

Micmacs of Gesgapegiag Band
Consolidated Financial Statements
March 31, 2017

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Management's Report

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of Micmacs of Gesgapegiag Band are the responsibility of management and have been approved by the Council Members.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the CPA - Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

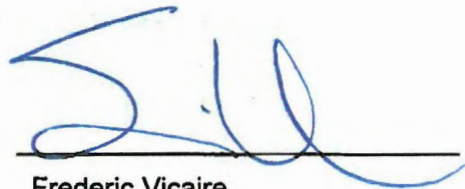
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the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

The external auditors, Raymond Chabot Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Micmacs of Gesgapegiag Band and meet when required.

On behalf of Micmacs of Gesgapegiag Band :



Roderick Larocque
Chief



Frederic Vicaire
Director General

July 19, 2017

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Independent Auditor's Report

To the Directors of
Micmacs of Gesgapegiag Band

We have audited the accompanying consolidated financial statements of Micmacs of Gesgapegiag Band, which comprise the statement of consolidated financial position as at March 31, 2017 and the consolidated statements of operations, accumulated surplus, changes in net debt, cash flows, operations and accumulated surplus (deficit) by program and schedule of salaries, honoraria, travel expenses and other remuneration for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Basis for qualified opinion

The Organization presents a \$3,932,024 deferred contributions related to tangible capital assets in liabilities that should have been presented in revenues, which constitutes a departure from Canadian public sector accounting standards. This situation also caused us to express a qualified opinion on the financial statements for the year ended March 31, 2016. If the deferred contributions related to tangible capital assets had been presented in revenues, revenues and excess of revenues over expenses would have been decreased by \$533,382 in 2017 and \$1,126,574 in 2016, accumulated surplus (deficit) would have increased by \$3,932,024 in 2017 and \$4,465,406 in 2016 and liabilities would have been reduced by the same amount.

Also, Micmacs of Gesgapegiag Band interest in Mi'gmawei Mawiomis Resources L.P., a limited partnership accounted at cost, is carried at \$100 on the statement of financial position as at March 31, 2017 and 2016, and Micmacs of Gesgapegiag Band share of Mi'gmawei Mawiomis Resources L.P.'s net income is not included in Micmacs of Gesgapegiag Band's income for the years ended March 31, 2017 and 2016 in accordance with the modified equity method, as required by Canadian public sector accounting standards. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of Micmacs of Gesgapegiag Band's investment in Mi'gmawei Mawiomis Resources L.P. as at March 31, 2017 and 2016 and Micmacs of Gesgapegiag Band's share of Mi'gmawei Mawiomis Resources L.P.'s net income for the years ended March 31, 2017 and 2016 because we were denied access to the financial information and management of Mi'gmawei Mawiomis Resources L.P. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Our opinion on the financial statements for the year ended March 31, 2016 was qualified accordingly because of the possible effects of this limitation in scope.

Qualified opinion

In our opinion, except for the effects of the matters described in the Basis for qualified opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Micmacs of Gesgapegiag Band as at March 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Emphasis of matter

Without modifying our opinion, we draw attention to Note 2 to the financial statements, which indicates the existence of a material uncertainty that may cast significant doubt about the Organization's ability to continue as a going concern.

Raymond Chabot Grant Thornton LLP

New Richmond
July 19, 2017

¹ CPA auditor, CA public accountancy permit no. A113171

Micmacs of Gesgapegiag Band
Consolidated Financial Position
 March 31, 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
FINANCIAL ASSETS		
Cash	540,575	
Term deposits	14,269	14,145
Accounts receivable (Note 4)	1,195,462	1,179,430
Due from government and other government organizations (Note 5)	1,783,389	1,426,567
Investments (Note 6)	101	101
	<u>3,533,796</u>	<u>2,620,243</u>
LIABILITIES		
Bank overdraft		886,974
Accounts payable and accrued liabilities (Note 9)	2,932,832	2,283,181
Deferred revenues (Note 10)	644,272	194,756
Current portion of long-term debt	1,268,399	2,875,842
Deferred contributions related to tangible capital assets (Note 11)	3,932,024	4,465,406
Long-term debt (Note 12)	5,254,694	4,038,251
Reserve funds		
Replacement reserve (Note 7)	269,440	237,143
Operating reserve (Note 13)	258,644	227,988
	<u>14,560,305</u>	<u>15,209,541</u>
NET DEBT	<u>(11,026,509)</u>	<u>(12,589,298)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	49,266	20,591
Tangible capital assets (Note 8)	12,431,164	13,269,471
Fishing permit	796,000	796,000
	<u>13,276,430</u>	<u>14,086,062</u>
ACCUMULATED SURPLUS	<u>2,249,921</u>	<u>1,496,764</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

On behalf of the Board,


 Chief


 Director General

Micmacs of Gesgapegiag Band

Consolidated Operations

Year ended March 31, 2017

	Unaudited budget	2017	2016
	\$	\$	\$
Revenues			
<i>Federal government transfers</i>			
INAC Grant	429,433	429,433	436,468
INAC Fixed Contribution	3,574,275	4,483,016	3,864,836
INAC Set Contribution	2,109,672	3,718,388	2,708,608
INAC Flexible Contribution		53,462	
INAC Contribution receivable (payable)	15,000	(570,483)	(124,113)
INAC adjustment			531,177
Correction of receivable, deferred revenues and unexpended funding of prior years		(248,091)	402,278
Health Canada	1,547,251	1,647,196	1,632,322
Health Canada Contribution receivable (payable)		(94,708)	
Solicitor General of Canada	253,257	246,425	244,229
First Nations Education Council	728,722	828,578	474,989
Revenue Canada	60,000	68,442	61,969
Canada Mortgage and Housing Corporation	370,000	223,930	155,195
Department of Fisheries and Oceans	110,000	328,312	185,816
Employment and Social Development Canada		50,000	
	<u>9,197,610</u>	<u>11,163,900</u>	<u>10,573,774</u>
<i>Provincial government transfers</i>			
First Nations Human Resources Development Commission of Quebec		640,397	380,689
Assembly of First Nations of Quebec and Labrador		33,402	
Ministre de la Sécurité publique	275,043	281,099	278,397
Ministre des Forêts, de la Faune et des Parcs du Québec	1,085,112	1,129,870	1,104,040
Ministre de l'Économie, de l'Innovation et des Exportations	46,868	46,868	46,868
Secrétariat aux Affaires Autochtones	71,438	157,606	111,021
First Nations of Quebec and Labrador Health and Social Services Commission	72,024	105,905	72,024
Emploi Québec		47,651	100,419
Ministère des Transports du Québec	7,598,899	4,803,247	3,787,509
	<u>9,149,384</u>	<u>7,246,045</u>	<u>5,880,967</u>
<i>Other</i>			
Listuguj Mi'gmaq Development Council		150,474	
Welfare injection	39,748	169,800	112,728
Gesgapegiag Human Resource Development Commission	34,375	35,682	139,040
Community services		20,520	22,290
Gain on disposal of tangible capital assets		147,283	9,140
Rental revenues	214,420	493,249	490,636
Administration revenues	260,000	413,798	114,383

Micmacs of Gesgapegiag Band
Consolidated Operations
Year ended March 31, 2017

	Unaudited budget	2017	2016
	\$	\$	\$
Forestry sales	1,041,311	956,900	1,151,097
Fisheries sales	6,857,316	7,934,911	6,977,054
Fishing leases	586,550	594,062	413,178
Fishing quota rental	180,000		
Other revenues	325,331	846,130	996,672
Excavation sales		554,954	417,851
Deferred contribution related to tangible capital assets		(82,800)	(124,700)
Amortization of deferred contributions related to tangible capital assets	675,000	548,966	703,236
Deferred revenue from previous years		194,756	953,461
Less: Deferred revenue		(644,272)	(194,756)
	<u>10,214,051</u>	<u>12,334,413</u>	<u>12,181,310</u>
	<u>28,561,045</u>	<u>30,744,358</u>	<u>28,636,051</u>
Expenses			
Salaries and fringe benefits	7,396,892	8,470,903	8,098,014
Travel	291,583	348,367	341,184
Professional fees	311,066	552,981	307,558
Material and equipment rental	39,916	125,754	115,328
Training and development	265,085	295,382	348,572
Fishing quota rental		120,146	82,448
Honoraria	1,246,840	1,282,502	1,282,522
Contracted services	10,166,880	8,995,887	7,539,419
Membership fees	11,700	18,322	7,850
Materials and supplies	804,064	981,568	793,690
Office supplies and expenses	49,841	146,529	100,110
Repair and maintenance	586,541	878,904	679,629
Energy	653,968	741,309	734,791
Telecommunications	265,119	136,672	122,316
Insurance	142,585	211,904	237,976
Interest and bank charges	104,770	86,493	126,630
Interest on long-term debt	195,291	415,664	245,331
Doubtful accounts	48,000	350,891	166,926
Administration charges	243,976	512,900	89,280
Room and board and educational allowances	208,793	383,368	279,688
Business contributions	43,400	80,894	63,144
Contributions to community activities	44,870	70,552	58,206
Band contributions	92,000	117,361	343,969
Program aids	796,001	290,930	254,375
Medical fees	63,000	75,758	73,235
Tuition fees	350,308	1,006,162	910,429
Other	8,483	83,040	9,717
Basic needs	610,000	704,839	682,856
Special needs	33,367	38,783	17,482

