

Micmacs of Gesgapegiag Band
Consolidated Financial Statements
March 31, 2019

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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 Canadian Institute of Chartered Accountants 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 audit, 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.

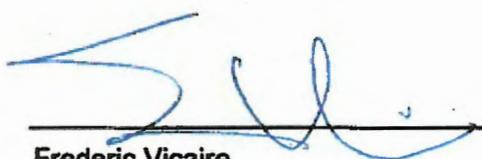
On behalf of Micmacs of Gesgapegiag Band:



Roderick Larocque

Chief

July 17, 2019



Frederic Vicaire

Director General

**Raymond Chabot
Grant Thornton LLP
189 Perron Blvd. West
New Richmond, Quebec G0C 2B0
T 418-392-5001**

Independent Auditor's Report

**To the Directors of
Micmacs of Gesgapegiag Band**

Qualified opinion

We have audited the consolidated financial statements of Micmacs of Gesgapegiag Band (hereafter "the Organization"), which comprise the consolidated statement of financial position as at March 31, 2019, 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 notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the "Basis for qualified opinion" section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2019, and the results of its operations, the change in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for qualified opinion

The Organization presents a \$4,864,895 deferred contribution related to tangible capital assets in liabilities that should have been recognized as revenues upon the acquisition of the related tangible capital asset, 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, 2018. If the deferred contributions related to tangible capital assets had been presented in revenues upon the acquisition of the related tangible capital asset, revenues and excess of revenues over expenses would have been increased by \$532,417 in 2019 and \$400,454 in 2018, accumulated surplus would have increased by \$4,864,895 in 2019 and \$4,332,478 in 2018 and liabilities would have been reduced by the same amount.

Also, Micmacs of Gesgapegiag Band interest in Mi'gmawei Mawiomi Resources L.P., a limited partnership accounted at cost, is carried at \$100 on the statement of financial position as at March 31, 2019 and 2018, and Micmacs of Gesgapegiag Band share of Mi'gmawei Mawiomi Resources L.P.'s net income is not included in Micmacs of Gesgapegiag Band's income for the years ended March 31, 2019 and 2018 in accordance with the modified equity method, as required by Canadian public sector accounting standards. Our opinion on the financial statements for the year ended March 31, 2018 was qualified accordingly because of the possible effects of this departure.

Finally, the Organization accounts for operations related to housing units – Article 95 in accordance with the requirements of the Canadian Mortgage Housing Corporation (C.M.H.C.), as described in the accounting policy "Tangible capital asset" in Note 2. This departure from Canadian public sector accounting standards mainly relates to tangible capital assets amortization, the recognition of C.M.H.C. capital contribution and the accounting of reserved funds.

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 Organization 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 qualified opinion.

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 Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

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 Organization'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 Organization'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 Organization 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 group 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.

1

Raymond B. Grant Thornton LLP

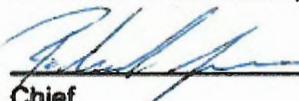
New Richmond
July 17, 2019

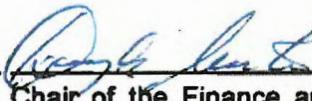
**Micmacs of Gesgapegiag Band
Consolidated Financial Position
March 31, 2019**

	2019	2018
	\$	\$
FINANCIAL ASSETS		
Cash	3,665,805	2,449,893
Term deposits	946,787	14,269
Accounts receivable (Note 3)	615,515	1,569,193
Current income tax asset		1,809
Due from government and other government organizations (Note 4)	2,556,368	1,625,298
Gas inventory	4,583	5,000
Investments (Note 5)	101	101
	<u>7,789,159</u>	<u>5,665,563</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	2,657,679	2,474,224
Current income tax liability	96,904	
Deferred revenues (Note 7)	2,568,697	1,699,242
Current portion of long-term debt (Note 8)	2,450,011	1,584,014
Long-term debt (Note 8)	4,147,352	4,925,298
Deferred contributions related to tangible capital assets (Note 9)	4,864,895	4,332,478
Reserve funds		
Replacement reserve (Note 10)	317,558	293,309
Operating reserve (Note 11)	305,147	282,618
	<u>17,408,243</u>	<u>15,591,183</u>
NET DEBT	<u>(9,619,084)</u>	<u>(9,925,620)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses		54,251
Tangible capital assets (Note 12)	<u>14,389,562</u>	<u>13,735,626</u>
	<u>14,389,562</u>	<u>13,789,877</u>
ACCUMULATED SURPLUS	<u>4,770,478</u>	<u>3,864,257</u>

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

On behalf of the Board,


Chief


Chair of the Finance and Audit Committee


Financial Controller

**Micmacs of Gesgapegiag Band
Consolidated Operations**
Year ended March 31, 2019

	Unaudited budget	2019	2018
	\$	\$	\$
Revenues			
<i>Federal government transfers</i>			
ISC Grant	520,832	528,817	535,259
ISC Fixed Contribution	6,472,029	6,594,661	5,566,833
ISC Set Contribution	482,340	215,761	2,261,368
ISC Flexible Contribution	1,373,388	1,319,849	83,824
Contribution receivable (payable) (Note 15)		(93,130)	(181,687)
Canadian Heritage			80,238
Correction of receivable, deferred revenues and unexpended funding of prior years		(253,181)	682,578
Health Canada	1,945,219	1,962,347	1,944,112
Solicitor General of Canada	300,153	300,153	250,858
First Nations Education Council	845,740	845,738	853,696
Revenue Canada		64,816	44,533
Canada Mortgage and Housing Corporation	251,200	141,606	232,591
Canada Economic Development		34,867	189,615
Department of Fisheries and Oceans	55,000	184,870	119,258
	12,245,901	11,847,174	12,663,076
<i>Provincial government transfers</i>			
First Nations Human Resources Development			
Commission of Quebec		486,400	474,556
Ministre de la Sécurité publique	330,064	330,019	283,842
Ministre de la Culture et des Communications		66,000	
Ministre des Forêts, de la Faune et des Parcs du Québec	1,118,862	1,134,128	1,134,128
Secrétariat aux Affaires Autochtones	81,750	1,131,745	
Native Commercial Credit Corporation (SOCCA)		257,037	533,978
First Nations of Quebec and Labrador Health and Social Services Commission	140,394	88,646	221,933
Emploi Québec	12,480		39,833
Ministre des Transports du Québec		6,187	292,612
	1,683,550	3,498,162	2,980,882
<i>Other</i>			
Listuguj Mi'gmaq Development Council		142,088	287,087
Welfare injection	69,622	108,276	133,452
Gesgapegiag Human Resource Development Commission	6,927	240	25,314
Community services		27,890	27,306
Gain on disposal of tangible capital assets		503,492	238,330
Rental revenues	247,194	483,236	489,886
Administration revenues	746,000	589,979	670,577
Forestry sales	856,291	945,459	809,420
Fisheries sales	6,038,310	10,233,775	12,251,675

