

Micmacs of Gesgapegiag Band
Consolidated Financial Statements
March 31, 2023

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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:



John Martin

Chief



Clement Bernard

Director General

July, 31, 2023



Raymond Chabot
Grant Thornton LLP
138, route 132 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, 2023, 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, 2023, 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 \$10,709,352 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, 2022. 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 \$2,057,606 in 2023 and \$787,767 in 2022, accumulated surplus would have increased by \$10,709,352 in 2023 and \$8,651,746 in 2022 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, 2023 and 2022, 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, 2023 and 2022 in accordance with the modified equity method, as required by Canadian public sector accounting standards. The effects of this departure on the financial statements for the years ended March 31, 2023 and 2022 have not been determined. Our opinion on the financial statements for the year ended March 31, 2022 was qualified accordingly because of the possible effects of this departure.

Also, Micmacs of Gesgapegiag Band interest in Salaweg Inc. and Mi'gmawei Mawiomi Business Corporation Inc., a limited partnership accounted at cost, is carried at \$33 333 and \$1 respectively on the statement of financial position as at March 31, 2023 and 2022 and Micmacs of Gesgapegiag Band share of Salaweg Inc.'s and Mi'gmawei Mawiomi Business Corporation Inc., net income are not included in Micmacs of Gesgapegiag Band's income for the years ended March 31, 2023 and 2022 in accordance with the modified equity method, as required by Canadian public sector accounting standards. The effects of this departure on the financial statements for the years ended March 31, 2023 and 2022 have not been determined. Our opinion on the financial statements for the year ended March 31, 2022 was qualified accordingly because of the possible effects of this departure.

Also, the Organization has recorded a reserve for the purchase of boats, which constitutes a departure from Canadian public sector accounting standards. If the reserve for the purchase of boats had been reversed, as at March 31, 2023 and for the year ended on this date, the excess of revenues over expenses would have increased by \$975,000 (\$975,000 in 2022), the accumulated surplus would have increased by \$1,950,000 (\$975,000 in 2022) and the liabilities would have decreased by the same amount.

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. Our opinion on the financial statements for the year ended March 31, 2022 was qualified accordingly because of the possible effects of this departure.

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.

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Raymond Bhabot Grant Thornton LLP

New Richmond
July 31, 2023

¹ CPA auditor, public accountancy permit no. A123501


Micmacs of Gesgapegiag Band Consolidated Financial Position

March 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash	9,430,600	9,945,465
Restricted cash and deposits (Note 3)	929,238	781,506
Accounts receivable (Note 4)	3,284,566	2,836,909
Due from government and other government organizations (Note 5)	5,889,289	3,793,228
Inventory	29,545	28,998
Investments (Note 6)	33,434	33,434
	<u>19,596,672</u>	<u>17,419,540</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	3,713,137	5,708,592
Deferred revenues (Note 8)	12,547,329	4,968,286
Current portion of long-term debt (Note 9)	1,050,672	857,248
Long-term debt (Note 9)	2,820,844	3,058,383
Deferred contributions related to tangible capital assets (Note 10)	10,709,352	8,651,746
Reserve funds		
Replacement reserve (Note 11)	54,977	333,029
Operating reserve (Note 12)	624,635	595,284
Reserve for the purchase of boats	1,950,000	975,000
	<u>33,470,946</u>	<u>25,147,568</u>
NET DEBT	<u>(13,874,274)</u>	<u>(7,728,028)</u>
NON-FINANCIAL ASSETS		
Prepaid expenses	157,573	88,208
Tangible capital assets (Note 13)	23,200,989	19,541,716
	<u>23,358,562</u>	<u>19,629,924</u>
ACCUMULATED SURPLUS	<u>9,484,288</u>	<u>11,901,896</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, 2023

