the present value of the minimum lease payments. Assets under capital leases are amortized on the straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

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

Long-lived assets

Long-lived assets consist of tangible capital assets which are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the future service potential of the asset. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in surplus for the year.

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Revenue recognition

Funding

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received for which eligible expenditures have yet to be incurred or which is under funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the statement of financial position in the year of receipt.



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

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

Revenue recognition *(Continued from previous page)*

Government Transfers

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, are 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.

Other revenues

Rental revenue is recognized over the rental term. Other revenues earned from services provided by the First Nation are recognized when the services have been provided. Retail sales are recognized when the sale is made and the customer takes possession of the merchandise.

TLE Annual Income

TLE Annual Income is recognized as it becomes receivable by the First Nation under the terms of the Trust Agreement. The TLE Annual Income is calculated based on interest, dividends and the taxable portion of capital gains realized less the aggregate of allowable capital tax losses realized and Authorized Expenses.

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, 2024.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. There are no known liabilities at March 31, 2024.

Use of estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenditures during the reporting period. These estimates and 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 collectability 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 estimated based on management's understanding of the terms and conditions of government transfers and programs with restricted funding.

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement. Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

Segments

The First Nation conducts its business through 13 reportable segments (Note 21). These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance.

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



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

4. Change in reporting entity

Gordon Retail Centre was a previously unincorporated entity operating on-reserve with a March 31 year-end. Effective January 1, 2024 Gordon Retail Centre transferred operations to 4 Claw Retail Limited Partnership with a December 31 year-end. As a result, this entity now meets the definition of a government business enterprise and a change in accounting treatment was required.

Previously, the assets, liabilities, revenues and expenses of Gordon Retail Centre were consolidated on a line-by-line basis in the First Nation's consolidated financial statements. As of January 1, 2024 this entity has been recorded using the modified equity method and has been included in Investments in Nation business entities in the Consolidated Statement of Financial Position. In accordance with PS 3070 *Investments in Government Business Enterprises*, the change in accounting treatment is not applied retroactively, which resulted in no change to the financial position and results of prior periods. At January 1, 2024 the following assets, liabilities and equity were contributed to 4 Claw Retail Limited Partnership:

Cash	252,780
Accounts receivable	26,541
Inventory	95,843
Property, plant and equipment	1,110,464
Accounts payable and accruals	(40,854)
Due to George Gordon First Nation	(274,994)
Long-term debt	(408,109)
Equity	(761,672)

5. Restricted cash

	2024	2023
Capital projects	3,066,208	3,887,871
TLE Revenue Account	2,107,772	1,846,601
CMHC replacement reserve	1,077,789	626,697
CMHC operating reserve	891,024	830,005
TLE Revenue Account - Guaranteed Investment Certificate	559,343	545,701
Treaty Benefits Claim	9,427	11,065
	7,711,563	7,747,940

6. Accounts receivable

	2024	2023
Indigenous Services Canada	1,750,931	104,185
Touchwood Agency Tribal Council Inc.	1,108,737	146,000
Dakota Dunes Community Development Corporation	607,769	190,321
Other	346,589	465,460
Insurance proceeds	182,875	-
Goods and Services Tax receivable	149,924	107,070
CMHC subsidy	35,723	790,806
Advances	18,115	17,471
	4,200,663	1,821,313



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

7. Investments in Nation business entities

The First Nation has investments in the following entities:

	<i>Opening</i>	<i>Change in reporting entity (Note 4)</i>	<i>Share of earnings</i>	<i>Repayments</i>	<i>2024 Total investment</i>
George Gordon Developments Limited Partnership (includes general partner)	4,723,029	-	15,425	-	4,738,454
Due from George Gordon Developments Limited Partnership	11,823	-	-	-	11,823
4 Claw Retail Limited Partnership (includes general partner)	-	761,672	141,781	-	903,453
Due from 4 Claw Retail Limited Partnership	-	274,994	(141,781)	-	133,213
	4,734,852	1,036,666	15,425	-	5,786,943

Summary financial information for the First Nation business entities, accounted for using the modified equity method, is as follows:

	<i>George Gordon Developments Limited Partnership As at December 31, 2023</i>	<i>4 Claw Retail Limited Partnership As at January 1, 2024</i>
Assets		
Current	7,437,109	375,166
Long-term	2,779,255	1,110,464
Total assets	10,216,364	1,485,630
Liabilities		
Current	5,477,910	247,565
Long-term	-	334,612
Total liabilities	5,477,910	582,177
Partners capital	4,738,454	903,453
Total revenue	14,484,035	-
Total expenses	14,468,610	-
Earnings	15,425	-