Micmacs of Gesgapegiag Band

Consolidated Operations

Year ended March 31, 2017

	Unaudited budget	2017	2016
	\$	\$	\$
Purchase of equipment	44,640	525,055	142,824
Welfare injection	125,000	176,268	117,000
Registration fees	8,330	68,687	51,502
Placements	888,600	786,269	1,409,298
Redevances on quota		16,024	
Annual contribution - replacement reserve		45,110	45,260
Expenses capitalized to tangible capital assets		(326,800)	(254,607)
Amortization of tangible capital assets	761,800	1,157,980	1,507,247
	<u>26,902,709</u>	<u>29,973,358</u>	<u>27,131,199</u>
Excess of revenues over expenses	<u>1,658,336</u>	<u>771,000</u>	<u>1,504,852</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band
Consolidated Accumulated Surplus
Year ended March 31, 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
Balance, beginning of year		
As previously reported	1,496,764	(21,861)
Adjustment to prior years (Note 16)	<u>(17,843)</u>	<u>13,773</u>
As restated	1,478,921	(8,088)
Excess of revenues over expenses	<u>771,000</u>	<u>1,504,852</u>
Balance, end of year	<u>2,249,921</u>	<u>1,496,764</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band **Consolidated Changes in Net Debt**

Year ended March 31, 2017

	2017	2016
	\$	\$
Excess of revenues over expenses	771,000	1,504,852
Adjustment to prior years (Note 16)	<u>(17,843)</u>	<u>13,773</u>
	753,157	1,518,625
Tangible capital assets		
Acquisition of tangible capital assets	(426,800)	(377,694)
Disposal of tangible capital assets	150,000	11,300
Gain on disposal of tangible capital assets	(42,873)	(9,140)
Amortization of tangible capital assets	<u>1,157,980</u>	<u>1,507,247</u>
Total tangible capital assets	838,307	1,131,713
Acquisition of fishing permit		(796,000)
Use (acquisition) of prepaid expenses	<u>(28,675)</u>	<u>5,002</u>
Changes in net debt	1,562,789	1,859,340
Net debt, beginning of year	<u>(12,589,298)</u>	<u>(14,448,638)</u>
Net debt, end of year	<u>(11,026,509)</u>	<u>(12,589,298)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band
Consolidated Cash Flows
Year ended March 31, 2017

	<u>2017</u>	<u>2016</u>
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	771,000	1,504,852
Non-cash items		
Amortization of tangible capital assets	1,157,980	1,507,247
Amortization of deferred contributions related to tangible capital assets	(548,966)	(703,236)
Transfer to the replacement reserve fund for the year	45,110	45,260
Gain on disposal of tangible capital assets	(147,283)	(9,140)
Changes in working capital items		
Accounts receivables	(16,032)	313,986
Due from government and other government organizations	(356,822)	1,183,202
Accounts payables and accrued liabilities	649,651	(1,167,470)
Deferred revenues	449,516	(758,705)
Prepaid expenses	(28,675)	5,002
Cash flows from operating activities	<u>1,975,479</u>	<u>1,920,998</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(426,800)	(377,694)
Disposal of tangible capital assets	150,000	11,300
Acquisition of fishing permit		(796,000)
Cash flows from capital activities	<u>(276,800)</u>	<u>(1,162,394)</u>
INVESTING ACTIVITIES		
Term deposits	(124)	(139)
Restricted cash - Replacement Reserve Fund		1,046
Cash flows from investing activities	<u>(124)</u>	<u>907</u>
FINANCING ACTIVITIES		
Long-term loans	1,159,138	1,268,403
Repayment of long-term debt	(1,550,138)	(1,307,526)
Share redemption		(180,000)
Deferred contributions related to tangible capital assets	119,994	(423,338)
Cash flows from financing activities	<u>(271,006)</u>	<u>(642,461)</u>
Increase in cash and cash equivalents	<u>1,427,549</u>	<u>117,050</u>
Bank overdraft, beginning of year	<u>(886,974)</u>	<u>(1,004,024)</u>
Cash (bank overdraft), end of year	<u>540,575</u>	<u>(886,974)</u>

The accompanying notes and consolidated schedules are an integral part of the consolidated financial statements.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2017

1 - GOVERNING STATUTES

The Organization is governed by the council of the Mi'gmaq of Gesgapegiag. It is a not-for-profit Organization under the Income Tax Act.

2 - GOING CONCERN ASSUMPTION

The financial statements are prepared in accordance with Canadian public sector accounting principles in particular the assumption that the Organization is a going concern, meaning it will be able to realize its assets and discharge its liabilities in the normal course of operations.

In light of operating losses incurred in past years and a working capital deficiency, there is significant doubt about the Organization's ability to continue as a going concern. The Organization's ability to realize its assets and discharge its liabilities depends on the continued financial support of Indigenous and Northern Affairs Canada. The Organization's management has adopted an expense rationalization plan to address the situation.

The carrying amounts of assets, liabilities, revenues and expenses presented in the financial statements and the financial position classification have not been adjusted as would be required if the going concern assumption were not appropriate.

3 - SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

Management is responsible for the preparation of the Organization's consolidated financial statements which have been prepared in accordance with Canadian public sector accounting standards in the *CPA Canada Public Sector Accounting Handbook*. The Organization has elected not to apply the accounting standard recommendations applicable solely to government not-for-profit organizations in Sections PS 4200 to PS 4270 of the *CPA Canada Public Sector Accounting Handbook*.

Interest in joint arrangement and limited partnership

The Organization to recognize its interest in the joint arrangement and limited partnership at the equity method.

Impairment of interest in joint arrangement and limited partnership

For each of its interest, the Organization assesses, at each year-end date, whether there are any indications of impairment. When there is an indication of impairment, and if the Organization determines that during the year there was significant adverse change in the expected timing or amount of future cash flows from an interest, then it recognizes a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on an interest is recognized in operations in the year the reversal occurs.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2017

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Principles of consolidation

The Organization has elected to present consolidated financial statements which include the accounts of the Organization and those of Micmacs Housing Corporation, Gesgapegiag Human Resource Development Commission and Gesgapegiag Natural Resources Inc. and its subsidiaries 9252-9106 Québec Inc. and 9309-0942 Québec Inc., which are wholly owned.

The consolidated financial statements also include investments in companies in which the Organization exercises joint control, that is, a 33% interest in Mi'gmawei Mawiomí Business Corporation and a 33% interest in Mi'gmawei Mawiomí Resources L.P., and which are accounted for using the equity method.

Inter-organizational balances and transactions are eliminated upon consolidation, but in order to present the results of operations for each specific departments, transactions amongst departments have not necessarily been eliminated on the individual schedules.

Accounting estimates

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements, notes to consolidated financial statements and consolidated schedules. These estimates are based on management's best knowledge of current events and actions that the Organization may undertake in the future. Actual results may differ from these estimates.

Revenue recognition

Government transfers

Government transfers are recognized as revenue when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions

The Organization follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Other

The Organization recognizes its revenues when persuasive evidence of an arrangement exists, delivery has occurred, that is, the customer has taken possession of the items, the price to the buyer is fixed or determinable and collection is reasonably assured.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
March 31, 2017

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Rental income

The Organization records base rents on a straight-line basis over the lease terms. The excess of rents recognized over amounts contractually due pursuant to the underlying leases is included in rent receivable on the balance sheet.