	Unaudited budget (note 25)	2023	2022
	\$	\$	\$
Revenues			
<i>Federal government transfers</i>			
ISC Grant	6,891,600	9,736,877	7,701,347
ISC Fixed Contribution	3,086,092	8,683,432	5,694,616
ISC Set Contribution	351,728	293,000	286,417
ISC Flexible Contribution	118,571	828,482	875,854
ISC Block Contribution	125,000	265,117	635,820
Contribution receivable (payable) (Note 16)		218,122	64,318
Correction of receivable, deferred revenues and unexpended funding of prior years		(322,467)	(66,996)
Health Canada		25,000	
Solicitor General of Canada	415,957	3,657,387	807,956
First Nations Education Council	723,541	540,181	782,493
Revenue Canada	32,644	105,881	119,112
Canada Mortgage and Housing Corporation	243,090	446,956	215,989
Canada Economic Development	78,300	200,000	11,814
Department of Fisheries and Oceans	85,000	870,814	440,318
Environment Canada		200,000	
Canadian Heritage		240,045	
	<u>12,151,523</u>	<u>25,988,827</u>	<u>17,569,058</u>
<i>Provincial government transfers</i>			
Ministre de la Sécurité publique	440,105	1,003,392	503,990
Ministre de la Culture et des Communications		371,500	37,500
Ministre des Forêts, de la Faune et des Parcs du Québec	1,179,128	1,563,350	1,808,055
Secrétariat aux Affaires Autochtones	272,500		210,125
Ministre des Transports du Québec			1,518
	<u>1,891,733</u>	<u>2,938,242</u>	<u>2,561,188</u>
<i>Other</i>			
First Nations Human Resources Development Commission of Quebec		519,336	763,842
Native Commercial Credit Corporation (SOCCA)		422,073	84,030
First Nations of Quebec and Labrador Health and Social Services Commission	105,797	187,271	310,192
Welfare injection	24,370	18,856	23,274
Gesgapegiag Human Resource Development Commission	48,000	185,745	129,828
Community services	14,400	26,856	30,394
Gain on disposal of tangible capital assets		169,602	
Rental revenues	266,928	747,640	797,495
Administration revenues	764,996	1,000,124	840,879
Forestry sales	992,250	1,036,846	869,160

Micmacs of Gesgapegiag Band Consolidated Operations

Year ended March 31, 2023

	Unaudited budget	2023	2022
	\$	\$	\$
Fisheries sales	10,011,000	15,402,106	15,000,171
Fishing leases	902,071	1,001,096	841,716
Fishing contributions	320,000		249,913
Other revenues	491,431	1,473,015	1,023,703
Excavation sales			783
Gas, restaurant and rooms sales		318,286	242,973
Lodging revenues	165,000	159,047	169,510
Deferred contribution related to tangible capital assets	195,000	(3,228,545)	(1,658,359)
Amortization of deferred contributions related to tangible capital assets		1,205,483	916,421
Deferred revenue from previous years	301,667	4,968,286	4,884,004
Less: Deferred revenue		(12,547,329)	(4,968,286)
	<u>14,602,910</u>	<u>13,065,794</u>	<u>20,551,643</u>
	<u>28,646,166</u>	<u>41,992,863</u>	<u>40,681,889</u>
Expenses			
Salaries and fringe benefits	12,499,576	17,388,161	13,564,783
Travel	399,967	697,371	237,771
Professional fees	676,342	278,781	715,377
Publicity and promotion		1,030	533
Material and equipment rental	223,089	326,621	279,778
Training and development	366,881	525,626	121,540
Fisheries purchases	2,251,474	3,554,853	3,064,568
Honoraria	310,444	155,157	305,336
Economics Stimulus Package	1,208,000	1,288,000	1,260,000
Contracted services	2,768,938	6,758,860	7,781,720
Membership fees	12,850	4,203	2,184
Materials and supplies	1,232,648	2,265,663	2,167,992
Office supplies and expenses	132,006	115,275	78,269
Repair and maintenance	708,297	1,226,230	783,574
Energy	841,058	1,429,540	818,881
Telecommunications	75,300	69,993	67,015
Insurance	124,763	470,370	389,786
Interest and bank charges	25,142	57,016	43,649
Interest on long-term debt	94,395	136,889	99,544
Doubtful (recovered) accounts		1,420,837	(179,465)
Administration charges	630,694	969,920	828,834
Room and board and educational allowances	395,344	455,690	465,415
Contract for payroll administration		328,000	968,528
Business contributions		117,188	2,246
Contributions to community activities	12,796	39,174	33,470
Band contributions	185,100	118,258	37,442
Program aids	282,391	430,732	303,082
Medical fees	159,868	399,614	329,823