Principal repayments on long-term debt of the First Nation's business entity in each of the next five years, are estimated as follows:

	<i>2025</i>	<i>2026</i>	<i>2027</i>	<i>2028</i>	<i>2029</i>	<i>Thereafter</i>	<i>Total</i>
4 Claw Retail	79,472	85,932	92,917	76,291	-	-	334,612



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

8. Funds held in Ottawa Trust Fund

Funds held in trust are held on behalf of the First Nation by the Government of Canada and consist of a capital and revenue trust fund. Monies are transferred from these funds 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.

	2024	2023
Capital Trust		
Balance, beginning and end of year	16,330	16,330
Revenue Trust		
Balance, beginning of year	479,456	426,843
Interest	8,927	14,391
Land leases	31,740	38,222
	520,123	479,456
Less: Transfers to Nation	300,000	-
	220,123	479,456
	236,453	495,786

Disbursements from the trust have been utilized as follows:

BCR #	Amount Disbursed	Purpose of disbursement	Costs recorded
2023/24	\$300,000	Band Support	Band Projects - Assistance \$272,793 Band Projects - Contracted services \$20,235 Band Projects - Programs and community events \$6,972

9. Bank indebtedness

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

- Post secondary \$100,000 with interest at prime plus 1.5% (2023 - prime plus 1.5%); and
- Gordon Retail Centre \$100,000 with interest at prime plus 1.5% (2023 - prime plus 1.5%).

The First Nation has a line of credit with Royal Bank of Canada with an authorized limit of \$200,000 (2023 - \$200,000) with interest at prime plus 1.50%.

All lines of credit are secured by a Band Council Resolution and assignment of revenues. As at March 31, 2024, the First Nation has drawn \$21,065 (2023 - \$18,148) from all lines of credit. The remainder of bank indebtedness includes outstanding cheques and deposits that had not cleared the bank.



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

10. Deferred revenue

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

	<i>Balance, beginning of year</i>	<i>Funding and transfers received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
TLE Annual Income	1,630,174	644,551	466,299	1,808,426
National Housing Co-Investment Fund	-	300,000	70,150	229,850
ISC - Water Treatment Plant	974,372	1,342,368	27,303	2,289,437
ISC - Prevention	1,158,999	1,487,100	432,204	2,213,895
ISC - FN School	253,611	4,450,782	2,851,409	1,852,984
ISC - Basic Needs	1,282,106	2,672,657	2,518,560	1,436,203
ISC - Prevention FN Representative	365,919	417,330	97,555	685,694
ISC - Social Development Service Delivery	433,060	279,780	207,924	504,916
ISC - FNCFS On-Reserve O&M Housing	-	488,467	-	488,467
ISC - Health Asset Investment	1,692,578	353,000	1,561,752	483,826
ISC - BBC Fire Protection Capital 2	-	475,000	-	475,000
ISC - Residential Schools	522,900	-	116,277	406,623
ISC - Health Block Funding	443,177	1,639,562	1,690,332	392,407
ISC - Employment and Training	316,023	261,611	252,313	325,321
ISC - Discussion Tables	-	288,398	-	288,398
ISC - Immediate Needs 23-24	411,987	451,843	580,367	283,463
ISC - Land Management	131,546	222,004	163,107	190,443
ISC - Capacity Building Bill C92	509,216	-	337,047	172,169
ISC - FN Rep Services Capital	-	384,839	221,099	163,740
ISC - CHRT 41	-	264,465	120,517	143,948
ISC - BBC Fire Protection Capital	-	174,984	31,101	143,883
ISC - Solid Waste Transfer Station	150,000	-	8,500	141,500
ISC - Skills Link	14,075	214,574	87,465	141,184
ISC - CFS Operations	-	121,100	-	121,100
ISC - First Nations Land Management	155,012	-	38,483	116,529
ISC - CFS Poverty	-	116,336	-	116,336
ISC - BBC Planning Design Construction	160,195	424,966	474,774	110,387
ISC - Solid Waste	-	135,172	38,649	96,523
ISC - Adult Education	60,836	119,639	104,055	76,420
ISC - School Renovation	163,524	-	140,812	22,712
ISC - CFS Emergency	-	22,018	-	22,018
ISC - HR Management Capacity Development	-	60,000	43,655	16,345
ISC - Waste Water	327,079	169,124	496,203	-
ISC - COVID LEDSP	141,781	-	141,781	-
ISC - In Home Care	56,372	88,336	144,708	-
ISC - Reserve Lands	23,504	-	23,504	-
ISC - Medical Transportation	4,339	45,900	50,239	-
ISC - Education Support	255,591	106,635	362,226	-
ISC - Post Secondary	171,446	1,536,866	1,708,312	-
ISC - Home and Community Care	67,073	-	67,073	-
ISC - Solar Project	337,500	-	337,500	-
ISC - Immediate Needs Yr 2	218,319	-	218,319	-
ISC - Immediate Needs Plan Development	25,000	-	25,000	-
ISC - Roads and Bridges	425,343	880,655	1,305,998	-
	12,882,657	20,640,062	17,562,572	15,960,147