**Micmacs of Gesgapegiag Band
Consolidated Operations**
Year ended March 31, 2019

	Unaudited budget	2019	2018
	\$	\$	\$
Fishing leases	891,250	997,250	829,465
Fishing contributions		341,327	283,424
Other revenues	1,917,400	943,218	1,188,233
Excavation sales		20,246	43,287
Gas, restaurant and rooms sales		224,228	190,636
Deferred contribution related to tangible capital assets		(713,974)	(615,300)
Amortization of deferred contributions related to tangible capital assets		587,843	541,736
Deferred revenue from previous years	161,492	1,699,242	644,272
Less: Deferred revenue		(2,568,697)	(1,699,242)
	<u>10,934,486</u>	<u>14,565,118</u>	<u>16,339,558</u>
	<u>24,863,937</u>	<u>29,910,454</u>	<u>31,983,516</u>
 Expenses			
Salaries and fringe benefits	9,250,924	10,505,086	9,768,548
Travel	360,716	527,237	436,072
Professional fees	607,997	496,856	690,067
Material and equipment rental	81,302	96,264	100,246
Training and development	199,875	154,221	184,374
Fishing quota rental			540
Honoraria	1,280,087	1,259,516	1,258,535
Contracted services	3,244,122	4,052,020	6,371,257
Membership fees	9,875	5,293	11,491
Materials and supplies	840,689	2,928,916	2,559,078
Office supplies and expenses	64,870	109,652	100,726
Repair and maintenance	477,851	1,045,137	813,138
Energy	781,142	859,341	1,115,657
Telecommunications	99,538	109,689	152,417
Insurance	103,027	180,771	198,323
Interest and bank charges	107,476	86,570	172,110
Interest on long-term debt	123,412	258,574	233,487
Doubtful accounts	48,000	429,335	193,466
Administration charges	643,266	572,490	686,665
Room and board and educational allowances	354,916	425,955	398,198
Business contributions	175,811	10,347	292,788
Contributions to community activities	34,600	54,436	22,823
Band contributions	92,000	415,378	341,831
Program aids	356,007	519,549	411,775
Medical fees	77,904	168,961	119,630
Tuition fees	525,229	351,446	843,574
Other	13,000	6,323	34,695
Basic needs	850,000	703,287	677,824
Special needs	53,969	8,570	17,584
Purchase of equipment	89,575	1,059,126	898,586

**Micmacs of Gesgapegiag Band
Consolidated Operations**
Year ended March 31, 2019

	Unaudited budget	2019	2018
	\$	\$	\$
Welfare injection	583,064	99,732	133,974
Registration fees	23,480	96,870	61,711
Placements	638,446	1,099,632	510,397
Purchases for resale		105,205	144,941
Variation of gas inventory		418	(5,000)
Fishing permit		700,000	
Annual contribution - replacement reserve		40,850	43,100
Expenses capitalized to tangible capital assets	(1,764,430)	(1,637,267)	
Amortization of tangible capital assets	1,122,788	1,210,898	
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenses before income taxes	22,192,170	28,901,401	29,568,259
Current income taxes	2,671,767	1,009,053	2,415,257
Excess of revenues over expenses	<hr/>	<hr/>	<hr/>
	2,671,767	912,149	2,415,082

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, 2019

	2019	2018
	\$	\$
Balance, beginning of year	3,864,257	1,453,918
Excess of revenues over expenses	912,149	2,415,082
	4,776,406	3,869,000
Adjustment to prior years (Note 16)	5,928	4,743
Balance, end of year	4,770,478	3,864,257

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, 2019

	2019	2018
	\$	\$
Excess of revenues over expenses	912,149	2,415,082
Adjustment to prior years (Note 16)	<u>(5,928)</u>	<u>(4,743)</u>
	<u>906,221</u>	<u>2,410,339</u>
Tangible capital assets		
Acquisition of tangible capital assets	(2,476,839)	(2,539,521)
Disposal of tangible capital assets	1,203,607	253,461
Gain on disposal of tangible capital assets	(503,492)	(229,299)
Amortization of tangible capital assets	<u>1,122,788</u>	<u>1,210,898</u>
Total tangible capital assets		
	<u>(653,936)</u>	<u>(1,304,461)</u>
Use (acquisition) of prepaid expenses	54,251	(4,985)
Changes in net debt	<u>306,536</u>	<u>1,100,893</u>
Net debt, beginning of the year	<u>(9,925,620)</u>	<u>(11,026,513)</u>
Net debt, end of the year	<u>(9,619,084)</u>	<u>(9,925,620)</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, 2019

	2019	2018
	\$	\$
OPERATING ACTIVITIES		
Excess of revenues over expenses	912,149	2,415,082
Non-cash items		
Amortization of tangible capital assets	1,122,788	1,210,898
Amortization of deferred contributions related to tangible capital assets	(587,843)	(541,736)
Transfer to the replacement reserve fund for the year	40,850	43,100
Gain on disposal of tangible capital assets	<u>(503,492)</u>	<u>(238,330)</u>
	<u>984,452</u>	<u>2,889,014</u>
Net change in assets and liabilities		
Accounts receivable	953,678	(373,735)
Current income tax asset	1,809	(1,809)
Due from government and other government organizations	<u>(931,070)</u>	<u>158,091</u>
Gas inventory	417	(5,000)
Prepaid expenses	54,251	(4,985)
Accounts payable and accrued liabilities	183,455	(458,608)
Current income tax liability	96,904	96,904
Deferred revenues	<u>869,455</u>	<u>1,054,970</u>
	<u>1,228,899</u>	<u>368,924</u>
Cash flows from operating activities	<u>2,213,351</u>	<u>3,257,938</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(2,476,839)	(2,539,521)
Disposal of tangible capital assets	<u>1,203,607</u>	<u>253,461</u>
Cash flows from capital activities	<u>(1,273,232)</u>	<u>(2,286,060)</u>
INVESTING ACTIVITIES		
Term deposits and cash flows from investing activities	<u>(932,518)</u>	<u>-----</u>
FINANCING ACTIVITIES		
Long-term loans	1,983,723	2,258,604
Repayment of long-term loans	<u>(1,895,672)</u>	<u>(2,272,385)</u>
Deferred contributions related to tangible capital assets	<u>1,120,260</u>	<u>951,221</u>
Cash flows from financing activities	<u>1,208,311</u>	<u>937,440</u>
Net increase in cash	1,215,912	1,909,318
Cash, beginning of year	<u>2,449,893</u>	<u>540,575</u>
Cash, end of year	<u>3,665,805</u>	<u>2,449,893</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, 2019

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 - 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*.

Interests in joint arrangement and limited partnership

The Organization has interests in a jointly controlled enterprise and in a limited partnership. It has elected to recognize interests in the joint arrangement and the limited partnership (which constitutes a government business partnership) at cost.

Impairment of interests in joint arrangement and limited partnership

In the case of interests, 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.

Principles of consolidation

The consolidated financial statements 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., 9309-0942 Québec Inc., 9272-4152 Québec Inc., Gesgapegiag Business Corporation Inc. and Gesgapegiag Wealth Management Inc. which are wholly owned.

The consolidated financial statements also include investments in government businesses in which the Organization exercises joint control, that is, a 33% interest in Mi'gmawei Mawiomi Business Corporation and a 33% interest in Mi'gmawei Mawiomi Resources L. P., and which are accounted at cost.

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.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2019

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Externally restricted contributions are presented as a liability under Deferred revenue and recognized as revenue in the period in which they are used for the purposes specified. 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.

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 statement of consolidated financial position.

Financial assets and liabilities

Initial measurement

The Organization recognizes a financial asset or a financial liability on the consolidated 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).

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2019

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 consolidated 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.

Inventory valuation

Gas inventory is valued at the lower of cost and net realizable value. Cost is determined by the first in, first out method.

Non-financial assets

By nature, the Organization's non-financial assets are normally used to provide future services.

Tangible capital assets

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.

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:

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

	<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 consolidated operations and any write-downs are not subsequently reversed.