Micmacs of Gesgapegiag Band Consolidated Operations

Year ended March 31, 2023

	Unaudited budget	2023	2022
	\$	\$	\$
Tuition fees	253,000	273,316	282,147
Other	48,500	77,288	19,489
Basic needs	1,280,000	1,115,265	863,520
Special needs	20,000	17,687	9,810
Purchase of equipment	390,332	2,555,010	1,109,706
Welfare injection	66,000	3,066	23,274
Registration fees	43,838	152,010	174,381
Placements	787,490	1,548,425	2,025,097
Purchases for resale		254,092	170,432
Variation of gas inventory		(546)	(1,835)
Contribution for the purchase of boats		975,000	975,000
Annual contribution - replacement reserve		40,730	41,780
Expenses capitalized to tangible capital assets	(1,029,691)	(5,711,653)	(3,759,927)
Amortization of tangible capital assets		2,052,378	1,688,701
	<u>27,476,832</u>	<u>44,381,120</u>	<u>38,193,250</u>
Excess of revenues over expenses	<u>1,169,334</u>	<u>(2,388,257)</u>	<u>2,488,639</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, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance, beginning of year	11,901,896	9,600,613
Excess (deficiency) of revenues over expenses	<u>(2,388,257)</u>	<u>2,488,639</u>
	9,513,639	12,089,252
Adjustment to prior years (Note 17)	<u>29,351</u>	<u>187,356</u>
Balance, end of year	<u>9,484,288</u>	<u>11,901,896</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, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
Excess of revenues over expenses	(2,388,257)	2,488,639
Adjustment to prior years (Note 17)	<u>(29,351)</u>	<u>(187,356)</u>
	<u>(2,417,608)</u>	2,301,283
Tangible capital assets		
Acquisition of tangible capital assets	(5,711,651)	(3,764,578)
Disposal of tangible capital assets	169,602	
Gain on disposal of tangible capital assets	(169,602)	
Amortization of tangible capital assets	<u>2,052,378</u>	<u>1,688,701</u>
Total tangible capital assets	<u>(3,659,273)</u>	<u>(2,075,877)</u>
Use (acquisition) of prepaid expenses	<u>(69,365)</u>	<u>(88,208)</u>
Changes in net debt	<u>(6,146,246)</u>	137,198
Net debt, beginning of the year	<u>(7,728,028)</u>	<u>(7,865,226)</u>
Net debt, end of the year	<u>(13,874,274)</u>	<u>(7,728,028)</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, 2023

	<u>2023</u>	<u>2022</u>
	\$	\$
OPERATING ACTIVITIES		
Excess (deficiency) of revenues over expenses	(2,388,257)	2,488,639
Non-cash items		
Amortization of tangible capital assets	2,052,378	1,688,701
Amortization of deferred contributions related to tangible capital assets	(1,205,483)	(916,421)
Transfer to the replacement reserve fund for the year	40,730	41,780
Use of the replacement reserve fund for the year	(318,782)	(81,805)
Reserve for the purchase of boats	975,000	975,000
Gain on disposal of tangible capital assets	(169,602)	
	<u>(1,014,016)</u>	<u>4,195,894</u>
Net change in assets and liabilities	<u>2,969,958</u>	<u>1,092,156</u>
Cash flows from operating activities <u>1,955,942</u> <u>5,288,050</u>
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	(5,711,651)	(3,764,578)
Disposal of tangible capital assets	<u>169,602</u>	
Cash flows from capital activities <u>(5,542,049)</u> <u>(3,764,578)</u>
INVESTING ACTIVITIES		
Restricted cash and deposits and cash flows from investing activities <u>(147,732)</u> <u>(158,287)</u>
FINANCING ACTIVITIES		
Long-term loans	618,350	124,575
Repayment of long-term loans	(662,465)	(753,916)
Deferred contributions related to tangible capital assets	<u>3,263,089</u>	<u>1,704,188</u>
Cash flows from financing activities	<u>3,218,974</u>	<u>1,074,847</u>
Net increase (decrease) in cash	<u>(514,865)</u>	<u>2,440,032</u>
Cash, beginning of year	<u>9,945,465</u>	<u>7,505,433</u>
Cash, end of year	<u>9,430,600</u>	<u>9,945,465</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, 2023

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., 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, a 33% interest in Mi'gmawei Mawiomi Resources L. P. and a 33% interest in Salaweg Inc., 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.