Contributed supplies and services

The Organization recognizes contributed supplies and services when the fair value of these contributions can be reasonably estimated and if it would have had to otherwise acquire these supplies and services for its normal operations.

Financial assets and liabilities

Initial measurement

The Organization recognizes a financial asset or a financial liability on the statement of financial position when, and only when, it becomes a party to the contractual provisions of the financial instrument. Unless otherwise stated, financial assets and liabilities are initially measured at cost.

Subsequent measurement

At each reporting date, the Organization measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

The Organization determines whether there is any objective evidence of impairment of the financial assets, for both financial assets subsequently measured at amortized cost and financial assets subsequently measured at fair value. Any financial asset impairment is recognized in the statement of operations and, in the case of a financial asset classified to the fair value category, the reversal of any net remeasurements is presented in the statement of remeasurement gains and losses when an impairment is recognized.

Cash and cash equivalents

The Organization's policy is to present in cash and cash equivalents bank balances, including bank overdrafts whose balances fluctuate frequently from being positive to overdrawn, and investments with a maximum maturity of three months from the acquisition date or redeemable at any time without penalty.

Tangible capital assets

By nature, the Organization's tangible capital assets are normally used to provide future services.

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

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2017

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the housing units - Article 95, tangible capital assets are accounted at the cost of acquisition less any subsidies received for the tangible capital assets. C.M.H.C. permits amortization for buildings purchased using loans that it has insured, at a rate equal to the annual reduction of the principal on the loans. No amortization is allocated to other capital elements, but a replacement reserve is maintained for future replacement of tangible capital assets.

The replacement reserve account is funded through an annual allocation, as opposed to allocation of surplus.

Amortization

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives according to the following periods:

	<u>Periods</u>
Buildings	20 years
Sanitation system	20 years
Automotive equipment	5 years
Material and equipment	5 years
Roads	20 years
Boat	20 years

The gravel pit is amortized according to the method of resource depletion.

Contributions related to tangible capital assets are deferred and gradually amortized to earnings on the same basis as the related tangible capital assets.

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

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

Write-down

When conditions indicate that a tangible capital asset no longer contributes to the Organization's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net carrying amount, the cost of the tangible capital asset is reduced to reflect the decline in value. Any write-down of tangible capital assets is accounted for as expenses in the statement of operations and any write-downs are not subsequently reversed.

Fishing permit

Fishing permit is not amortized. It is tested for impairment when events or changes in circumstances indicate that the carrying amount may exceed its fair value. When the carrying amount of the fishing permit exceeds its fair value, an impairment loss is recognized in an amount equal to the excess.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2017

3 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Trust funds

The Organization's Trust funds are included in these financial statements only to the extent they have been received from the Organization's revenue trust fund. The amounts on deposit with the Government of Canada are audited by the Auditor General of Canada.

Adjustment to prior years

Adjustments affecting prior years, usually resulting from the Regional Audit Review Committee are recorded in the consolidated statement of operations under Correction of receivable, deferred revenues and unexpended funding of prior years. Adjustments affecting prior years, resulting from C.M.H.C., are recorded in the consolidated accumulated deficit statement.

Liability for contaminated sites

The liability for contaminated sites under the Organization's responsibility, or that could likely be under its responsibility, is recognized as a liability for remediation of contaminated sites once the contamination occurs or the Organization is informed about it, it is expected that future economic benefits will be given up and a reasonable estimate of the amount can be made. The liability includes the estimated costs of the management and rehabilitation of contaminated sites and any costs relating to post-remediation maintenance and monitoring. These costs are evaluated based on the best available information and are revised annually.

4 - ACCOUNTS RECEIVABLE

	2017	2016
	\$	\$
Accounts receivables	1,009,303	1,014,678
Rents receivable	1,925,242	1,927,966
Advances	327,703	199,057
Indirect taxes receivable	143,189	66,788
	3,405,437	3,208,489
Doubtful accounts	2,209,975	2,029,059
	1,195,462	1,179,430

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2017

5 - DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2017</u>	<u>2016</u>
	\$	\$
Federal government		
Indigenous and Northern Affairs Canada (INAC)	634,356	399,440
Health Canada		73,590
C.M.H.C.	25,330	71,834
Department of Fisheries and Oceans	154,850	73,834
First Nations Education Council	92,886	61,690
Solicitor General of Canada	122,847	61,057
Provincial Government		
First Nations of Quebec and Labrador Health and Social Services Commission	114,902	16,509
Ministre des Forêts, de la Faune et des Parcs du Québec	432,637	426,170
Secrétariat aux Affaires Autochtones	141,165	178,426
Ministre de la Sécurité publique	52,955	26,458
Ministère des Transports du Québec	5,510	8,790
Ministre de la Culture	3,000	3,000
Emploi Québec	2,951	13,398
Other government organizations		12,371
	<u>1,783,389</u>	<u>1,426,567</u>

6 - INVESTMENTS

	<u>2017</u>	<u>2016</u>
	\$	\$
Mi'gmawei Mawiomi Resources L.P., government business partnership		
Capital	100	100
Mi'gmawei Mawiomi Business Corporation Inc., joint arrangement		
1 common share	1	1
	<u>101</u>	<u>101</u>

7 - REPLACEMENT RESERVE FUND

(a) Pre-1997 Program

Under the agreement with Canada Mortgage and Housing Corporation (C.M.H.C.), an amount must be credited to the replacement reserve. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by C.M.H.C. from time to time. Any use of the funds from the account must be approved by C.M.H.C.

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Notes to Consolidated Financial Statements

March 31, 2017

7 - REPLACEMENT RESERVE FUND (Continued)

(b) Post-1996 Program

Under the agreement with Canada Mortgage and Housing Corporation (C.M.H.C.), an amount set forth in Appendix B of the operating agreement must be credited to the replacement reserve. The annual amount may be increased by the First Nation. These funds and the accrued interest must be placed in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or in any other way approved by C.M.H.C. from time to time.

At the year end, the replacement reserve included the following elements:

	2017	2016
	\$	\$
Reserve fund		
Balance, beginning of year	237,143	239,627
Adjustment to replacement reserve (Note 16)	(12,813)	(47,744)
Adjusted balance, beginning of year	224,330	191,883
Annual contribution - replacement reserve	45,110	45,260
Balance, end of year	269,440	237,143

No amount was transferred to the replacement reserve fund in 2017.

As at March 31, 2017, the Organization does not respect the obligation to hold these funds in a separate bank account.

8 - TANGIBLE CAPITAL ASSETS

			2017	2016
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Land	133,592		133,592	133,592
Buildings	21,005,183	11,133,278	9,871,905	10,554,343
Sanitation system	7,372,856	6,323,127	1,049,729	1,152,917
Automotive equipment	2,728,304	2,360,373	367,931	436,500
Material and equipment	1,065,012	924,338	140,674	77,170
Roads	602,391	150,066	452,325	482,445
Gravel pit	100,000		100,000	100,000
Boat	350,000	34,992	315,008	332,504
	33,357,338	20,926,174	12,431,164	13,269,471

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Notes to Consolidated Financial Statements
 March 31, 2017

9 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2017	2016
	\$	\$
Trade accounts	2,453,770	2,012,397
Salaries payable	325,095	200,540
Government remittances	122,684	29,975
Accrued interest	31,283	40,269
	<u>2,932,832</u>	<u>2,283,181</u>

10 - DEFERRED REVENUES

	2017	2016
	\$	\$
Federal government		
212382 NPD1 CFS Maintenance Enhanced Prevent paid back		175,000
362150 NP09 Band operated School evaluation	26,754	
408748 NTM8 Roads and Bridges QD88	218,470	
408749 NTNJ 2015-16 Route 132 Project AQB53		19,756
408750 NTMA Municipal services (tools)	16,000	
Other		
110038 Avenir enfant	7,000	
645000 Certification project	6,470	
645100 MRP	20,000	
652150 Church Construction	133,740	
652155 Church Construction part 2	125,585	
990017 NTLE Housing policy development	40,253	
Gesgapegiag Human Resource Development Commission	50,000	
	<u>644,272</u>	<u>194,756</u>

11 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

	2017	2016
	\$	\$
Balance, beginning of year	4,465,406	5,591,980
INAC		
NTM8 408748 Roads and Bridges QD88		100,000
Aboriginal Business Development Program		(183,000)
Secrétariat aux Affaires Autochtones		(183,000)
Department of Fisheries and Oceans	82,800	(207,000)
Band contribution		24,700
Canada Mortgage and Housing Corporation	37,194	24,962
Disposal	(104,410)	
Amortization	(548,966)	(703,236)
Balance, end of year	<u>3,932,024</u>	<u>4,465,406</u>