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

11. Long-term debt

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

Phase	Monthly Payment Including Interest	Interest Rate	Renewal Date	2024	2023
V	1,235	0.70%	1-Jun-24	3,702	18,446
VI	2,086	0.69%	1-Mar-25	21,300	49,707
VII	2,011	3.91%	1-May-27	60,981	92,717
VIII	1,456	4.07%	1-Mar-28	64,427	79,215
IX	1,090	3.84%	1-Mar-29	59,529	70,784
X	1,613	1.06%	1-Sept-25	28,784	47,719
XI	7,556	3.24%	1-Dec-27	319,879	398,845
XII	7,877	4.37%	1-Jan-28	314,942	416,956
XIV	2,258	1.87%	1-May-24	133,358	157,712
XV	1,936	4.66%	1-Nov-28	245,229	258,196
XVI	4,468	0.96%	1-Mar-26	337,771	387,884
XVII	4,538	3.58%	1-Jan-29	627,101	---
				2,217,003	1,978,181
RBC Treaty Benefits Claim term loan with interest only payments at Royal Bank prime plus 0.25%, due earlier of receipt of funds related to the claim or October 2026, secured by an insurance policy with AmTrust Europe Limited (Note 14).				660,455	561,270
Canada Mortgage and Housing Corporation - Phase 18 advances (2023 - Phase 17 advances repaid during the year).				223,846	536,749
Raymore Credit Union - consolidation loan. Term loan, quarterly blended payments of \$20,000, interest at 7.45% (2023 - 7.45%). Secured by BCR and general security agreement, maturing June 2025.				79,560	299,690
First Nations Bank loan repaid during the year				-	1,000,000
Raymore Credit Union - Gordon Retail Centre loan - change in reporting entity (Note 4)				-	461,172
Raymore Credit Union - Gordon Retail Centre - Canada Emergency Business Account ("CEBA") - change in reporting entity (Note 4)				-	40,000
				3,180,864	4,877,062
Less: current portion of long-term debt				460,563	563,645
Less: term loans subject to refinancing				223,846	1,536,749
				2,496,455	2,776,668



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

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

The Treaty Benefits Claim term loan of \$660,455 (see Note 14) has not been included in the 5 year principal repayments below. 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:

2025	460,563
2026	349,283
2027	336,981
2028	299,748
2029	139,029

12. Capital lease obligations

	2024	2023
Brandt Tractor financing lease, repayable in annual instalments of \$20,118 including interest at 4.56%, maturing June 2024, secured by equipment with a net book value of \$94,037 (2023 - \$109,710)	19,241	37,641
Less: current portion	19,241	18,400
	-	19,241

Minimum lease payments related to the obligation under capital lease are as follows:

2025	20,119
Less: imputed interest	878
Balance of obligation	19,241



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

13. Asset retirement obligations

The First Nation owns housing which contains asbestos, and is required to comply with legal requirements regarding remediation, which is estimated to be in 10 years. The First Nation recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of housing. The asset retirement cost is amortized on a straight-line basis over the remaining years until remediation.

The First Nation estimated the amount of the liability using the discounted cash flow method. The significant assumptions used to determine the best estimate of the liability include:

- Estimate of 10 years until remediation
- Inflation rate of 3% (risk free rate estimated to approximate inflation rate)
- Costs to remediate
- Number of houses requiring remediation. During the year it was determined that fewer houses require complete remediation than previously thought. This resulted in the change in estimate noted below.