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.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Government transfers

Government transfers are recognized as revenue when authorized and when the Organization has satisfied any eligibility criteria unless the agreement stipulations create an obligation that meets the definition of a liability. In such a case, the government transfer is recognized as a liability under Government transfer liability.

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 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).

At each reporting date, the Organization measures its financial assets and liabilities from transactions not concluded with related parties at amortized cost (including any impairment in the case of financial assets), whereas those from related party transactions are measured using the cost method (including any impairment in the case of financial assets).

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
March 31, 2023

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 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, 2023

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.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2023

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 surplus 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.

3 - RESTRICTED CASH AND DEPOSITS

	<u>2023</u>	<u>2022</u>
	\$	\$
Replacement reserve fund (Note 11)	333,302	373,146
Operating reserve fund (Note 12)	595,936	408,360
	<u>929,238</u>	<u>781,506</u>

4 - ACCOUNTS RECEIVABLE

	<u>2023</u>	<u>2022</u>
	\$	\$
Accounts receivable	3,791,402	2,821,848
Rents receivable	2,580,909	2,468,172
Advances	52,346	55,462
Indirect taxes receivable	134,308	82,591
	<u>6,558,965</u>	<u>5,428,073</u>
Doubtful accounts	3,274,399	2,591,164
	<u>3,284,566</u>	<u>2,836,909</u>

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

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5 - DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS

	<u>2023</u>	<u>2022</u>
	\$	\$
Federal government		
Indigenous Services Canada (ISC)	1,350,741	868,513
Health Canada	(14,765)	(14,765)
C.M.H.C.	10,665	16,843
Department of Fisheries and Oceans	616,330	865,239
First Nations Education Council	130,314	186,098
Solicitor General of Canada		115,760
Natural Resources Canada	368,183	28,061
Canada Economic Development	20,000	11,814
Department of Canadian Heritage	78,291	43,225
Provincial Government		
Finance Québec	1,000	1,000
Ministre de l'Agriculture, des pêcheries et de l'Alimentation	194,656	269,250
Ministre des Forêts, de la Faune et des Parcs du Québec	854,021	333,544
Secrétariat aux Affaires Autochtones	148,200	170,325
Ministre de la Sécurité publique	1,382,717	712,400
Ministre des Transports du Québec	5,510	7,255
Sûreté du Québec	520,429	74,891
Ministre de la Culture et des Communications	110,000	15,000
CNESST		(21,467)
Other		
First Nations of Quebec and Labrador Health and Social Services Commission	107,813	110,242
First Nation Human Resources Development Commission of Quebec	5,184	
	<u>5,889,289</u>	<u>3,793,228</u>

6 - INVESTMENTS

	<u>2023</u>	<u>2022</u>
	\$	\$
Mi'gmawei Mawiomi Resources L.P., government business partnership		
Capital	100	100
Mi'gmawei Mawiomi Business Corporation Inc., joint arrangement		
1 common share, 33%	1	1
Salaweg Inc., joint arrangement		
50 common share, 33%	33,333	33,333
	<u>33,434</u>	<u>33,434</u>

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2023

7 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2023</u>	<u>2022</u>
	\$	\$
Trade accounts	2,100,918	4,318,155
Salaries payable	676,666	566,754
Government remittances	276,821	163,505
Indirect taxes		1,967
Accrued interest	9,393	8,872
Account payable to Mi'gmawei Mawiomi Resources L. P., government business partnership, without interest	649,339	649,339
	<u>3,713,137</u>	<u>5,708,592</u>