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Notes to Consolidated Financial Statements
 March 31, 2017

12 - LONG-TERM DEBT

	<u>2017</u>	<u>2016</u>
	\$	\$
Caisse Desjardins, prime rate (2.7% ; 2.7% as at March 31, 2016), secured by MAPAQ, payable by semi-annual instalments of \$36,353, capital and interest, maturing in December 2022	359,997	410,813
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in August 2020	10,667	13,867
Bank of Montreal, prime rate plus 4% (6.7%), payable on demand, maturing in May 2017	228,217	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	12,800	16,000
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	12,800	16,000
Bank of Montreal, 4.89%, secured by 4 housing units and by INAC, payable in monthly instalments of \$2,240, capital and interest, maturing in June 2033 but renegotiable in May 2019	301,516	313,621
Mortgage loan, secured by automotive equipment with a net carrying amount of \$18,468 as at March 31, 2017, 4.98%, payable in monthly instalments of \$435, capital and interest, maturing in October 2020	16,755	21,029
Bank of Montreal, prime rate plus 4% (6.7% ; 6.7% as at March 31, 2016), payable in monthly instalments of \$1,111, plus interest, maturing in February 2020	38,889	52,222
Bank of Montreal, prime rate plus 4% (6.7% ; 6.7% as at March 31, 2016), payable in monthly instalments of \$2,240, capital and interest, maturing in June 2025 but renegotiable in May 2019	171,735	192,552
Bank of Montreal, 4.89%, secured by 1 quadruplex and by INAC, payable in monthly instalments of \$1,652, capital and interest, maturing in July 2033 but renegotiable in July 2018	224,434	233,266
Bank of Montreal, 4.99%, secured by duplexes and by INAC, payable in monthly instalments of \$3,594, capital and interest, maturing in April 2034 but renegotiable in November 2019	487,913	506,659
Bank of Montreal, 5.35%, reimbursed during the year		13,756
Laurentian Bank, 3.79%, secured by a building with a net carrying amount of \$23,008 as at March 31, 2017, payable in monthly instalments of \$243, capital and interest, maturing in February 2027 but renegotiable in August 2017	23,874	26,074

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2017

12 - LONG-TERM DEBT (Continued)

	<u>2017</u> \$	<u>2016</u> \$
Laurentian Bank, 5.14%, secured by a building with a net carrying amount of \$18,150 as at March 31, 2017, payable in monthly instalments of \$292, capital and interest, maturing in April 2033 but renegotiable in August 2018	37,701	39,710
Mortgage loan, secured by automotive equipment with a net carrying amount of \$121,933 as at March 31, 2017, 5%, payable in monthly instalments of \$1,047, capital and interest, maturing in March 2024	74,100	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	12,800	16,000
Bank of Montreal, prime rate plus 4% (6.7 % ; 6.7% as at March 31, 2016), payable by annual instalments of \$100,000, plus interest, maturing in March 2020	350,000	450,000
Laurentian Bank, 4.74%, secured by a building with a net carrying amount of \$47,085 as at March 31, 2017, payable in monthly instalments of \$467, capital and interest, maturing in October 2031 but renegotiable in July 2021	50,282	54,224
Bank of Montreal, prime rate plus 4% (6.7%), reimbursed during the year		5,438
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,110 yearly, maturing in August 2027	115,725	125,909
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,720 yearly, maturing in August 2027	122,079	132,822
Bank of Montreal, prime rate plus 4% (6.7%), reimbursed during the year		11,424
Bank of Montreal, prime rate plus 4% (6.7%), reimbursed during the year		13,334
Bank of Montreal, 4.19%, payable in monthly instalments of \$3,150, plus interest, maturing in February 2024 but renegotiable in February 2022	264,573	299,219
Bank of Montreal, prime rate plus 4% (6.7% ; 6.7% as at March 31, 2016), payable in monthly instalments of \$1,036, plus interest, maturing in May 2019	25,893	38,322
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	12,800	16,000

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Notes to Consolidated Financial Statements
 March 31, 2017

12 - LONG-TERM DEBT (Continued)

	<u>2017</u>	<u>2016</u>
	\$	\$
Bank of Montreal, 4.27%, payable in semi-annual instalments of \$15,919, capital and interest, maturing in August 2018	60,072	74,366
Bank of Montreal, prime rate plus 4% (6.7%), reimbursed during the year		26,322
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in February 2022	15,733	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in April 2022	16,000	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$2,981 yearly, maturing in March 2022	14,906	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in April 2022	16,000	
Mortgage loan, secured by automotive equipment with a net carrying amount of \$77,366 as at March 31, 2017, prime rate plus 2.5% (5.2%; 5.2% as at March 31, 2016), payable in monthly instalments of \$4,635, plus interest, maturing in July 2020	319,460	375,085
Loan, without interest, payable in monthly instalments of \$4,000, maturing in December 2020	179,978	227,978
Loan, without interest, payable in monthly instalments of \$7,711, maturing in December 2025	809,652	902,184
Project # 7, Laurentian Bank, mortgage, original amount of \$321,114, 4.89%, reimbursed during the year		8,135
Project # 8, National Bank of Canada, mortgage, original amount of \$267,830, secured by 5 housing units and by INAC, 3.09%, payable in monthly instalments of \$1,810, capital and interest, maturing in March 2018	21,352	42,059
Project # 10, Caisse Desjardins, mortgage, original amount of \$104,800, secured by 2 housing units and by the C.M.H.C., 4.213%, payable in monthly instalments of \$634, capital and interest, maturing in September 2022 but renegotiable in September 2018	37,266	43,170
Project # 11, Bank of Montreal, mortgage, authorized amount of \$141,910, secured by 3 housing units and by INAC, 4.89%, payable in monthly instalments of \$888, capital and interest, maturing in December 2022 but renegotiable in December 2018	53,615	61,519

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Notes to Consolidated Financial Statements
 March 31, 2017

12 - LONG-TERM DEBT (Continued)

	<u>2017</u> \$	<u>2016</u> \$
Project # 12, C.M.H.C., mortgage (19-072-495/001), authorized amount of \$70,000, secured by 2 housing units and 1 duplex, 1.92%, payable in monthly instalments of \$317, capital and interest, maturing in March 2024 but renegotiable in April 2019	24,900	28,194
Project # 13, C.M.H.C., mortgage (19-072-495/002), authorized amount of \$87,500, secured by 3 housing units and 1 duplex, 0.94%, payable in monthly instalments of \$396, capital and interest, maturing in May 2025 but renegotiable in September 2020	37,363	41,745
Project # 14, C.M.H.C., mortgage (19-072-495/003), authorized amount of \$129,000, secured by 4 housing units, 1.11%, payable in monthly instalments of \$586, capital and interest, maturing in April 2026 but renegotiable in April 2021	60,701	66,979
Project # 15, C.M.H.C., mortgage (19-072-495/004), authorized amount of \$187,395, secured by 5 housing units, 1.43%, payable in monthly instalments of \$857, capital and interest, maturing in April 2027 but renegotiable in April 2022	96,510	105,233
Project # 16, C.M.H.C., mortgage (19-072-495/005), authorized amount of \$92,538, secured by 3 housing units, 1.62%, payable in monthly instalments of \$412, capital and interest, maturing in February 2028 but renegotiable in March 2018	49,452	53,563
Project # 17, C.M.H.C., mortgage (19-072-495/006), authorized amount of \$62,000, secured by 2 duplexes, 1.39%, payable in monthly instalments of \$263, capital and interest, maturing in June 2030 but renegotiable in June 2020	38,137	40,743
Project # 17, C.M.H.C., mortgage (19-072-495/007), authorized amount of \$65,000, secured by 2 duplexes, 1.39%, payable in monthly instalments of \$275, capital and interest, maturing in June 2030 but renegotiable in June 2020	39,983	42,715
Project # 18, C.M.H.C., mortgage (19-072-495/008), authorized amount of \$253,800, secured by a sixplex, 1.14%, payable in monthly instalments of \$1,109, capital and interest, maturing in June 2030 but renegotiable in June 2021	163,589	174,671
Project # 19, C.M.H.C., mortgage (19-072-495/009), authorized amount of \$172,000, secured by 2 duplexes, 1.65%, payable in monthly instalments of \$731, capital and interest, maturing in April 2032 but renegotiable in June 2017	117,119	123,910