Trust funds

The Organization's Trust funds are included in these consolidated 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.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

3 - ACCOUNTS RECEIVABLE

	2019	2018
	\$	\$
Accounts receivable	1,155,115	1,074,126
Rents receivable	2,195,960	2,159,238
Advances	77,580	500,654
Indirect taxes receivable	97,392	162,336
Advances to Mi'gmawei Mawiomi Business Corporation, joint arrangement, without interest	160,000	
	<hr/>	<hr/>
Doubtful accounts	3,526,047	4,056,354
	<hr/>	<hr/>
	2,910,532	2,487,161
	<hr/>	<hr/>
	615,515	1,569,193

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

4 - DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	2019	2018
	\$	\$
Federal government		
Indigenous Services Canada (ISC)	727,723	359,272
Health Canada	49,342	281,860
C.M.H.C.	42,272	61,426
Department of Fisheries and Oceans	103,870	189,615
Canada Economic Development	7,017	91,052
First Nations Education Council	83,165	91,052
Solicitor General of Canada	300,153	
Provincial Government		
First Nations of Quebec and Labrador Health and Social Services Commission	60,767	11,065
Finance Québec	82,233	17,233
Ministre des Forêts, de la Faune et des Parcs du Québec	433,401	433,401
Secrétariat aux Affaires Autochtones	607,960	82,121
Ministre de la Sécurité publique	52,955	52,955
Ministre des Transports du Québec	5,510	36,891
Ministre de la Culture et des Communications		3,000
Emploi Québec		5,407
	2,556,368	1,625,298

5 - INVESTMENTS

	2019	2018
	\$	\$
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
	101	101

6 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2019	2018
	\$	\$
Trade accounts		
Salaries payable	1,713,787	1,201,180
Government remittances	221,171	375,923
Accrued interest	53,176	222,806
Account payable to Mi'gmawei Mawiomi Resources L. P., government business partnership, without interest	20,206	24,976
	649,339	649,339
	2,657,679	2,474,224

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
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7 - DEFERRED REVENUES

	2019	2018
	\$	\$
Federal government		
110004 Mental wellness team	103,516	159,440
110006 Brighter Futures BF	45,589	
110019 AHHRI Training		3,146
110040 JP - Service Coordination	100,814	26,071
110060 Social Service Child in Foster Allowance	83,463	20,109
110099 KH62 Traditional Healer (before 110090)	14,378	14,378
202306 NP95 Management Capacity	10,771	
202307 NP96 Clients Supports	9,691	
202308 NP88 Social Assistance for Employment and Training	160,788	
202309 NP97 Services Delivery	374	
202330 NP8R Service Delivery	3,786	
212383 NPD1 CFS Maintenance - Enhanced Prevention	617,510	253,384
212384 NPD0 CFS Maintenance - Enhanced Prevention		408,030
212388 NPD7 Prevention/Least Disruptive Measure		7,464
212395 NPC5 In-Home Care	16,683	
212398 NPC6 Foster Care	94,090	
212400 NPCV Community Based Initiative	132,396	
361000 NP1M FNEC New Paths	11,766	
361003 Science and Technology	8,432	
361005 FNSSP Student Success		18,969
361009 Education Partnerships Program	29,552	
361011 FNEC/DSSLP	4,985	1,752
361013 NP1M New Paths	67,940	49,243
362105 NP05 Instructional Services Formula Seq. 1	178,559	63,358
362138 NP12 Financial Assistance Allowances	32,689	15,563
362140 NP14 Advice and Assistance, Provincial	6,000	
362145 NP18 Student Transportation Services	11,372	
362150 NP09 Band Operated School Evaluation		26,660
362234 Band Operated School - Special Education	2,721	
362270 NP5A Post-Secondary Student Support Program		50,963
368500 School Repairs		12,626
408595 NTF6 Water System Rehabilitation (AQH34)	94,248	
408748 NTM8 Roads and Bridges QD88		249,005
590110 NTMZ Training - Fire Protection	24,600	12,300
590115 NTM5 Fire Protection QD88	12,800	
641017 NG0M CPP/QPP and Private Pension Plans	30,475	
641366 NGBL Specific Claims Submission	154,251	99,572
641845 NG1E Financial Management gov. Capacity Development	120,000	
641850 NG1J Risk Management gov Capacity Development	249,422	
642060 NTNP Land Use Planning Initiative	38,736	38,736
708113 NT90 Economic Development Opportunities MNP		13,531
990008 NTLC Renovations and Additions		117,849
990017 NTLE Housing Policy Development		16,864

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

7 - DEFERRED REVENUES (Continued)

	2019	2018
	\$	\$
Provincial government		
641012 Mobilisation	26,157	
641013 Cultural & Language	45,143	
650051 Daycare renovations	20,229	
Other		
212450 Services Canada for Elders Lodge	25,000	
	2,568,697	1,699,242

8 - LONG-TERM DEBT

	2019	2018
	\$	\$
Caisse Desjardins, prime rate (3.95% ; 3.45% as at March 31, 2018), reimbursed during the year		312,811
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in August 2020	4,267	7,467
Bank of Montreal, prime rate plus 2.5% (6.45%), payable on demand, maturing in April 2019	400,523	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	6,400	9,333
Bank of Montreal, secured by 4 housing units and by ISC, 4.89%, payable in monthly instalments of \$2,240, capital and interest, renegotiable in May 2019	275,543	288,843
Mortgage loan, secured by automotive equipment with a net carrying amount of \$9,232 as at March 31, 2019, 4.98%, payable in monthly instalments of \$435, capital and interest, maturing in October 2020	7,539	12,262
Bank of Montreal, prime rate plus 1.5% (5.45% ; prime rate plus 2.5% (5.95%) as at March 31, 2018), payable in monthly instalments of \$1,111, plus interest, maturing in February 2020	12,222	25,556
Bank of Montreal, prime rate plus 2.5% (6.45% ; 5.95% as at March 31, 2018), payable in monthly instalments of \$2,240, capital and interest, renegotiable in May 2019	131,837	152,654
Bank of Montreal, secured by 1 quadruplex and by ISC, 3.64%, payable in monthly instalments of \$1,521, capital and interest, renegotiable in July 2023	205,812	215,187
Bank of Montreal, secured by duplexes and by ISC, 4.99%, payable in monthly instalments of \$3,594, capital and interest, renegotiable in November 2019	447,639	468,272

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

8 - LONG-TERM DEBT (Continued)

	2019	2018
	\$	\$
Native Commercial Credit Corporation, secured by a hypothec on the universality of property and automotive equipment with a net carrying amount of \$113,828 as at March 31, 2019, 6.5%, payable in monthly instalments of \$2,315, capital and interest, maturing in November 2024	131,331	149,874
Laurentian Bank, secured by a building with a net carrying amount of \$18,824 as at March 31, 2019, 2.89%, payable in monthly instalments of \$233, capital and interest, renegotiable in August 2022	19,810	22,007
Laurentian Bank, secured by a building with a net carrying amount of \$14,850 as at March 31, 2019, 5.49%, payable in monthly instalments of \$299, capital and interest, renegotiable in August 2023	34,934	36,590
Mortgage loan, secured by automotive equipment with a net carrying amount of \$72,333 as at March 31, 2019, 5%, payable in monthly instalments of \$1,047, capital and interest, maturing in March 2024	55,498	65,031
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	6,400	9,600
Bank of Montreal, prime rate plus 1.5% (5.45% ; prime rate plus 2.5% (5.95%) as at March 31, 2018), payable by annual instalments of \$100,000, plus interest, maturing in March 2020	150,000	250,000
Native Commercial Credit Corporation, secured by a hypothec on the universality of property and the part of a building with a net carrying amount of \$64,391 as at March 31, 2019, 6.5%, payable in monthly instalments of \$804, capital and interest, maturing in December 2024	46,155	52,569
Laurentian Bank, secured by a building with a net carrying amount of \$40,065 as at March 31, 2019, 4.74%, payable in monthly instalments of \$483, capital and interest, renegotiable in July 2021	43,750	47,402
Native Commercial Credit Corporation, secured by a hypothec on the universality of property and a guarantee from 9252-9106 Quebec Inc., subsidiary, 6.25%, payable in monthly instalments of \$1,595, capital and interest, maturing in December 2032	176,259	184,112
Mortgage loan, secured by automotive equipment with a net carrying amount of \$201,667 as at March 31, 2019, 4.5%, payable in monthly instalments of \$6,292, capital and interest, maturing in November 2020	120,998	189,367
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,110 yearly, maturing in August 2027	93,506	104,615