	2024	2023
Balance, beginning of year	1,627,057	-
Liabilities incurred	-	1,579,667
Change in estimate	(555,000)	-
Accretion	28,890	47,390
Balance, end of year	1,100,947	1,627,057

The First Nation owns community buildings which contains asbestos, and is required to comply with legal requirements regarding remediation, which is estimated to be in 6 years. The First Nation recognized a liability for the asset retirement obligation and a corresponding amount has been capitalized as an asset retirement cost and added to the carrying value of housing. The asset retirement cost is amortized on a straight-line basis over the remaining years until remediation.

The First Nation estimated the amount of the liability using the discounted cash flow method. The significant assumptions used to determine the best estimate of the liability include:

- Estimate of 6 years until remediation
- Inflation rate of 3% (risk free rate estimated to approximate inflation rate)
- Cost to remediate

	2024	2023
Balance, beginning of year	585,163	-
Liabilities incurred	-	568,119
Liabilities settled	(78,750)	-
Accretion	14,209	17,044
Balance, end of year	520,622	585,163



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

14. Contingent asset

Treaty Benefits Claim

George Gordon First Nation has initiated a treaty benefits claim against the Government of Canada. The First Nation has obtained a loan to finance certain costs of negotiating the settlement. Insurance has been obtained to mitigate the risk that the settlement proceeds may be less than the total loan outstanding at such time the claim is resolved.

As of March 31, 2024, expenses which primarily relate to legal fees and insurance totaling \$660,455 (2023 - \$561,270) have been incurred since the claim was initiated and available financing of the same amount has been drawn (Note 11). The First Nation anticipates these costs will be paid from settlement proceeds. When the claim is finalized or the insurance proceeds are paid the amounts will be recognized in revenue.

15. 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, 2024 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.

Touchwood Agency Band Misadministration Claim Trust

In a previous year, the First Nation along with four other First Nations engaged legal counsel to jointly advance their claims related to the alleged mismanagement of the Touchwood Agency funds by Indian Affairs Canada from 1920 to 1924. Financing and an insurance policy to cover legal fees were obtained by Touchwood Agency Band Misadministration Claim Trust at the direction of the five First Nations. Financing has been authorized to a maximum of \$4,855,760 to cover expenses relating to the advancement of the claim. At March 31, 2024 there was a contingent fee agreement in place which ranged from 4% to 12% of the settlement depending on how the claim is settled. The financing and contingent fees are expected to be paid from settlement proceeds. Should there be any amounts in excess of settlement proceeds these would be expected to be covered by the insurance policy. The five Nations who are members of the Trust have guaranteed the financing obtained by the Trust and are responsible for the repayment of any amounts not covered by settlement proceeds or insurance. The Trust is not controlled or jointly controlled by the First Nation and as a result is not included in the consolidated financial statements.

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 fees

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.

Legal claims

The First Nation has been named as defendant in lawsuits seeking to recover damages allegedly sustained. The lawsuits remain at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of the lawsuits or to estimate the losses, if any, which may result. The First Nation plans to defend the lawsuits.



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

16. Tangible capital assets

	<i>Water & Sewer</i>	<i>Housing</i>	<i>Buildings</i>	<i>Roads</i>	<i>Equipment</i>	<i>Land Improvement</i>	<i>Vehicles</i>	<i>Purchased Land</i>	<i>Projects Under Construction</i>	<i>2024</i>	<i>2023</i>
Cost											
Balance, beginning of year	4,939,256	25,735,531	13,706,752	4,951,876	3,078,006	175,000	1,231,045	19,676,483	7,311,079	80,805,028	71,779,417
Acquisition of tangible capital assets	-	691,000	-	-	647,073	-	221,099	-	2,035,045	3,594,217	9,025,611
Disposal of tangible capital assets	-	(272,502)	-	-	-	-	-	-	-	(272,502)	-
Change in reporting entity (Note 4)	-	-	(1,588,245)	-	(348,907)	-	-	-	-	(1,937,152)	-
Transfer of assets under construction	-	-	-	-	-	560,000	-	-	(560,000)	-	-
Change in estimate - asset retirement obligation	-	(616,667)	(94,500)	-	-	-	-	-	-	(711,167)	-
Balance, end of year	4,939,256	25,537,362	12,024,007	4,951,876	3,376,172	735,000	1,452,144	19,676,483	8,786,124	81,478,424	80,805,028
Accumulated amortization											
Balance, beginning of year	1,775,494	21,700,518	10,525,521	2,582,876	1,996,015	116,000	865,591	-	-	39,562,015	38,162,254
Annual amortization	197,570	579,485	223,995	59,225	274,703	29,400	197,284	-	-	1,561,662	1,399,761
Change in reporting entity (Note 4)	-	-	(589,274)	-	(237,413)	-	-	-	-	(826,687)	-
Disposal of accumulated amortization	-	(239,670)	-	-	-	-	-	-	-	(239,670)	-
Change in estimate - asset retirement obligation	-	(61,667)	(15,750)	-	-	-	-	-	-	(77,417)	-
Balance, end of year	1,973,064	21,978,666	10,144,492	2,642,101	2,033,305	145,400	1,062,875	-	-	39,979,903	39,562,015
2024 Net book value	2,966,192	3,558,696	1,879,515	2,309,775	1,342,867	589,600	389,269	19,676,483	8,786,124	41,498,521	
2023 Net book value	3,163,762	4,035,013	3,181,231	2,369,000	1,081,991	59,000	365,454	19,676,483	7,311,079		41,243,013