8 - DEFERRED REVENUES

	<u>2023</u>	<u>2022</u>
	\$	\$
Federal government		
110000 Medical Transportation NIHB/MT		200,624
110001 Mental wellness before Tele Health Q21G		60,288
110004 Mental wellness team Q21G	358,839	173,166
110005 Q22K Aboriginal Head Start On-Reserve AHSOR	11,864	53,864
110040 Q2FY JP - Programs Activities	56,243	61,471
110041 JP - Allied Services Q2FQ	484,575	426,826
110060 Social Service Child in Foster Allowance	355,692	279,164
110065 Liaison Nurses		53,476
110066 Family violence		14,623
110067 Cancer control	10,461	39,879
110092 Fighting First Nations Poverty	44,441	19,768
110099 Q01T Traditional Healer	11,894	9,427
212373 Q2C0 Operations - CFS	177,928	349,000
212382 Q22U Home Community Care before Q2BY paid back		317,694
212383 Q2BY CFS Maintenance - Enhanced Prevent	248,935	175,217
212384 Q2BX CFS Maintenance - Enhanced Prevent	139,792	
212388 Q2C3 Prevention/Least Disruptive Measure	1,379,431	243,014
212389 Sports Life line	2,150	3,316
212400 Q2BW Community based initiative	679,626	543,148
212405 Q2C7 Representation service	204,326	
302306 Q29W Basic Needs		113,346
302308 Q2AL Social assistance for Employment	113,976	
309006 Q2AK Case management capacity	71,326	
309009 Q2AM Services delivery infra	6,282	3,141
361003 Science and Technology	10,441	
361005 Continuous School Improvement		107,941
361006 Innovation in Education program	58,354	56,479
361007 Partnerships Initiative	39,682	40,182
361014 Postsecondary (PSPP)	93,140	93,907
362234 Band Operated School - Special Education	38,901	

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

8 - DEFERRED REVENUES (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Federal government		
408595 Q3X8 Water System Rehabilitation	258,687	16,049
408775 Q35E Maintenance Management	369,155	466,450
590102 Policing Equipment initiative 2022-2023	381,866	
590103 Policing Infrastructure of the Community	2,635,549	322,000
590110 Q3BN Training - Fire Protection	24,600	24,600
590115 Q3AU Fire Protection QD88	1,426	24,800
641072 NGD1 Capacity Building	30,438	
641366 QZ9P Specific Claims Submission	106,258	
641843 Q32J before NG1E Fin Mgmt gov cap dev	34,303	100,211
641850 Q32N Risk Management gov capacity Development	45,441	
658501 Q3SJ Pandemie		160,012
658502 Q3V9 COVID	62,010	
708110 Q40W Community Ec. Dev. Program	20,056	
708160 Rustic Camp ground	100,604	
708165 Recreative project	10,550	10,868
708170 Tourism Initiative	51,971	
708185 Sundance	15,092	29,945
708197 Hyde Project	4,305	
860023 Capacity Support	40,000	
860033 Whalesafe	188,732	67,870
873000 Native protected area project	147,730	
990003 Q3XJ New Houses	33,420	
990043 Quadplex Usgewinugg & Elder's Unit	218,359	
Provincial government		
590109 Prevention liaison officer	25,419	
641013 Cultural & Language	496,677	79,100
641014 Communication	254,559	
708199 Clean energy	114,837	61,930
Other		
656602 Surplus From the Grant/Education	2,276,986	
Gesgapegiag Human Resource Development Commission		165,490
	<u>12,547,329</u>	<u>4,968,286</u>