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

8 - LONG-TERM DEBT (Continued)

	2019	2018
	\$	\$
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,720 yearly, maturing in August 2027	98,640	110,360
Bank of Montreal, prime rate plus 2.5% (6.45% ; 5.95% as at March 31, 2018), payable on demand, maturing in July 2019	49,650	301,550
Bank of Montreal, 4.45%, payable in monthly instalments of \$1,792, capital and interest, renegotiable in July 2022	268,603	277,929
Bank of Montreal, 4.19%, payable in monthly instalments of \$3,150, plus interest, renegotiable in February 2022	185,831	223,627
Bank of Montreal, prime rate plus 1.5% (5.45% ; prime rate plus 2.5% (5.95%) as at March 31, 2018), payable in monthly instalments of \$1,036, plus interest, maturing in May 2019	2,072	14,500
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	6,400	9,600
Bank of Montreal, 4.27%, reimbursed during the year		15,638
Mortgage loan, secured by automotive equipment with a net carrying amount of \$45,240 as at March 31, 2019, 7.65%, payable in monthly instalments of \$1,557, capital and interest, maturing in September 2021	44,471	58,250
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in March 2021	6,400	9,600
Loan, without interest, payable in monthly instalments of \$4,000, maturing in December 2020	83,978	131,978
Loan, without interest, payable in monthly instalments of \$7,711, maturing in December 2025	624,589	717,121
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in February 2022	9,333	12,267
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in April 2022	9,600	12,800
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$2,981 yearly, maturing in March 2022	8,944	11,925
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$3,200 yearly, maturing in April 2022	9,600	12,800

**Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements**

March 31, 2019

8 - LONG-TERM DEBT (Continued)

	2019	2018
	\$	\$
Bank of Montreal, 4.75%, payable in semi-annual instalments of \$32,091, capital and interest, maturing in December 2021	177,500	
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,715 yearly, maturing in October 2023	52,718	
Native Commercial Credit Corporation, secured by a hypothec on the boat and the fishing permit of 9272-4152 Quebec Inc., subsidiary, 6.5%, payable in monthly instalments of \$4,843, capital and interest, maturing in January 2024	240,398	
Native Commercial Credit Corporation, secured by a hypothec on the boat and the fishing permit of 9272-4152 Quebec Inc., subsidiary, 6.5%, payable in one instalment of \$245,000, plus interest, maturing in June 2019	245,000	
Project # 10, Caisse Desjardins, mortgage, original amount of \$104,800, secured by 2 housing units and by the C.M.H.C., 4.939%, payable in monthly instalments of \$642, capital and interest, renegotiable in September 2022	24,730	31,642
Project # 11, Bank of Montreal, mortgage, authorized amount of \$141,910, secured by 3 housing units and by ISC, 4.85%, payable in monthly instalments of \$888, capital and interest, renegotiable in December 2022	36,621	45,324
Project # 12, C.M.H.C., mortgage (19-072-495/001), authorized amount of \$70,000, secured by 2 housing units and 1 duplex, 1.86%, payable in monthly instalments of \$317, capital and interest, renegotiable in April 2019	18,123	21,544
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, renegotiable in September 2020	28,475	32,940
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, renegotiable in April 2021	47,855	54,314
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, renegotiable in April 2022	78,462	87,555

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Notes to Consolidated Financial Statements
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8 - LONG-TERM DEBT (Continued)

	2019	2018
	\$	\$
Project # 16, C.M.H.C., mortgage (19-072-495/005), authorized amount of \$92,538, secured by 3 housing units, 2.39%, payable in monthly instalments of \$427, capital and interest, renegotiable in March 2023	41,179	45,276
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, renegotiable in June 2020	32,819	35,497
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, renegotiable in June 2020	34,408	37,215
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, renegotiable in June 2021	140,447	152,084
Project # 19, C.M.H.C., mortgage (19-072-495/009), authorized amount of \$172,000, secured by 2 duplexes, 1.3%, payable in monthly instalments of \$713, capital and interest, renegotiable in June 2022	102,916	110,088
Project # 20, C.M.H.C., mortgage (19-072-495/010), authorized amount of \$104,000, secured by 1 quadruplex, 2.5%, payable in monthly instalments of \$467, capital and interest, renegotiable in June 2023	66,896	70,853
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, renegotiable in September 2019	77,782	82,822
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, renegotiable in October 2020	134,445	141,837
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, renegotiable in April 2022	910,096	954,134
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, renegotiable in April 2022	78,873	82,690

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
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8 - LONG-TERM DEBT (Continued)

	<u>2019</u>	<u>2018</u>
	\$	\$
Project # 25, C.M.H.C., mortgage (19-072-495/015), authorized amount of \$255,149, secured by 2 housing units, 2.49%, payable in monthly instalments of \$1,142, capital and interest, renegotiable in May 2023	<u>249,086</u>	<u>6,509,312</u>
Current portion	<u>6,597,363</u>	<u>6,509,312</u>
Subject to renewal	<u>934,133</u>	<u>387,648</u>
Other	<u>1,515,878</u>	<u>1,196,366</u>
	<u>2,450,011</u>	<u>1,584,014</u>
	<u>4,147,352</u>	<u>4,925,298</u>

The estimated instalments on long-term debt for the next five years are \$2,450,011 in 2020, \$810,378 in 2021, \$737,970 in 2022, \$1,524,974 in 2023 and \$834,102 in 2024.

9 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

	<u>2019</u>	<u>2018</u>
	\$	\$
Balance, beginning of year	<u>4,332,478</u>	<u>3,932,024</u>
ISC		
408748 NTM8 Roads and Bridges QD88	300,000	
Health Canada		
110000 Medical Transportation NIHBM/MT	29,951	
110015 Health Planning & Management HPM	19,500	
110040 JP-Service coordination	52,435	
Native Commercial Credit Corporation (SOCCA)		533,978
Canada Economic Development		189,615
Secrétariat aux Affaires Autochtones	636,894	
Other - Donation	24,744	
Other - Church Construction part 2		175,685
Canada Mortgage and Housing Corporation	56,736	51,943
Disposal		(9,031)
Amortization	<u>(587,843)</u>	<u>(541,736)</u>
Balance, end of year	<u>4,864,895</u>	<u>4,332,478</u>

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

10 - 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.

(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:

	<u>2019</u>	<u>2018</u>
	\$	\$
Reserve fund		
Balance, beginning of year	293,309	269,440
Adjustment requested by C.M.H.C. (Note 16)	<u>(16,601)</u>	<u>(19,231)</u>
Adjusted balance, beginning of year	276,708	250,209
Annual contribution - replacement reserve	40,850	43,100
Balance, end of year	<u>317,558</u>	<u>293,309</u>

No amount was transferred to the replacement reserve fund in 2019.