Tangible capital assets includes equipment under capital lease with a gross cost of \$156,728 (2023 - \$156,728) and accumulated amortization of \$62,691 (2023 - \$47,018).

Included in current year housing and buildings is \$963,000 (2023 - \$1,579,667) and \$473,619 (2023 - \$568,119) respectively for asset retirement obligations (Note 13).

Included in current year housing accumulated amortization and buildings accumulated amortization is \$192,600 (2023 - \$157,967) and \$157,872 (2023 - \$94,686) respectively for asset retirement obligations .



George Gordon First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

17. Accumulated operating surplus

Accumulated operating surplus consists of the following:

	2024	2023
Operating fund	5,751,708	5,135,573
Litigation financing fund	(660,455)	(561,270)
Capital asset fund	37,337,302	34,677,360
Commercial fund	5,786,943	4,734,852
CMHC operating reserve	817,601	832,594
CMHC replacement reserve	1,618,643	1,938,082
Trust funds	236,453	495,786
Moveable asset reserve	25,100	24,974
	50,913,295	47,277,951

At March 31, 2024 the CMHC replacement reserve is underfunded by \$540,854 (2023 - underfunded \$553,285) and the CMHC operating reserve is overfunded by \$73,423 (2023 - underfunded \$17,071). The possible effect of this violation of the CMHC funding agreements has not yet been determined.

18. 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;
- Litigation Financing Fund reports on the activities of the First Nation's litigation for which the First Nation is seeking damages;
- 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.

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, 2024

20. Indigenous Services Canada (ISC) Reconciliation

ISC funding per confirmation	27,313,959
Add:	
Deferred revenue, beginning of year	11,252,483
Q2EG 2021/2022 not previously recognized or confirmed	235,825
Deduct:	
Deferred revenue, end of year	(13,921,873)
Funding recovery (Q010 - \$9,408; Q01D - \$42,500)	(51,908)
	<hr/> 24,828,486

21. Segments

The First Nation has 13 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.

Investments in Nation Business Entities - reports on earnings and losses of the Nation's business entities.

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.

Post Secondary - reports on funding spent to provide post secondary opportunities to Members of the First Nation.

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.

22. Budget information

	Approved Budget	Adjustments	Budget per consolidated financial statements
Consolidated Statement of Operations			
Revenues	15,466,600	300,000	15,766,600
Expenses	(11,811,616)	723,753	(11,087,863)
Transfers	220,000	(220,000)	---
Surplus	3,874,984	803,753	4,678,737

The disclosed budget information has been approved by the Chief and Council of George Gordon First Nation in March 2023. The approved budget included tangible capital asset purchases of \$575,753 as expenses which have been adjusted and presented on the statement of changes in net assets. The approved budget also included principal payments of long-term debt of \$228,000 as expenses, budgeted transfers were not reconciled between the individual programs, and a transfer was budgeted as revenue. These items have been adjusted to conform to presentation under Canadian public sector accounting standards.



George Gordon First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

22. Budget information (Continued from previous page)

The approved 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.

23. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The carrying amount of accounts receivable represents the maximum exposure to credit risk.