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Notes to Consolidated Financial Statements
 March 31, 2017

12 - LONG-TERM DEBT (Continued)

	<u>2017</u>	<u>2016</u>
	\$	\$
Project # 20, C.M.H.C., mortgage (19-072-495/010), authorized amount of \$104,000, secured by 1 quadruplex, 1.67%, payable in monthly instalments of \$441, capital and interest, maturing in May 2033 but renegotiable in June 2018	74,926	78,935
Project # 21, C.M.H.C., mortgage (19-072-495/011), authorized amount of \$120,600, secured by 1 duplex, 1.82%, payable in monthly instalments of \$542, capital and interest, maturing in September 2032 but renegotiable in September 2019	87,772	92,637
Project # 22, C.M.H.C., mortgage (19-072-495/012), authorized amount of \$189,500, secured by 1 quadruplex, 1.04%, payable in monthly instalments of \$736, capital and interest, maturing in October 2035 but renegotiable in October 2020	149,152	156,396
Project # 23, C.M.H.C., mortgage (19-072-495/013), authorized amount of \$1,200,000, secured by 10 housing units, 1.43%, payable in monthly instalments of \$4,780, capital and interest, maturing in March 2037 but renegotiable in April 2022	997,460	1,039,228
Project # 24, C.M.H.C., mortgage (19-072-495/014), authorized amount of \$104,000, secured by 1 housing unit, 1.43%, payable in monthly instalments of \$414, capital and interest, maturing in March 2037 but renegotiable in April 2022	86,445	90,065
	6,523,093	6,914,093
Current portion	1,268,399	2,875,842
	5,254,694	4,038,251

The estimated instalments on long-term debt for the next five years are \$1,268,399 in 2018, \$972,172 in 2019, \$1,436,688 in 2020, \$645,890 in 2021 and \$626,723 in 2022.

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Notes to Consolidated Financial Statements
 March 31, 2017

13 - OPERATING RESERVE (Post-1996 Program)

Once all costs and expenses are paid, particularly the allocation to the replacement reserve, the First Nation keeps all excess income in an operating reserve. The First Nation agrees to keep the funds and accrued interest in the operating fund in a separate bank account or to invest it only in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as agreed by common consent by the First Nation and Canada Mortgage and Housing Corporation. The housing project's operating reserve is to be used only for the operating expenses of housing projects that made undertakings as part of the 1997 On-reserve Housing Program. The reserve may be used to cover deficits from previous years. Withdrawals are first applied to interest, then to the principal. At the end of the fiscal year, the operating reserve included the following elements:

	<u>2017</u>	<u>2016</u>
	\$	\$
Reserve fund		
Balance, beginning of year	227,988	194,017
Adjustment requested by C.M.H.C. (Note 16)	<u>30,656</u>	<u>33,971</u>
Balance, end of year	<u>258,644</u>	<u>227,988</u>

As at March 31, 2017, the Organization does not respect the obligation to hold these funds in a separate bank account.

14 - BANK LOANS

The bank loans, for which the authorized amounts are \$100,000 and \$1,150,000, bear interest at prime rate (2.7%) and prime rate plus 1.75% (4.45%) respectively, are secured by the accounts receivable and a mortgage on amounts receivable from Health Canada and are renegotiable annually.

15 - SUBSIDY FROM THE CANADA MORTGAGE AND HOUSING CORPORATION

The Organization receives a subsidy under a program administered by the Canada Mortgage and Housing Corporation (C.M.H.C.) under the terms of section 95 of the National Housing Act. This subsidy is tied to compliance with the conditions set forth in the agreement signed by the Organization and C.M.H.C.

16 - ADJUSTMENT TO PRIOR YEARS

After the review of the financial statements for the year ended March 31, 2016 by the Organization, the following adjustments were required:

	<u>2017</u>	<u>2016</u>
	\$	\$
Micmacs Housing Corporation		
Adjustment to operating reserve	30,656	33,971
Adjustment to replacement reserve	<u>(12,813)</u>	<u>(47,744)</u>
	<u>17,843</u>	<u>(13,773)</u>

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Notes to Consolidated Financial Statements
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17 - CONTINGENCY

As at March 31, 2017, the Organization is contingently liable as endorser in long-term debts for members of the community for the amount of \$1,238,579 (\$891,810 in 2016).

18 - LIABILITY FOR REMEDIATION OF CONTAMINATED SITES

The Organization will have to assume the costs of remediation of contaminated sites for which it is or could likely be responsible, for which no liability has been recognized in the financial statements because, at the financial statement date, it was not possible to make a reasonable estimate of the amounts in question.

19 - RELATED PARTY TRANSACTIONS

During the year, the Organization has entered into contracted services with elected officials for the purchase of wholesale lobster for an amount of \$805,653 (\$434,745 in 2016). These transactions were measured at the exchange amount.

20 - ECONOMIC DEPENDENCE

The Organization receives 26% (26% in 2016) of its revenues from Indigenous and Northern Affairs Canada (INAC).

21 - FINANCIAL INSTRUMENTS

Financial risk management objectives and policies

The Organization is exposed to various financial risks resulting from its operating, investing and financing activities. The Organization's management manages financial risks.

During the year, there were no changes to the financial instrument risk management policies, procedures and practices. The means used by the Organization to manage each of the financial risks are described in the following paragraphs.

Financial risks

The Organization's main financial risk exposure and its financial risk management policies are as follows.

Credit risk

The Organization is exposed to credit risk regarding the financial assets recognized in the statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are government transfers receivable, accounts receivables, rents receivables and advances since failure of any of these parties to fulfil their obligations could result in significant financial losses for the Organization.

Government transfers receivable, accounts receivables, rents receivables and advances balances are managed and analysed on an ongoing basis.

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Notes to Consolidated Financial Statements

March 31, 2017

21 - FINANCIAL INSTRUMENTS (Continued)

The carrying amount on the statement of financial position of the Organization's financial assets exposed to credit risk represents the maximum amount exposed to credit risk. The following table summarizes the Organization's credit risk exposure:

	2017	2016
	\$	\$
Cash	540,575	
Term deposits	14,269	14,145
Government transfers receivable	1,783,389	1,426,567
Accounts receivables	1,009,303	1,014,678
Rents receivables	1,925,242	1,927,966
Advances	327,703	199,057
	<u>5,600,481</u>	<u>4,582,413</u>

The Organization's management considers that all the above financial assets that are not impaired or past due are of good credit quality.

None of the Organization's financial assets is secured by a collateral instrument or other form of credit enhancement.

The carrying amount of impaired accounts receivable totals \$2,209,975 as at March 31, 2017 (\$2,029,059 as at March 31, 2016).

Market risk

The Organization's financial instruments expose it to market risk, in particular interest rate risk:

– Interest rate risk:

The Organization is exposed to interest rate risk with respect to financial assets and liabilities bearing fixed and variable interest rates.

The term deposits and some long-term debts bear interest at a fixed rate and the Organization is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations.

Other long-term debts and bank loans bear interest at a variable rate and the Organization is, therefore, exposed to the cash flow risks resulting from interest rate fluctuations.

The Organization does not use derivative financial instruments to reduce its interest rate risk exposure.

A reasonably possible increase or decrease in interest rates of 1% (1% as at March 31, 2016) would not have a significant impact on the the Organization's excess of revenues over expenses for the year.

Liquidity risk

The Organization's liquidity risk represents the risk that the Organization could encounter difficulty in meeting obligations associated with its financial liabilities. The Organization is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized in the statement of financial position.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2017

21 - FINANCIAL INSTRUMENTS (Continued)

Liquidity risk management serves to maintain a sufficient amount of cash and cash equivalents and to ensure that the Organization has financing sources for a sufficient authorized amount. The Organization establishes budget and cash estimates to ensure it has the necessary funds to fulfil its obligations.

As at March 31, 2017, the Organization's contractual maturities for financial liabilities (including any interest payments) are as follows:

	Less than 6 months	6 months to 1 year	1 to 5 years	More than 5 years
	\$	\$	\$	\$
Accounts payables and accrued liabilities	2,932,832			
Long-term debt	382,928	1,012,479	4,369,004	1,166,225
	<u>3,315,760</u>	<u>1,012,479</u>	<u>4,369,004</u>	<u>1,166,225</u>

Carrying amount of financial assets and liabilities by category

The carrying amount of the Organization's financial assets that are measured at amortized cost totals \$3,390,506 (\$2,553,351 as at March 31, 2016).