As at March 31, 2019, the Organization does not respect the obligation to hold these funds in a separate bank account.

11 - 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:

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Notes to Consolidated Financial Statements
 March 31, 2019

11 - OPERATING RESERVE (Post-1996 Program) (Continued)

	2019	2018
	\$	\$
Reserve fund		
Balance, beginning of year	282,618	258,644
Adjustment requested by C.M.H.C. (Note 16)	<u>22,529</u>	<u>23,974</u>
Balance, end of year	<u>305,147</u>	<u>282,618</u>

As at March 31, 2019, the Organization does not respect the obligation to hold these funds in a separate bank account.

12 - TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	Net carrying amount	2019	2018
	\$	\$	\$	\$	\$
Land	346,416		346,416		263,742
Buildings	23,458,053	12,753,192	10,704,861		10,729,785
Sanitation system	7,372,856	6,463,551	909,305		979,517
Automotive equipment	2,448,289	1,791,099	657,190		730,458
Material and equipment	1,399,000	1,057,198	341,802		212,411
Roads	602,391	210,306	392,085		422,205
Gravel pit	100,000		100,000		100,000
Boat	921,482	6,250	915,232		297,508
Building in construction	<u>22,671</u>		<u>22,671</u>		
	<u>36,671,158</u>	<u>22,281,596</u>	<u>14,389,562</u>		<u>13,735,626</u>

13 - BANK LOANS

The bank loan, for an authorized amount of \$1,000,000, bears interest at prime rate plus 2.5% (6.45%; 5.95% as at March 31, 2018) and is renegotiable annually.

The bank loan is secured by the accounts receivable and a mortgage on amounts receivable from Health Canada.

14 - 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.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

15 - CONTRIBUTION RECEIVABLE (PAYABLE)

	2019	2018
	\$	\$
Federal government		
110000 Medical Transportation NIHB/MT	(27,994)	(70,792)
110030 Children's Oral Health Initiative		(7,722)
110035 HCC Prof. dev.		(4,993)
202305 NP85 Basic Needs	112,987	
202308 NP88 Social Assistance for Employment and Training		(49,943)
202320 NP8L Special Needs	(16,185)	(1,416)
212395 NPC5 In-Home Care		89,384
212398 NPC6 Foster Care		(85,000)
361003 Science and Technology		(3,272)
362106 NP06 Administration - Instructional Services	(7,700)	
362270 NP5A Post-Secondary Student Support Program	(154,238)	
641017 NG0M CPP/QPP and Private Pension Plans		(21,939)
Other		
645100 MRP		(25,994)
	<hr/>	<hr/>
	(93,130)	(181,687)

16 - ADJUSTMENT TO PRIOR YEARS

After the review of the financial statements for the year ended March 31, 2018 by the Organization, the following adjustments were required:

	2019	2018
	\$	\$
Micmacs Housing Corporation		
Adjustment to operating reserve	22,529	23,974
Adjustment to replacement reserve	(16,601)	(19,231)
	<hr/>	<hr/>
	5,928	4,743

17 - CONTINGENCY

As at March 31, 2019, the Organization is contingently liable as endorser in long-term debts for members of the community for the amount of \$1,212,143 (\$1,227,702 in 2018).

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 consolidated financial statements because, at the consolidated financial statements date, it was not possible to make a reasonable estimate of the amounts in question.

Micmacs of Gesgapegiag Band Notes to Consolidated Financial Statements

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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 \$471,229 (\$384,999 in 2018). These transactions were measured at the exchange amount.

20 - ECONOMIC DEPENDENCE

The Organization receives 29% (26% in 2018) of its revenues from Indigenous Services Canada (ISC).

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 consolidated statement of financial position. The Organization has determined that the financial assets with more credit risk exposure are government transfers receivable, accounts receivable, rents receivable 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 receivable, rents receivable and advances balance are managed and analysed on an ongoing basis and, accordingly, the Organization's exposure to doubtful accounts is not significant.

The carrying amount on the consolidated 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:

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

21 - FINANCIAL INSTRUMENTS (Continued)

	2019	2018
	\$	\$
Cash	3,665,805	2,449,893
Term deposits	946,787	14,269
Accounts receivable	1,155,115	1,074,126
Rents receivable	2,195,960	2,159,238
Advances	77,580	500,654
Advances to joint arrangement		160,000
Government transfers receivable	<u>2,556,368</u>	<u>1,625,298</u>
	10,597,615	7,983,478

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

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 \$2,910,532 as at March 31, 2019 (\$2,487,161 as at March 31, 2018).

Market risk

The Organization's financial instruments expose it to market risk, in particular to 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.

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 the bank loan 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, 2018) 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 consolidated statement of financial position.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2019

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, 2019, 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	2,657,679			
Long-term debt	1,753,005	791,205	3,795,735	355,135
	<u>4,410,684</u>	<u>791,205</u>	<u>3,795,735</u>	<u>355,135</u>

22 - COMMITMENTS

The Organization has entered into long-term lease agreements expiring from January to October 2021 which call for minimum lease payments of \$86,964 for the rental of equipments.

Minimum lease payments for the next three years are \$39,492 in 2020, \$31,022 in 2021 and \$16,450 in 2022.

23 - TRUST FUNDS HELD BY ISC

	March 31, 2018	\$	Withdrawals		March 31, 2019
			Addition 2019	2019	
Revenue	42,613				43,619
Capital	647		1,006		647
	<u>43,260</u>		<u>1,006</u>		<u>44,266</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.

24 - COMPARATIVE FIGURES

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

25 - 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, 2019**

26 - 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 summary of Significant Accounting Policies as described in Note 2. The segment results for the period are as follows :

	Health			Social services			Education		
	Unaudited Budget		2019 \$	Unaudited Budget		2019 \$	Unaudited Budget		2019 \$
	2019	2018		2019	2018		2019	2018	
Revenues									
Federal government transfers	1,945,219	1,883,314	1,907,373	3,382,117	3,662,822	3,169,421	3,444,258	3,371,902	4,018,963
Provincial government transfers	121,370	87,169	104,080						
Other revenues	40,436	(126,245)	(178,841)	41,436	(365,649)	(634,453)	161,492	(102,290)	(153,383)
Total Revenues	2,107,025	1,844,238	1,832,612	3,423,553	3,297,173	2,534,968	3,605,750	3,269,612	3,865,580
Expenses									
Salaries and fringe benefits	1,287,192	1,179,707	1,109,315	1,000,188	970,147	985,683	1,842,890	1,658,251	1,469,948
Amortization									
Other expenses	726,668	721,236	657,418	2,351,287	2,284,609	1,558,868	1,796,726	1,611,361	2,556,429
Total expenses	2,013,860	1,900,942	1,766,733	3,351,475	3,254,756	2,544,551	3,639,616	3,269,612	4,026,377
Transfers between programs									
Excess (deficiency) of revenues over expenses	56,704	23,097		5,000		(7,928)			(13,655)
	93,165		88,976	77,078	42,417	(17,511)	(33,866)		(174,452)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2019

26 - SEGMENT DISCLOSURES (Continued)