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

9 - LONG-TERM DEBT

	<u>2023</u>	<u>2022</u>
	\$	\$
Bank of Montreal, secured by 4 housing units and by ISC, 3.85%, payable in monthly instalments of \$2,094, capital and interest, maturing in May 2033	211,436	228,141
Bank of Montreal, prime rate plus 2.5% (9.2%), payable in monthly instalments of \$1,735, plus interest, maturing in June 2025	46,837	67,653
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	158,601	170,884
Bank of Montreal, secured by duplexes and by ISC, 3.99%, payable in monthly instalments of \$3,381, capital and interest, renegotiable in November 2024	347,982	374,211
Native Commercial Credit Corporation, secured by a hypothec on the universality of property and automotive equipment with no carrying amount as at March 31, 2023, 6.5%, payable in monthly instalments of \$2,315, capital and interest, maturing in November 2024	43,756	67,875
Laurentian Bank, secured by a building with a net carrying amount of \$10,456 as at March 31, 2023, 3.59%, payable in monthly instalments of \$230, capital and interest, maturing in April 2027	10,364	12,827
Laurentian Bank, secured by a building with a net carrying amount of \$8,250 as at March 31, 2023, 5.49%, payable in monthly instalments of \$299, capital and interest, renegotiable in August 2023	27,248	29,454
Loan, secured by automotive equipment with no carrying amount as at March 31, 2023, 5%, payable in monthly instalments of \$1,047, capital and interest, maturing in March 2024	12,234	23,873
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 \$50,479 as at March 31, 2023, 6.5%, payable in monthly instalments of \$804, capital and interest, maturing in December 2024	15,915	24,227
Laurentian Bank, secured by a building with a net carrying amount of \$26,025 as at March 31, 2023, 2.24%, payable in monthly instalments of \$444, capital and interest, renegotiable in June 2026	26,515	31,582
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	139,461	149,535
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,110 yearly, maturing in August 2027	49,067	60,177

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

9 - LONG-TERM DEBT (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,720 yearly, maturing in August 2027	51,762	63,481
Bank of Montreal, 6.49%, payable in monthly instalments of \$1,792, capital and interest, renegotiable in July 2027	228,018	237,977
Bank of Montreal, 4.3%, payable in monthly instalments of \$3,150, plus interest, maturing in February 2024	34,646	69,293
Loan, secured by equipment with a net carrying amount of \$210,789 as at March 31, 2023, 4.35%, payable in monthly instalments of \$3,784, capital and interest, maturing in October 2027	187,763	
Loan, secured by equipment with a net carrying amount of \$247,050 as at March 31, 2023, 4.35%, payable in monthly instalments of \$4,334, capital and interest, maturing in July 2027	205,063	
Loan, without interest, payable in monthly instalments of \$7,711, maturing in December 2025	254,462	346,994
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,715 yearly, maturing in September 2023	5,858	17,573
Bank of Montreal, prime rate plus 1.5% (8.2%), payable on demand, maturing in February 2024	29,750	46,750
Native Commercial Credit Corporation, 4.25%, payable in monthly instalments of \$1,117 \$, capital and interest, renegotiable in December 2028	113,341	121,865
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	47,004	100,202
Loan, secured by automotive equipment with a net carrying amount of \$87,712 as at March 31, 2023, 8.49%, payable in monthly instalments of \$2,249, capital and interest, maturing in April 2027	92,839	
Project # 10, Caisse Desjardins, reimbursed during the year		3,822
Project # 11, Bank of Montreal, reimbursed during the year		7,855

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

9 - LONG-TERM DEBT (Continued)

	<u>2023</u>	<u>2022</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, 1.86%, payable in monthly instalments of \$317, capital and interest, maturing in March 2024	3,760	7,451
Project # 13, C.M.H.C., mortgage (19-072-495/002), authorized amount of \$87,500, secured by 3 housing units and 1 duplex, 0.83%, payable in monthly instalments of \$395, capital and interest, maturing in May 2025	10,171	14,805
Project # 14, C.M.H.C., mortgage (19-072-495/003), authorized amount of \$129,000, secured by 4 housing units, 0.98%, payable in monthly instalments of \$583, capital and interest, renegotiable in April 2026	21,229	27,978
Project # 15, C.M.H.C., mortgage (19-072-495/004), authorized amount of \$187,395, secured by 5 housing units, 2.27%, payable in monthly instalments of \$875, capital and interest, renegotiable in April 2027	40,916	50,392
Project # 16, C.M.H.C., mortgage (19-072-495/005), authorized amount of \$92,538, secured by 3 housing units, 3.81%, payable in monthly instalments of \$442, capital and interest, maturing in February 2028	23,782	28,287
Project # 17, C.M.H.C., mortgage (19-072-495/006), authorized amount of \$62,000, secured by 2 duplexes, 0.69%, payable in monthly instalments of \$254, capital and interest, maturing in June 2025	21,531	24,417
Project # 17, C.M.H.C., mortgage (19-072-495/007), authorized amount of \$65,000, secured by 2 duplexes, 0.69%, payable in monthly instalments of \$266, capital and interest, maturing in June 2025	22,573	25,599
Project # 18, C.M.H.C., mortgage (19-072-495/008), authorized amount of \$253,800, secured by a sixplex, 1.57%, payable in monthly instalments of \$1,127, capital and interest, maturing in December 2026	92,596	104,564
Project # 19, C.M.H.C., mortgage (19-072-495/009), authorized amount of \$172,000, secured by 2 duplexes, 3.04%, payable in monthly instalments of \$774, capital and interest, maturing in June 2027	73,722	80,835
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, maturing in June 2023	50,327	54,625