The Organization's financial liabilities, totalling \$9,455,925 (\$10,084,248 as at March 31, 2016), have all been classified as financial instruments measured at amortized cost.

22 - COMMITMENTS

The Organization has entered into long-term lease agreements expiring from September 2017 to October 2021 for the rental of equipments which call for minimum lease payments of \$153,388.

Minimum lease payments for the next five years are \$52,338 in 2018, \$28,200 in 2019, \$28,200 in 2020, \$28,200 in 2021 and \$16,450 in 2022.

23 - TRUST FUNDS HELD BY INAC

	March 31, 2016	Addition 2017	Withdrawals 2017	March 31, 2017
	\$	\$	\$	\$
Revenue	40,943	771		41,714
Capital	647			647
	<u>41,590</u>	<u>771</u>		<u>42,361</u>

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Section 63 to 69 of the Indian Act.

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Notes to Consolidated Financial Statements

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24 - INAC FUNDING RECONCILIATION

	<u>2017</u>	<u>2016</u>
	\$	\$
INAC funding as per financial statements	8,113,816	7,416,976
Minus: Contributions receivable (payable)		
202305 NP85 Basic Needs		(6,147)
202308 NP88 Social Assistance for Employment		(6,753)
202320 NP8L Special Needs		(1,752)
212384 NPD0 CFS Maintenance - Enhanced Prevent	(362,356)	(10,331)
212395 NPC5 In-Home Care	(18,037)	
212396 NPC9 Institutional Care - Type I	(15,000)	(15,747)
408749 NTNJ 2015-16 Route 132 Project AQB53	(99,069)	
590110 NTMZ Training - Fire Protection		(4,535)
590116 NTM5 Fire Protection QD88		(3,397)
641017 NG0M CPP/QPP and Private Pension Plans	(62,792)	(63,225)
708113 MNP	(4,168)	
708115 NT93CORP Community Development Program		(9,082)
708120 Basket Making		(3,144)
990007 Construction Art. 95	(8,104)	
990018 NTLE Housing software and training	(957)	
	<u>(570,483)</u>	<u>(124,113)</u>
Minus: INAC adjustment		531,177
INAC funding as per funding confirmation	<u>8,684,299</u>	<u>7,009,912</u>

25 - COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the presentation adopted in the current year.

26 - BUDGETED FIGURES

Unaudited budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by the board of directors.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2017

27 - SEGMENT DISCLOSURES

The Organization provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by department. For each segment separately reported, the segment revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Significant Accounting Policies as described in Note 3. The segment results for the period are as follows :

	Health			Social services			Education		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2017	2017	2016	2017	2017	2016	2017	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	1,607,251	1,484,458	1,694,291	2,880,992	2,494,891	3,255,395	2,174,265	3,330,452	2,566,258
Provincial government transfers		45,000	3,796						
Other revenues	154,311	184,278	543,402	31,436	210,866	223,065		(2,141)	14,706
Total revenues	1,761,562	1,713,736	2,241,489	2,912,428	2,705,757	3,478,460	2,174,265	3,328,311	2,580,964
Expenses									
Salaries and fringe benefits	1,034,654	1,167,378	1,187,762	925,759	995,244	986,919	1,224,632	1,202,046	1,058,779
Amortization									
Other expenses	777,410	666,427	881,028	1,841,813	1,968,632	2,476,397	991,797	2,092,887	1,417,285
Total expenses	1,812,064	1,833,805	2,068,790	2,767,572	2,963,876	3,463,316	2,216,429	3,294,933	2,476,064
Transfers between programs	157,521	(2,194)	14,410	(84,996)	(20,306)		63,000	120,000	
Excess (deficiency) of revenues over expenses	107,019	(122,263)	187,109	59,860	(278,425)	15,144	20,836	153,378	104,900

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2017

27 - SEGMENT DISCLOSURES (Continued)

	Public works			Public security			Band Support		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2017	2017	2016	2017	2017	2016	2017	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	306,053	863,919	794,935	292,838	298,806	358,744	808,647	859,188	674,650
Provincial government transfers				222,043	228,144	225,442	983,862	1,665,112	1,367,848
Other revenues		(193,630)	83,654	40,830	106,385	97,420	825,346	1,253,939	1,009,071
Total revenues	306,053	670,289	878,589	555,711	633,335	681,606	2,617,855	3,778,239	3,051,569
Expenses									
Salaries and fringe benefits	56,526	56,332	84,365	542,743	610,332	536,019	918,439	1,075,859	966,177
Amortization									
Other expenses	241,933	627,233	632,020	141,440	157,834	212,892	1,807,273	2,862,319	2,219,342
Total expenses	298,459	683,565	716,385	684,183	768,166	748,911	2,725,712	3,938,178	3,185,519
Transfers between programs	28,000	28,000	(119,917)	103,000	89,501	92,407	279,200	259,401	47,066
Excess (deficiency) of revenues over expenses	35,594	14,724	42,287	(25,472)	(45,330)	25,102	171,343	99,462	(86,884)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2017

27 - SEGMENT DISCLOSURES (Continued)

	Economic development			Commercial			Capital housing		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2017	2017	2016	2017	2017	2016	2017	2017	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Federal government transfers	618,564	646,543	240,990	110,000	328,312	757,402	399,000	857,331	231,109
Provincial government transfers	7,795,361	5,074,713	4,127,013	148,118	192,876	156,868		40,200	
Other revenues	663,205	424,621	687,873	7,823,923	9,600,190	8,535,734	675,000	749,905	986,385
Total revenues	9,077,130	6,145,877	5,055,876	8,082,041	10,121,378	9,450,004	1,074,000	1,647,436	1,217,494
Expenses									
Salaries and fringe benefits	898,088	715,039	914,706	1,738,443	2,323,833	2,145,527	57,608	324,840	217,760
Amortization				17,500	173,595	339,383	744,300	984,385	1,167,864
Other expenses	8,104,470	5,731,986	4,549,318	4,377,951	5,385,768	4,704,951	459,930	851,389	432,705
Total expenses	9,002,558	6,447,025	5,464,024	6,133,894	7,883,196	7,189,861	1,261,838	2,160,614	1,818,329
Transfers between programs	132,000	200,798	(106,473)	(899,200)	(799,200)		124,000	124,000	72,507
Excess (deficiency) of revenues over expenses	206,572	(100,350)	(514,621)	1,048,947	1,438,982	2,260,143	(63,838)	(389,178)	(528,328)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2017

27 - SEGMENT DISCLOSURES (Continued)

	Total		
	Unaudited Budget 2017	2017	2016
	\$	\$	\$
Revenues			
Federal government transfers	9,197,610	11,163,900	10,573,774
Provincial government transfers	9,149,384	7,246,045	5,880,967
Other revenues	10,214,051	12,334,413	12,181,310
Total revenues	28,561,045	30,744,358	28,636,051
Expenses			
Salaries and fringe benefits	7,396,892	8,470,903	8,098,014
Amortization	761,800	1,157,980	1,507,247
Other expenses	18,744,017	20,344,475	17,525,938
Total expenses	26,902,709	29,973,358	27,131,199
Transfers between programs			
Excess (deficiency) of revenues over expenses	1,658,336	771,000	1,504,852