	Public works			Public security			Band support		
	Unaudited Budget		2018	Unaudited Budget		2018	Unaudited Budget		2018
	2019	2019		2019	2019		2019	2019	
Revenues									
Federal government transfers	621,301	621,301	578,122	362,134	362,634	333,913	1,905,055	1,471,944	1,221,923
Provincial government transfers		6,187		277,064	277,064	230,887	998,862	1,617,528	1,473,684
Other revenues	(9,860)		204,411	36,000	18,594	96,259	1,339,251	853,466	1,672,537
Total Revenues	621,301	617,628	782,533	675,198	658,292	661,059	4,243,168	3,942,938	4,368,144
Expenses									
Salaries and fringe benefits	245,929	191,887	204,882	526,060	547,701	595,126	934,691	1,150,704	1,236,440
Amortization									
Other expenses	272,019	617,246	671,291	131,829	197,993	183,402	2,334,522	2,651,830	3,137,330
Total expenses	517,948	809,133	876,173	657,889	745,694	778,528	3,269,213	3,802,534	4,373,770
Transfers between programs	196,000	216,000	51,000	80,000	79,494	71,429	357,000	144,204	147,330
Excess (deficiency) of revenues over expenses	299,353	24,495	(42,640)	97,309	(7,908)	(46,040)	1,330,955	284,608	141,704

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2019

26 - SEGMENT DISCLOSURES (Continued)

	Economic development			Commercial			Capital housing		
	Unaudited Budget		2019 \$	Unaudited Budget		2019 \$	Unaudited Budget		2019 \$
	2019 \$	2018 \$		2019 \$	2018 \$		2019 \$	2018 \$	
Revenues									
Federal government transfers	165,617	262,551	332,543	55,000	184,870	171,683	365,200	25,836	929,138
Provincial government transfers	151,254	873,426	1,022,237	135,000	636,788	149,994			
Other revenues	856,540	1,088,222	840,758	6,959,331	12,182,678	13,794,356	1,500,000	1,026,202	697,911
Total Revenues	1,173,411	2,224,199	2,195,538	7,149,331	13,004,336	14,116,033	1,865,200	1,052,038	1,627,049
Expenses									
Salaries and fringe benefits	857,920	912,417	1,072,243	1,650,000	3,217,329	2,717,525	906,054	676,943	377,395
Amortization								933,098	890,053
Other expenses	714,730	1,294,276	1,625,448	3,420,039	7,323,872	7,444,156	1,193,426	857,699	1,075,482
Total expenses	1,572,650	2,206,693	2,697,691	5,070,039	10,541,201	10,161,681	2,099,480	2,467,740	2,342,930
Transfers between programs	348,900	98,564	650,409	(1,200,000)	(1,188,146)	(1,216,400)	213,100	593,180	294,718
Excess (deficiency) of revenues over expenses	(50,339)	116,070	148,256	879,292	1,274,989	2,737,952	(21,180)	(822,522)	(421,163)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2019

26 - SEGMENT DISCLOSURES (Continued)

	Total		
	Unaudited	2019	2018
	Budget 2019	\$	\$
Revenues			
Federal government transfers	12,245,901	11,847,174	12,663,079
Provincial government transfers	1,683,550	3,498,162	2,980,882
Other revenues	<u>10,934,486</u>	<u>14,565,118</u>	<u>16,339,555</u>
Total Revenues	<u>24,863,937</u>	<u>29,910,454</u>	<u>31,983,516</u>
Expenses			
Salaries and fringe benefits	9,250,924	10,505,086	9,768,557
Amortization		933,098	890,053
Other expenses	<u>12,941,246</u>	<u>17,560,121</u>	<u>18,909,824</u>
Total expenses	<u>22,192,170</u>	<u>28,998,305</u>	<u>29,568,434</u>
Transfers between programs			
Excess (deficiency) of revenues over expenses	<u>2,671,767</u>	<u>912,149</u>	<u>2,415,082</u>

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	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		127,444	127,444	243,299	115,855		(35,144)	(35,144)
110001 Tele Health		1,955	1,955	1,955				
110002 Suicide Prevention		23,130	23,130	23,130				
110003 National Native Alcohol and Drug Abuse		72,080	72,080	72,080			7,003	7,003
110004 Mental wellness team		55,924	55,924	55,924				
110005 Aboriginal Head Start On-Reserve AHSOR		86,585	86,585	86,585			71,110	71,110
110006 Brighter Futures BF		38,654	38,654	38,654			42,549	42,549
110007 HIV/AIDS Program (before Summer camp)		13,339	13,339	13,339			3,521	3,521
110008 Maternal Child Health MCH		41,303	41,303	41,303			4,812	4,812
110009 HL - Public Health							255,661	255,661
110010 Aboriginal Diabetes Initiative ADI		79,276	79,276	79,276			58,611	58,611
110011 Building Healthy Communities - BHC-MH		62,752	62,752	62,752			48,131	48,131
110012 Building Healthy Communities - Solvent		12,173	12,173	12,173			10,093	10,093
110013 Canada Prenatal Nutrition Program CPNP		19,524	19,524	19,524			14,734	14,734
110014 AHHRI Health Careers		11,843	11,843	11,843			(4,953)	(4,953)
110015 Health Planning & Management HPM		331,328	331,328	336,313	4,985		(305,411)	(305,411)
110016 Clinical and Client Care CCC		154,863	154,863	154,863			128,399	128,399
110018 FN and Inuit Health Services AS/Accreditation		38,945	38,945	38,945			37,982	37,982
110019 AHHRI Training		3,146	3,146	3,146				
110020 Environmental Public Health - Drinking		11,000	11,000	11,000			17,257	17,257
110025 Community Facilities O&M		147,952	147,952	147,952				
110030 Children's Oral Health Initiative		28,000	28,000	28,000			111	111
110035 HCC Prof. dev.		6,060	6,060	6,060			(4,728)	(4,728)
110037 Gesgapegiag Arena/Battfield (before 642440)		6,348	6,348	16,348	10,000		(92,348)	(92,348)
110038 Avenir enfant		34,214	34,214	34,214				
110040 JP-Service coordination		53,876	53,876	53,876				
110050 First Nations and Inuit Home and Commun HCC SD		214,673	214,673	214,673			(210,397)	(210,397)

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated	
							beginning of year	surplus (deficit), end of year
		\$	\$	\$		\$	\$	\$
110060 Social Service Child in Foster Allowance		10,349	10,349	10,349			49,216	49,216
110080 Fetal Alcohol Spectrum Disorder FASD		9,847	9,847	9,847				
110081 CHR, Healthy Leaving		66,033	66,033		(66,033)			
110090 Probation Officer (before 655700)		65,635	65,635	65,635			4,980	4,980
110091 Tobacco		15,987	15,987	7,884	(8,103)			
Sub total - Health		1,844,238	1,844,238	1,900,942	56,704		101,189	101,189
SOCIAL SERVICES								
202305 NP85 Basic Needs	590,054	154,660	744,714	703,041		41,673	(213,882)	(172,209)
202306 NP95 Management Capacity	50,682	(10,771)	39,911	39,911				
202307 NP96 Clients Supports	96,605	(9,691)	86,914	86,914				
202308 NP88 Social Assistance for Employment and Training	260,520	(160,788)	99,732	99,732			(96,694)	(96,694)
202309 NP97 Services Delivery	3,747	(374)	3,373	3,373				
202320 NP8L Special Needs	24,275	(16,185)	8,090	8,090			(29,289)	(29,289)
202330 NP8R Service Delivery	44,160	(1,477)	42,683	42,683			48,139	48,139
212373 NPD3 12373 Operations - CFS	511,915	1,763	513,678	513,678			(239,954)	(239,954)
212383 NPD1 CFS Maintenance - Enhanced Prevention	985,551	(364,126)	621,425	385,737	(235,688)		(41,273)	(41,273)
212384 NPD0 CFS Maintenance - Enhanced Prevention		378,270	378,270	613,958	235,688		(206,996)	(206,996)
212388 NPD7 Prevention/Least Disruptive Measure	361,290	7,464	368,754	368,754			(64,626)	(64,626)
212395 NPC5 In-Home Care	250,000	(124,649)	125,351	233,317	108,710	744	(336,760)	(336,016)
212398 NPC6 Foster Care	195,000	14,620	209,620	100,910	(108,710)			
212399 NPC7 Service Delivery		54,658	54,658	54,658			(5,924)	(5,924)
212400 NPCV Community Based Initiative		132,396	(132,396)					
Sub Total Social Services	3,560,853	(263,680)	3,297,173	3,254,756		42,417	(1,187,259)	(1,144,842)
EDUCATION								
361000 NP1M FNEC New Paths		54,034	54,034	54,034			21,362	21,362
361001 Career Promotion		4,580	4,580	4,580			(3,684)	(3,684)