Accounts receivable from three entities represents 83% of total receivables at March 31, 2024 (2023 - two entities representing 54%). As at March 31, 2024, \$3,855,098 (2023 - \$1,480,876) of accounts receivable was aged less than 30 days and \$345,565 (2023 - \$340,437) was aged over 90 days.

Risk management

The First Nation manages its credit risk by performing regular assessments and providing allowances for potentially uncollectible accounts receivable. The First Nation believes there is limited credit risk as the majority of accounts receivable is due from the Government of Canada and funders for which there are signed agreements.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The First Nation is exposed to interest rate risk primarily through its long-term debt and a guaranteed investment certificate. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure through obtaining debt with a combination of fixed and variable rates, entering into agreements with Canada Mortgage and Housing Corporation (CMHC) to provide subsidy for the payment of principal and interest on the related loans from CMHC, and obtaining marketable securities with varying maturity dates.

24. Comparative figures

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



George Gordon First Nation
Schedule 1 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2024

	2024	2023
Tuition	3,697,025	5,288,180
Salaries and benefits	3,375,444	3,420,379
Youth activities and support	3,074,151	227,566
Social assistance	2,813,660	2,569,641
Repairs and maintenance	2,381,171	1,947,445
Retail centre cost of sales	1,914,507	2,515,248
Student expenses	1,846,976	1,694,386
Amortization	1,561,662	1,399,761
Programs and community events	1,509,493	810,899
Supplies	1,457,678	834,634
Contribution to GGDLP	1,141,449	-
Contracted services	1,052,291	1,360,023
Travel	913,955	766,493
Professional fees	889,723	421,299
Training and workshops	701,022	638,395
Assistance	544,158	408,342
Community patrol	536,834	698,690
Governance	515,709	516,827
Community development corporation program expenses	398,070	398,465
Insurance	412,738	339,744
Utilities	317,546	332,509
Program expense	311,258	274,231
Office	213,341	462,792
Rent paid on behalf of on-reserve members - CMHC	205,138	213,898
Interest on long-term debt	155,259	152,939
Telephone	122,145	114,634
Vehicle	117,915	135,008
Accretion	43,099	64,434
Property tax	41,668	45,588
Administration	38,602	42,644
Legal fees - treaty benefit claim	33,464	46,364
Bank charges and interest	26,894	29,618
Insurance - treaty benefit claim	16,732	23,113
Elders fees	7,277	13,046
Food security	-	290,578
Contribution to George Gordon First Nation - TLE Principal Trust Account	-	30,000
COVID supplies	-	286,295
	32,388,054	28,814,108



**George Gordon First Nation
Ottawa Trust Funds**

Schedule 2 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Rental income - Ottawa Trust	31,740	38,222
Interest income	8,927	14,391
Surplus before transfers	40,667	52,613
Transfers between programs	(300,000)	-
Surplus (deficit)	(259,333)	52,613



**George Gordon First Nation
Investment in Nation Business Entity**

Schedule 3 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Earnings from investment in Nation business entities	15,425	1,413,440
Transfers between programs	141,781	-
Surplus	157,206	1,413,440



George Gordon First Nation
Treaty Land Entitlement

Schedule 4 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Rental income	551,261	548,481
TLE Annual Income	500,874	148,478
	1,052,135	696,959
Expenses		
Professional fees	377,311	41,978
Repairs and maintenance	194,612	297,692
Travel	167,260	194,567
Administration	159,523	46,600
Salaries and benefits	67,042	85,903
Office	44,064	47,768
Property tax	41,668	45,588
Bank charges and interest	655	1,045
Contribution to George Gordon First Nation TLE Trust - Principal Trust Account	-	30,000
	1,052,135	791,141
Surplus (deficit) before transfers	-	(94,182)
Transfers between programs	-	(25,634)
Surplus (deficit)	-	(119,816)



**George Gordon First Nation
Band Government**

Schedule 5 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	2,195,980	1,857,960
Other revenue	284,091	326,506
	2,480,071	2,184,466
Expenses		
Salaries and benefits	549,584	497,391
Governance	515,709	516,827
Contracted services	331,638	247,532
Professional fees	318,724	218,466
Travel	300,293	223,200
Youth activities and support	201,665	-
Training and workshops	200,384	204,507
Programs and community events	170,284	4,132
Office	112,950	239,852
Supplies	73,567	8,379
Insurance	56,119	21,829
Telephone	41,556	45,126
Utilities	12,760	11,460
Bank charges and interest	7,095	6,271
Repairs and maintenance	3,135	157
Elders fees	2,527	1,400
Vehicle	500	-
COVID supplies	-	26,719
Food security	-	206,603
Community patrol	-	698,690
Administration	(897,491)	(855,256)
	2,000,999	2,323,285
Surplus (deficit) before transfers	479,072	(138,819)
Transfers between programs	363,204	34,559
Surplus (deficit)	842,276	(104,260)