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

	INAC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
HEALTH								
110000 Medical Transportation NIHB/MT		68,062	68,062	213,621		(145,559)	110,415	(35,144)
110001 Tele Health							27,495	27,495
110002 Suicide Prevention		20,000	20,000		(20,000)			
110003 National Native Alcohol and Drug Abuse Program		61,842	61,842	65,121	3,279		7,003	7,003
110004 Mental wellness team		23,321	23,321	23,321				
110005 Aboriginal Head Start On-Reserve AHSOR		64,942	64,942	65,716		(774)	71,884	71,110
110006 Brighter Futures BF		77,993	77,993	23,674	(54,319)		42,549	42,549
110007 Summer camp		6,000	6,000		(6,000)		3,521	3,521
110008 Maternal Child Health MCH		37,086	37,086	2,905	(34,181)		4,812	4,812
110009 Mental Health HPV		73,519	73,519	82,682	9,163		255,661	255,661
110010 Aboriginal Diabetes Initiative ADI		59,680	59,680	41,752	(17,928)		58,611	58,611
110011 Building Healthy Communities - Mental Health		60,628	60,628	60,628			48,131	48,131
110012 Building Healthy Communities - Solvent		11,474	11,474		(11,474)		10,093	10,093
110013 Canada Prenatal Nutrition Program CPNP		16,751	16,751	16,751			14,734	14,734
110014 Health Careers (on call)		2,410	2,410	6,929		(4,519)	(434)	(4,953)
110015 Health Planning and Management HPM		361,659	361,659	704,348	385,839	43,150	(437,458)	(394,308)
110016 Clinical and Client Care CCC		145,974	145,974	70,974	(75,000)		128,399	128,399
110017 Youth Center		4,863	4,863	4,863				
110018 First Nations and Inuit Health Services		41,445	41,445		(41,445)		37,982	37,982
110020 Environmental Public Health - Drinking		11,000	11,000	4,500	(6,500)		17,257	17,257
110025 Community Facilities O&M		147,952	147,952		(147,952)			
110030 Children's Oral Health Initiative		20,783	20,783	20,801		(18)	129	111
110034 Professional Medical (Speech Therapy)		39,830	39,830	61,868		(22,038)	24,913	2,875
110035 HCCC Professional Development		(4,533)	(4,533)	195		(4,728)		(4,728)
110037 Gesgapegiag Arena		14,914	14,914	35,220	20,306			
110038 Avenir enfant		38,000	38,000	38,000				
110040 JP-Service coordination		18,484	18,484	18,484				
110050 First Nations and Inuit Home and Community		150,396	150,396	150,396			(210,397)	(210,397)
110060 Social Service Child in Foster Allowance		82,359	82,359	82,142		217	48,999	49,216
110080 Fetal Alcohol Spectrum Disorder		8,364	8,364	2,382	(5,982)			
110081 First Nations Food		14,632	14,632	14,632				
110091 Tobacco		21,900	21,900	21,900				
110095 Fundraising		12,006	12,006			12,006		12,006
	1,713,736	1,713,736	1,833,805	(2,194)	(122,263)	264,299	142,036	
SOCIAL SERVICES								
202305 NP85 Basic Needs	665,000	20,260	685,260	703,116		(17,856)	(210,742)	(228,598)
202308 NP88 Social Assistance for Employment	150,000		150,000	176,268		(26,268)	(70,426)	(96,694)

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

	INAC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
202320 NP8L Special Needs	15,000		15,000	34,040		(19,040)	(10,249)	(29,289)
202330 NP8R Service Delivery	43,920		43,920	43,689		231	47,908	48,139
212373 NPD3 12373 Operations - CFS	454,321	2,033	456,354	539,798		(83,444)	(156,510)	(239,954)
212382 NPD1 CFS Maintenance - Enhanced Prevent paid back		212,653	212,653	212,653			49,437	49,437
212383 NPD1 CFS Maintenance - Enhanced Prevent	576,345		576,345	573,615		2,730	(44,003)	(41,273)
212384 NPD0 CFS Maintenance - Enhanced Prevent		(131,301)	(131,301)			(131,301)	(75,695)	(206,996)
212385 NPD2 CFS Maintenance - Enhanced Prevent							162,487	162,487
212388 NPD7 Prevention/Least Disruptive Measure	321,942	12,894	334,836	314,530	(20,306)		(64,626)	(64,626)
212395 NPC5 In-Home Care	311,963	679	312,642	312,642			(304,533)	(304,533)
212396 NPC9 Institutional Care - Type I		(3,477)	(3,477)			(3,477)	(57,966)	(61,443)
212399 NPC7 Service Delivery	53,525		53,525	53,525			(5,924)	(5,924)
212420 NPE0 Prevention Projects							4,796	4,796
212450 Canadian Heritage Education Grant							(571)	(571)
	2,592,016	113,741	2,705,757	2,963,876	(20,306)	(278,425)	(736,617)	(1,015,042)
EDUCATION								
361000 NP1M FNEC New Paths		45,000	45,000	41,953		3,047	21,362	24,409
361001 Career Promotion		614	614			614	(3,309)	(2,695)
361002 Youth Employment		7,439	7,439	7,439			(17)	(17)
361003 Science and Technology		6,022	6,022	6,022			794	794
361004 Skills Link		10,416	10,416	11,840		(1,424)	791	(633)
361005 FNSSP Student success		146,940	146,940	147,852		(912)	5,229	4,317
361007 Parental Involvement		5,614	5,614	2,647		2,967	(17,354)	(14,387)
361008 Professional Development		9,271	9,271	7,930		1,341	(3,137)	(1,796)
361009 Education Partnerships Program		95,152	95,152	66,182		28,970		28,970
361011 FNEC/DSSLP		7,000	7,000	6,629		371	(1,750)	(1,379)
361012 FNSSP/Early Literacy		10,699	10,699	13,834		(3,135)	3,135	
361013 NP1M New Paths		122,055	122,055	52,063		69,992		69,992
361300 NTHL Schools - O&M	118,186		118,186	117,004		1,182	153,137	154,319
362105 NP05 Instructional Services Formula Seq. 1	867,837	17,865	885,702	913,501	24,550	(3,249)	705,318	702,069
362106 NP06 Administration - Instructional Services	7,700		7,700	7,700				
362107 NP07 Enhanced Teachers Salaries	24,550		24,550		(24,550)			
362125 NP0R Tuition Agreements	792,541		792,541	792,541			(234,962)	(234,962)
362126 NP0S Ancillary Support	15,510		15,510	16,870		(1,360)	26,280	24,920
362138 NP12 Financial Assistance Allowances	16,227		16,227	4,708		11,519	180,438	191,957
362139 NP13 Guidance and Counselling	56,025		56,025	52,758		3,267	107,999	111,266
362140 NP14 Advice and Assistance, Provincial	99,761		99,761	98,397		1,364	164,425	165,789
362144 NP17 Student Accommodation Service Prov.	12,232		12,232	10,756		1,476	316	1,792
362145 NP18 Student Transportation Services	125,842	1,510	127,352	89,742		37,610	406,113	443,723

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

	INAC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
362150 NP09 Band operated School evaluation	68,750	(26,754)	41,996	41,996				
362165 NP1W Manage Cultural Education Centres	11,299		11,299	11,299				
362234 Band Operated School - Special Education		362,606	362,606	289,268		73,338	(16,933)	56,405
362270 NP5A Post-Secondary Student Support Program	288,803	1,229	290,032	341,218		(51,186)	(72,215)	(123,401)
362275 Post-Secondary Student Support Program		370	370	142,784	120,000	(22,414)		(22,414)
	2,505,263	823,048	3,328,311	3,294,933	120,000	153,378	1,425,660	1,579,038
PUBLIC WORKS								
408565 NTFF Wastewater Systems	56,877	6,840	63,717	51,308		12,409	(597,809)	(585,400)
408566 NTFG Water Systems	50,692	13,680	64,372	30,076		34,296	(71,342)	(37,046)
408627 Renovations and/or Additions QL33							49,547	49,547
408748 NTM8 Roads and Bridges QD88	175,000	(175,000)						
408749 NTNJ 2015-16 Route 132 Project AQB53	166,866	19,756	186,622	186,622				
408750 NTMA Municipal services (tools)	16,000	(16,000)						
408751NTMB Community Buildings		(43,470)	(43,470)			(43,470)		(43,470)
408754 NTME Contributions - Equipment QD88							(3,138)	(3,138)
408767 NTMT Roads and Bridges	24,699		24,699	33,679		(8,980)	(175,746)	(184,726)
408770 NTMW Community Buildings	22,317		22,317	6,778		15,539	73,718	89,257
408774 NTN0 Maintenance Management	29,355	564	29,919	58,075	28,000	(156)	(235,796)	(235,952)
408779 NTN5 Solid Waste 2009-2014	79,273		79,273	88,862		(9,589)	(22,071)	(31,660)
408800 NTU1 Roads and bridges	200,000		200,000	200,000				
408805 NTNW Community Capital Facilities	42,840		42,840	28,165		14,675	222,984	237,659
	863,919	(193,630)	670,289	683,565	28,000	14,724	(759,653)	(744,929)
PUBLIC SECURITY								
590104 Special Policing Tom		85,484	85,484	80,879		4,605		4,605
590105 Policing Services		486,792	486,792	607,133	72,500	(47,841)	(484,720)	(532,561)
590106 Police Tickets		8,678	8,678	4,180		4,498	12,827	17,325
590107 Dog Catcher				7,001	7,001			
590110 NTMZ Training - Fire Protection	12,300		12,300	31,422		(19,122)	87,598	68,476
590115 NTM5 Fire Protection QD88	12,800		12,800	354		12,446	76,800	89,246
590120 NTMS Fire Protection	27,281		27,281	37,197	10,000	84	1,548	1,632
	52,381	580,954	633,335	768,166	89,501	(45,330)	(305,947)	(351,277)
BAND SUPPORT								
630050 Coop Handicraft				13,001	13,001			
630060 Walgwan Center		164,274	164,274	35,986		128,288	509,274	637,562
640000 Estuary Fishing Agreement		1,371,180	1,371,180	1,283,258	(88,000)	(78)	(356,468)	(356,546)
640001 Community Beautification & Elder Assistance		13,580	13,580	114,227	102,000	1,353	(102,372)	(101,019)
641011 NG0F Band Support Funding	429,433	612,437	1,041,870	1,259,799	215,200	(2,729)	(593,544)	(596,273)
641016 NGOL Pension Plan Adm. Costs and Employer	43,194		43,194	38,587		4,607	(48,281)	(43,674)