Micmacs of Gesapegleg Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	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
		\$	\$	\$		\$	\$	\$
361002 Youth Employment		13,983	13,983	13,983			(17)	(17)
361003 Science and Technology		5,502	5,502	5,502			794	794
361004 Skills Link		14,094	14,094	14,094			(633)	(633)
361005 FNSSP Student Success		170,130	170,130	170,130			450	450
361007 Parental Involvement							(17,354)	(17,354)
361008 Professional Development							(3,366)	(3,366)
361009 Education Partnerships Program		41,688	41,688	41,688			(1,012)	(1,012)
361011 FNEC/DSSLP		3,767	3,767	3,767			(1,750)	(1,750)
361012 FNSSP/Early Literacy		15,917	15,917	15,917				
361013 NP1M New Paths		117,405	117,405	117,405			(1,450)	(1,450)
361300 NTHL Schools - O&M		118,186		118,186			154,319	154,319
362105 NP05 Instructional Services Formula Seq. 1	1,447,133	(106,894)	1,340,239	1,340,239			702,069	702,069
362106 NP06 Administration - Instructional Services		7,700	(7,700)					
362107 NP07 Enhanced Teachers Salaries		24,550		24,550				
362125 NP08 Tuition Agreements		205,661		205,661			(234,962)	(234,962)
362126 NP09 Ancillary Support		13,500		13,500			24,920	24,920
362138 NP12 Financial Assistance Allowances		22,570	(17,126)	5,444	5,444		191,957	191,957
362139 NP13 Guidance and Counselling		62,534		62,534			111,266	111,266
362140 NP14 Advice and Assistance, Provincial		78,803	(6,000)	72,803	72,803		165,789	165,789
362144 NP17 Student Accommodation Service Prov.		1,893		1,893	1,893		1,792	1,792
362145 NP18 Student Transportation Services		125,842	(11,372)	114,470	114,470		465,972	465,972
362150 NP09 Band Operated School Evaluation			26,660	26,660			(6,875)	(6,875)
362234 Band Operated School - Special Education			356,762	356,762	356,762		(19,186)	(19,186)
362270 NP5A Post-Secondary Student Support Program		576,459	(103,275)	473,184	473,184		(123,401)	(123,401)
368500 School Repairs			12,626	12,626	12,626			
Sub Total Education		2,684,831	584,781	3,269,612	3,269,612		1,427,000	1,427,000

Micmacs of Gesgapegiag Band**Consolidated Operations and Accumulated Surplus (Deficit) by Program**

Year ended March 31, 2019

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Adjusted accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
PUBLIC WORKS								
408565 NTFF Wastewater Systems	56,877	11,370	68,247	68,247			(589,577)	(589,577)
408566 NTFG Water Systems	50,692	10,140	60,832	60,832			(43,325)	(43,325)
408595 NTF6 Water System Rehabilitation (AQH34)	94,248	(94,248)						
408748 NTM8 Roads and Bridges QD88	200,000	(50,220)	149,780	138,827		10,953		10,953
408751 NTMB Community Buildings	21,000		21,000	21,000			(43,470)	(43,470)
408767 NTMT Roads and Bridges	24,699	6,187	30,886	67,178		(36,292)	(184,726)	(221,018)
408770 NTMW Community Buildings	22,317		22,317	22,317			89,257	89,257
408774 NTN0 Maintenance Management	29,355	251	29,606	105,379	35,000	(40,773)	(268,136)	(308,909)
408779 NTN5 Solid Waste 2009-2014	79,273		79,273	79,273			(31,660)	(31,660)
408805 NTNW Community Capital Facilities	42,840		42,840	42,840			237,659	237,659
410000 Community Beautification & Elder Assistance		112,847	112,847	203,240	181,000	90,607	(101,019)	(10,412)
Sub Total Public Works	621,301	(3,673)	617,628	809,133	216,000	24,495	(934,997)	(910,502)
PUBLIC SECURITY								
590104 Special Policing Tom		31,296	31,296	20,732		10,564	6,539	17,103
590105 Policing Services		583,468	583,468	651,656	68,188		(579,065)	(579,065)
590106 Police Tickets		4,351	4,351	375		3,976	21,427	25,403
590107 Dog Catcher				1,306	1,306			
590110 NTMZ Training - Fire Protection	12,300	(12,300)					68,476	68,476
590115 NTM5 Fire Protection QD88	12,800	(12,800)					89,246	89,246
590120 NTMS Fire Protection	27,281	1,796	29,077	61,525	10,000	(22,448)	(3,940)	(26,388)
590125 NTR0 Preparedness Emergency	10,100		10,100	10,100				
Sub Total Public Security	62,481	595,811	658,292	745,694	79,494	(7,908)	(397,317)	(405,225)
BAND SUPPORT								
630000 MMBC		18,000	18,000	4,031		13,969	(40,741)	(26,772)
630050 Coop Handicraft		3,500	3,500	18,474	15,000	26	(1,575)	(1,549)
630060 Walgwan Center		159,364	159,364	23,577		135,787	775,353	911,140

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	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
		\$	\$	\$		\$	\$	\$
640000 Estuary Fishing Agreement		1,375,734	1,375,734	1,375,734			(356,546)	(356,546)
641011 NG0F Band Support Funding	437,418	676,367	1,113,785	1,048,270		65,515	(568,479)	(502,964)
641012 Mobilisation		39,488	39,488	39,488				
641013 Cultural & Language		19,857	19,857	19,857				
641015 NG0H Band Support Funding Supp. Pension Plan		91,399	91,399	91,399				
641016 NG0L Pension Plan Administration		44,635	44,635	47,079		(2,444)	(38,579)	(41,023)
641017 NG0M CPP/QPP and Private Pension Plans	190,125	(8,536)	181,589	159,650		21,939	(25,128)	(3,189)
641366 NGBL Specific Claims Submission	110,550	(54,679)	55,871	55,871				
641840 NG1A Leadership		8,000	8,000	8,000				
641845 NG1E Financial Management gov. Capacity Development	155,333	(120,000)	35,333	155,333	120,000		36,201	36,201
641846 NG1F Human Resource Management	15,000		15,000	15,000				
641847 NG1G Basic Administration	20,000		20,000	20,000				
641850 NG1J Risk Management gov Capacity Development	366,314	(249,322)	116,992	116,992				
642057 NPG7 Indian Registry Administrators Gesgapegiag Human Resource Development Commission	11,231	2,716	13,947	23,151	9,204		8,549	8,549
Gesgapegiag Natural Resources Inc.			643,544	643,544		52,931	(142,740)	(89,809)
Elimination of inter-organizational transactions upon consolidation				115		(115)	66,910	66,795
Sub Total Band Support	1,450,005	2,492,933	3,942,938	3,802,534	144,204	284,608	(286,775)	833
ECONOMIC DEVELOPMENT								
650034 Assent of Route 132 MTQ							(19,928)	(19,928)
650050 Daycare Center Rent		74,352	74,352	69,251		5,101	(64,361)	(59,260)
650051 Daycare Renovations		20,229	20,229	20,229				
651025 Rod Lease		150,000	150,000	325,037	100,000	(75,037)	44,750	(30,287)
652000 Pastoral Agent Church		4,911	4,911	16,537	5,000	(6,626)	1,984	(4,642)