**George Gordon First Nation
Community Development**

Schedule 6 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	4,759,037	5,396,993
Other revenue	556,588	784,640
Canada Mortgage and Housing Corporation - RRAP	104,079	-
	5,419,704	6,181,633
Expenses		
Repairs and maintenance	1,411,396	1,184,723
Amortization	911,536	761,410
Supplies	685,094	427,117
Salaries and benefits	442,118	424,373
Contribution to GGDLP	337,500	-
Insurance	237,452	35,835
Utilities	163,936	193,095
Training and workshops	123,050	15,224
Contracted services	88,924	203,849
Administration	82,529	170,875
Vehicle	80,731	86,815
Professional fees	76,350	11,491
Accretion	43,099	64,434
Travel	15,809	24,863
Telephone	11,395	5,758
Interest on long-term debt	1,718	31,076
Bank charges and interest	499	2,168
Office	(65,811)	6,222
	4,647,325	3,649,328
Surplus before other item	772,379	2,532,305
Other item		
Gain on disposal of tangible capital assets	387,875	-
Surplus before transfer	1,160,254	2,532,305
Transfer between programs	-	(189,338)
Surplus	1,160,254	2,342,967



George Gordon First Nation

Education

Schedule 7 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	5,492,836	6,864,851
Other revenue	7,035	6,324
	5,499,871	6,871,175
Expenses		
Tuition	3,697,025	5,288,180
Salaries and benefits	425,250	370,005
Administration	353,951	332,450
Contracted services	230,731	382,939
Student expenses	229,888	-
Supplies	133,160	28,250
Repairs and maintenance	110,263	72,626
Programs and community events	100,105	196,830
Utilities	94,060	72,911
Program expense	91,972	1,520
Amortization	37,770	37,770
Training and workshops	27,663	40,117
Travel	20,687	21,193
Telephone	11,778	1,792
Insurance	5,832	3,013
Youth activities and support	5,704	300
Vehicle	2,598	21,320
Office	551	22,971
Professional fees	363	6,591
Bank charges and interest	300	300
Elders fees	-	2,900
COVID supplies	-	4,967
	5,579,651	6,908,945
Deficit	(79,780)	(37,770)



**George Gordon First Nation
Post Secondary**

Schedule 8 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	1,708,312	1,817,622
Other revenue	3,385	2,179
	1,711,697	1,819,801
Expenses		
Student expenses	1,617,088	1,694,186
Salaries and benefits	62,172	56,877
Program expense	36,300	31,500
Office	27,137	31,396
Travel	13,177	4,242
Training and workshops	2,000	1,600
	1,757,874	1,819,801
Deficit	(46,177)	-



George Gordon First Nation

Health

Schedule 9 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	6,082,892	5,825,418
Interest income	70,918	71,477
Other revenue	13,162	71,149
	6,166,972	5,968,044
Expenses		
Youth activities and support	2,433,109	15,431
Salaries and benefits	802,856	878,493
Supplies	437,725	309,514
Training and workshops	241,213	287,609
Travel	237,357	198,721
Contracted services	209,399	474,381
Programs and community events	120,081	133,577
Administration	112,038	116,895
Amortization	47,265	51,422
Telephone	40,775	34,182
Vehicle	28,941	22,587
Office	25,524	5,783
Assistance	22,043	1,310
Insurance	20,816	30,001
Program expense	19,203	227,437
Utilities	9,735	21,693
Elders fees	4,650	8,746
Repairs and maintenance	3,157	7,386
Bank charges and interest	1,659	1,719
COVID supplies	-	254,559
Food security	-	83,975
	4,817,546	3,165,421
Surplus before transfers	1,349,426	2,802,623
Transfers between programs	94,200	77,950
Surplus	1,443,626	2,880,573