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

	INAC	Other revenues	Total revenues	Total expenses	Transfers between programs	Adjusted Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
641017 NG0M CPP/QPP and Private Pension Plans	120,855	11,328	132,183	150,142		(17,959)	(65,067)	(83,026)
641366 NGBL Specific and Special Claims Submission	53,500	(4,538)	48,962	53,500		(4,538)	4,538	
641842 NG1C IT Government Capacity Development	48,000		48,000	47,906		94		94
641845 NG1E Financial Management Government Capacity Development	55,000	1,500	56,500	55,000		1,500	34,701	36,201
641850 NG1J Risk Management Government Capacity Development	40,000		40,000	40,000				
642057 NPG7 Indian Registry Administrators	12,416	2,647	15,063	32,204	17,200	59	8,490	8,549
Gesgapegiag Human Resource Development Commission		1,013,319	1,013,319	814,461		198,858	(319,859)	(121,001)
Gesgapegiag Natural Resources Inc.				107		(107)	67,130	67,023
Elimination of inter-organizational transactions upon consolidation		(209,886)	(209,886)			(209,886)		(209,886)
	802,398	2,975,841	3,778,239	3,938,178	259,401	99,462	(861,458)	(761,996)
ECONOMIC DEVELOPMENT								
642440 Ballfield		9,013	9,013	16,483	7,500	30	(92,451)	(92,421)
645000 Certification project		3,530	3,530	3,530				
645100 MRP		5,000	5,000	5,000				
650034 Assent of Route 132 MTQ		4,803,247	4,803,247	4,803,247			(19,928)	(19,928)
650050 Daycare Center Rent		73,325	73,325	60,741		12,584	(92,246)	(79,662)
651025 Rod Lease		150,000	150,000	150,000				
652000 Pastoral Agent		4,909	4,909	4,793		116	(104)	12
652150 Church Construction	515,331	(119,241)	396,090	396,090				
653000 Cascapedia Society		367,900	367,900	364,405		3,495	(2,593)	902
655000 Summer Student Employment Program				36,830	48,000	11,170	1,329	12,499
655700 Probation Officer		52,955	52,955	47,919		5,036	(56)	4,980
656600 Fish Profits From Previous Years		42,935	42,935	526,004	140,298	(342,771)	(8,652,878)	(8,995,649)
658000 Habitation Enhancement							(15,401)	(15,401)
708110 NT45 Community Economic Development Program	103,233	72,490	175,723	213,013	(137)	(37,427)	46,609	9,182
708112 Outfitting				925		(925)		(925)
708113 MNP	45,874	6,333	52,207	57,344	5,137			
708115 NT93CORP Community Development Program		5,899	5,899	4,688		1,211		1,211
708120 Basket Making		3,144	3,144			3,144		3,144
Elimination of inter-organizational transactions upon consolidation				(243,987)		243,987		243,987
	664,438	5,481,439	6,145,877	6,447,025	200,798	(100,350)	(8,827,719)	(8,928,069)
COMMERCIAL								
860000 Mid-Shore Fisheries		5,297,280	5,297,280	3,209,785	(876,000)	1,211,495	15,163,305	16,374,800
860003 Joneve		317,801	317,801	125,801	(42,000)	150,000	192,211	342,211

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

	INAC	Other revenues	Total revenues	Total expenses	Transfers between programs	Adjusted Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
860004 Sub-contract Other Species		18,862	18,862	175	(24,200)	(5,513)	27,731	22,218
860005 Fisheries Training C4		190,512	190,512	221,688		(31,176)	580,575	549,399
860006 Natural Resources Administration		138,512	138,512	366,795	168,000	(60,283)	(532,550)	(592,833)
860010 Gesgapegiag Lobster boat Wholesale Project		348,036	348,036	296,823	(30,000)	21,213	114,534	135,747
860034 Ansalewit & Guiuimu boats		247,203	247,203	244,502		2,701		2,701
860036 Communal Fisheries		900,260	900,260	917,390		(17,130)	234,530	217,400
870999 Forestry General		799,649	799,649	717,656	(15,000)	66,993	528,769	595,762
871000 Forestry Training		35,155	35,155	73,554	20,000	(18,399)	(118,916)	(137,315)
872000 Production/Forestry		183,227	183,227	189,352		(6,125)	(72,865)	(78,990)
872500 Community Firewood Assistance		140,140	140,140	151,929		(11,789)	(79,868)	(91,657)
873000 Baldwin & Lake St Anne Project							(5,033)	(5,033)
9252-9106 Québec Inc.		752,223	752,223	709,715		42,508	(1,870,413)	(1,827,905)
9309-0942 Québec Inc.		902,518	902,518	900,790		1,728	(42,602)	(40,874)
Elimination of inter-organizational transactions upon consolidation		(150,000)	(150,000)	(242,759)		92,759		92,759
	10,121,378	10,121,378	7,883,196	(799,200)	1,438,982	14,119,408	15,558,390	
CAPITAL HOUSING								
990000 Housing Construction Section 95		750	750	41,521	40,800	29		29
990001 Housing Inspection		4,317	4,317	4,317			1,510	1,510
990004 Housing Repair	130,000	46,004	176,004	231,503	54,200	(1,299)	(24,072)	(25,371)
990005 Residential Rehabilitation Assistance Program		99,052	99,052	105,177		(6,125)	(134,992)	(141,117)
990007 Construction Art. 95	241,896	20,955	262,851	262,851				
990011 NTKM Housing Councils	12,800	1,608	14,408	26,310	13,000	1,098	(42,790)	(41,692)
990012 NTKQ Management Support	1,200		1,200	1,200			3,225	3,225
990014 Duplex 13A&B							(24,689)	(24,689)
990017 NTLE Housing policy development	53,462	(40,253)	13,209	13,209				
990018 NTLE Housing software and training	14,043		14,043	14,043				
990024 Healing Lodge	180,000	3,696	183,696	183,696			(7,403)	(7,403)
999001 Mortgage Payments		73,132	73,132	32,737	16,000	56,395	(1,233,790)	(1,177,395)
999990 Amortization of tangible capital assets		498,980	498,980	830,232		(331,252)	(4,698,424)	(5,029,676)
Micmacs Housing Corporation		432,654	432,654	413,818		18,836	(1,392,974)	(1,374,138)
Elimination of inter-organizational transactions upon consolidation		(126,860)	(126,860)			(126,860)		(126,860)
	633,401	1,014,035	1,647,436	2,160,614	124,000	(389,178)	(7,554,399)	(7,943,577)
PRIOR PERIOD FINANCIAL								
999999 Discontinued projects							4,715,347	4,715,347
TOTAL	8,113,816	22,630,542	30,744,358	29,973,358		771,000	1,478,921	2,249,921

Micmacs of Gesgapegiag Band
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2017

						Adjusted Excess accumulated (deficiency) surplus of revenues (deficit), over beginning of expenses year	Accumulated surplus (deficit), end of year
INAC	Other revenues	Total revenues	Total expenses	Transfers between programs			
\$	\$	\$	\$	\$	\$	\$	\$