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus beginning of year	Accumulated surplus (deficit), end of year
		\$	\$	\$	\$	\$	\$	\$
652160 Museum				40,936	40,936			
653000 Cascapedia Society		470,644	470,644	440,805		29,839	8,932	38,771
655000 Summer Student Employment Program		22,648	22,648	37,273	14,625		24,811	24,811
656600 Fish Profits from Previous Years		389,977	389,977	86,117	(258,897)	44,963	(8,577,103)	(8,532,140)
708110 NT51 Community Economic Development Program	141,505	156,995	298,500	313,084	119,836	105,252	(44,943)	60,309
708112 Renovations Relais de la Cache		160,016	160,016	48,000		112,016	(224,001)	(111,985)
708113 NT90 Economic Development Opportunities MNP		13,531	13,531	13,531				
708120 Basket Making		(4,683)	(4,683)		1,539	(3,144)	3,144	
708125 Basket Making/Beading							(4,940)	(4,940)
708130 Lobsterhut Extension				10,390		(10,390)	(8,392)	(18,782)
708140 Chalets Ste-Helene		302,000	302,000	435,548		(133,548)	(157,850)	(291,398)
708145 Chalets Ste-Helene (Operationnel)		85,912	85,912	114,010		(28,098)	(1,194)	(29,292)
708150 La Cache (Operationnel)		177,183	177,183	234,083	56,900			
708155 Traffic Control				7,375		(7,375)	(8,274)	(15,649)
708170 NTE7 Tourism Initiative	24,112	34,867	58,979	77,604	18,625			
Elimination of inter-organizational transactions upon consolidation				(83,117)		83,117		
Sub Total Economic Development	165,617	2,058,582	2,224,199	2,206,693	98,564	116,070	(9,027,365)	(8,994,412)
COMMERCIAL								
860000 Mid-Shore Fisheries		4,696,952	4,696,952	3,001,475	(1,336,239)	359,238	18,691,134	19,050,372
860003 Joneve							357,444	357,444
860004 Sub-contract Other Species Mathilde							19,226	19,226
860005 Fisheries Training C4							588,234	588,234
860006 Natural Resources Administration		122,285	122,285	378,809	148,093	(108,431)	(672,727)	(781,158)
860007 Virginia Audrey				41,939		(41,939)		(41,939)
860008 Mathilde		504,684	504,684	49,182		455,502		455,502

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	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
							\$	\$	
860010 Gesgapegiag Lobsterfut		332,931	332,931	414,080		(81,149)	129,702	48,553	
860011 Lobster Whole Sale		1,862,842	1,862,842	1,921,411		(58,569)	46,265	(12,304)	
860025 Sea Cucumber		173,532	173,532	119,112		54,420	22,284	78,684	
860030 Additional Quota		1,497,464	1,497,464	495,738		1,001,726	551,582	1,553,308	
860034 Ansalewit & Guiuimu Boats		673,608	673,608	442,744		230,864	64,748	295,612	
860036 Communal Fisheries		1,179,662	1,179,662	1,258,040		(78,378)	121,084	42,706	
870999 Forestry General		606,128	606,128	520,728	(16,240)	69,160	626,962	696,122	
871000 Forestry Training		65,072	65,072	84,936	16,240	(3,624)	(167,924)	(171,548)	
872000 Production/Forestry		212,823	212,823	212,872		(49)	(70,784)	(70,833)	
872500 Community Firewood Assistance		203,264	203,264	197,142		6,122	(66,861)	(60,739)	
9252-9106 Québec Inc (Gesgapegiag Excavation)		303,033	303,033	498,986		(195,953)	(1,870,022)	(2,065,975)	
9309-0942 Québec Inc (Joneve)		570,056	570,056	197,861		372,195	(980,413)	(608,218)	
9272-4152 Québec Inc (Mathilde)				709,146		(709,146)		(709,146)	
Elimination of inter-organizational transactions upon consolidation				(3,000)		3,000			
Sub Total Commercial		13,004,336	13,004,336	10,541,201	(1,188,146)	1,274,989	17,389,914	18,661,903	
CAPITAL HOUSING									
990000 Housing Construction Sixplex		(220,770)	(220,770)			81,483	(139,287)	139,287	
990002 Small Repair		6,560	6,560	138,370	131,810				
990004 NTKA Housing Repair		65,000	65,000	182,395	117,395		(25,371)	(25,371)	
990005 RRAP		525	525	327,061	248,506	(78,030)	(288,103)	(366,133)	
990008 NTLC Renovations and Additions		120,849	120,849	120,849					
990009 NTKB Planning Design and Construction	48,000		48,000	55,157		(7,157)		(7,157)	
990010 NTKC Major Renovations, Extensions and Repairs	52,000		52,000	52,000					
990011 NTKM Housing Councils	12,800	42,747	55,547	69,533	13,986		(41,692)	(41,692)	
990012 NTKQ Management Support	1,200		1,200	1,200			3,225	3,225	
990017 NTLE Housing Policy Development		16,864	16,864	16,864					

Micmacs of Gesgapegiag Band**Consolidated Operations and Accumulated Surplus (Deficit) by Program**

Year ended March 31, 2019

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Adjusted accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
999001 Mortgage Payments		76,929	76,929	223,198		(146,269)	(1,103,117)	(1,249,386)
999990 Amortization of tangible capital assets		539,502	539,502	933,098		(393,596)	(5,428,995)	(5,822,591)
Micmacs Housing Corporation		372,949	372,949	348,015		24,934	(1,368,001)	(1,343,067)
Elimination of inter-organizational transactions upon consolidation		(83,117)	(83,117)			(83,117)		
Sub Total Capital Housing		114,000	938,038	1,052,038	2,467,740	593,180	(822,522)	(8,112,767)
PRIOR PERIOD FINANCIAL								
999999 Discontinued projects							4,886,706	4,886,706
TOTAL		8,659,088	21,251,366	29,910,454	28,998,305	912,149	3,858,329	4,770,478

Micmacs of Gesgapegiag Band

Consolidated Operations and Accumulated Surplus (Deficit) by Program

Year ended March 31, 2019

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), beginning of year	Adjusted accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
999001 Mortgage Payments		76,929	76,929	223,198		(146,269)	(1,103,117)	(1,249,386)
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Sub Total Capital Housing		114,000	938,038	1,052,038	2,467,740	593,180	(822,522)	(8,112,767)
PRIOR PERIOD FINANCIAL							4,886,706	4,886,706
999999 Discontinued projects								
TOTAL		8,659,088	21,251,366	29,910,454	28,998,305	912,149	3,858,329	4,770,478