**George Gordon First Nation
Land Management**

Schedule 10 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	366,875	184,508
Other revenue	55,000	25,002
	421,875	209,510
Expenses		
Salaries and benefits	48,918	50,219
Travel	46,738	21,573
Professional fees	37,879	47,704
Amortization	32,622	27,968
Contracted services	23,504	7,384
Repairs and maintenance	15,087	25,014
Training and workshops	14,968	6,634
Insurance	3,298	576
Office	1,202	1,616
Supplies	1,058	7,712
Utilities	729	374
Telephone	650	675
Elders fees	100	-
Vehicle	-	327
Administration	(5,332)	14,700
	221,421	212,476
Surplus (deficit) before transfers	200,454	(2,966)
Transfers between programs	(141,781)	-
Surplus (deficit)	58,673	(2,966)



**George Gordon First Nation
Social Development**

Schedule 11 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	3,418,605	2,983,765
Expenses		
Social assistance	2,813,660	2,569,641
Salaries and benefits	192,702	186,579
Program expense	165,456	32,126
Administration	62,973	70,281
Training and workshops	60,054	19,173
Programs and community events	35,988	-
Travel	24,704	9,440
Professional fees	20,795	24,045
Office	15,435	45,301
Contracted services	13,600	3,600
Supplies	12,389	5,207
Telephone	8,204	18,108
Insurance	1,568	-
Utilities	-	264
	3,427,528	2,983,765
Deficit	(8,923)	-



George Gordon First Nation
Retail Operations

Schedule 12 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Retail sales	2,473,240	3,200,214
Other revenue	34,963	32,678
	2,508,203	3,232,892
Expenses		
Retail centre cost of sales	1,914,507	2,515,248
Salaries and benefits	317,210	385,589
Amortization	57,883	80,827
Office	42,701	48,722
Professional fees	41,144	55,241
Repairs and maintenance	31,660	76,578
Utilities	27,654	26,218
Interest on long-term debt	26,588	31,622
Bank charges and interest	10,378	16,382
Travel	7,942	5,382
Telephone	3,579	3,528
Administration	1,427	3,901
	2,482,673	3,249,238
Surplus (deficit)	25,530	(16,346)



George Gordon First Nation

CMHC

Schedule 13 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Canada Mortgage and Housing Corporation	405,721	1,152,642
Rental income	316,785	325,164
Other revenue	20,752	10,351
	743,258	1,488,157
Expenses		
Repairs and maintenance	526,495	261,602
Amortization	474,586	440,364
Insurance	79,469	69,417
Interest on long-term debt	55,279	40,853
Administration	54,030	62,198
Professional fees	16,957	12,863
	1,206,816	887,297
Surplus (deficit) before other item	(463,558)	600,860
Other item		
Loss on disposal of tangible capital assets	(32,832)	-
Surplus (deficit)	(496,390)	600,860



**George Gordon First Nation
Band Project Revenue**

Schedule 14 - Schedule of Segment Revenues and Expenses and Surplus (Deficit)

For the year ended March 31, 2024

	2024	2023
Revenue		
Indigenous Services Canada	803,949	-
First Nations Trust	1,847,701	1,544,742
Touchwood Agency Tribal Council Inc.	1,494,664	1,342,341
TCFS - Prevention	802,764	513,127
Other revenue	662,275	625,468
Community Development Corporation	508,369	356,021
National Housing Co-Investment Fund	70,150	-
	6,189,872	4,381,699
Expenses		
Programs and community events	1,083,035	476,360
Contribution to GGDLP	803,949	-
Community patrol	536,834	-
Assistance	522,115	407,032
Salaries and benefits	467,592	484,950
Youth activities and support	433,673	211,835
Community development corporation program expenses	398,070	398,465
Rent paid on behalf of on-reserve members - CMHC	205,138	213,898
Contracted services	154,495	40,338
Administration	114,954	80,000
Supplies	114,685	48,455
Repairs and maintenance	85,366	21,667
Travel	79,988	63,312
Interest on long-term debt	71,674	49,388
Legal fees - treaty benefit claim	33,464	46,364
Training and workshops	31,690	63,531
Insurance - treaty benefit claim	16,732	23,113
Office	9,588	13,161
Utilities	8,672	6,494
Insurance	8,184	179,073
Bank charges and interest	6,308	1,733
Vehicle	5,145	3,959
Telephone	4,208	5,465
Professional fees	200	2,920
Student expenses	-	200
COVID supplies	-	50
Program expense	(1,673)	(18,352)
	5,194,086	2,823,411
Surplus before transfers	995,786	1,558,288
Transfers between programs	(157,404)	(86,875)
Surplus	838,382	1,471,413