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2023

9 - LONG-TERM DEBT (Continued)

	<u>2023</u>	<u>2022</u>
	\$	\$
Project # 21, C.M.H.C., mortgage (19-072-495/011), authorized amount of \$120,600, secured by 1 duplex, 1.69%, payable in monthly instalments of \$537, capital and interest, maturing in September 2024	56,564	62,010
Project # 22, C.M.H.C., mortgage (19-072-495/012), authorized amount of \$189,500, secured by 1 quadruplex, 0.68%, payable in monthly instalments of \$717, capital and interest, maturing in October 2025	103,669	111,534
Project # 23, C.M.H.C., mortgage (19-072-495/013), authorized amount of \$1,200,000, secured by 10 housing units, 2.27%, payable in monthly instalments of \$5,073, capital and interest, maturing in April 2027	730,058	774,154
Project # 24, C.M.H.C., mortgage (19-072-495/014), authorized amount of \$104,000, secured by 1 housing unit, 2.27%, payable in monthly instalments of \$440, capital and interest, maturing in April 2027	63,270	67,092
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, maturing in May 2023	<u>217,426</u>	<u>225,637</u>
	<u>3,871,516</u>	<u>3,915,631</u>
Current portion		
Subject to renewal	453,845	340,717
Other	<u>596,827</u>	<u>516,531</u>
	<u>1,050,672</u>	<u>857,248</u>
	<u>2,820,844</u>	<u>3,058,383</u>

The estimated instalments on long-term debt for the next five years are \$1,050,672 in 2024, \$982,240 in 2025, \$461,174 in 2026, \$329,583 in 2027 and \$917,396 in 2028.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

10 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS

	<u>2023</u>	<u>2022</u>
	\$	\$
Balance, beginning of year	8,651,746	7,863,979
ISC		
212373 Q2C0 Operations - CFS	28,163	
362105 Q2JB-Q3R0-Q40Y Instructional Services Formula Seq. 1		239,988
408566 Q40O Water Systems		39,288
408749 Q3X9 Gasgusi extension before Q3CD	1,695,000	
658502 Q3V9 COVID	67,648	
860037 Little Pax Knot bad		436,701
990043 Quadplex Usgewinugg & Elder's Unit	250,611	
Department of Fisheries and Oceans		
860033 Whalesafe	97,942	
860051 Replace Uktan	300,000	
First Nations Education Council		
361005 Continuous School Improvement	68,865	17,046
Secrétariat aux Affaires Autochtones		
708151 Gas pump project		24,680
Solicitor General of Canada		
590102 Policing Equipments initiative 2022-2023	343,026	
590103 Policing Infrastructure of the Community	42,351	
590104 Policing/COVID 19		8,815
C.M.H.C.		
990040 1 Bedroom houses		374,400
Ministre des Forêts, de la Faune et des Parcs du Québec		
708199 Clean energy	287,215	517,442
Ministère de la Sécurité Publique		
590109 Prevention liaison officer	47,725	
Other	34,543	45,828
Canada Mortgage and Housing Corporation - Forgivable loans		
Amortization	<u>(1,205,483)</u>	<u>(916,421)</u>
Balance, end of year	<u>10,709,352</u>	<u>8,651,746</u>

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

11 - 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>2023</u>	<u>2022</u>
	\$	\$
Cash	333,302	373,146
Reserve fund		
Balance, beginning of year	333,029	373,054
Annual contribution - replacement reserve	40,730	41,780
Use of the reserve	(314,999)	(81,805)
Maturing Unit Adjustment	<u>(3,783)</u>	
Balance, end of year	<u>54,977</u>	<u>333,029</u>

During the year, an amount of \$40,026 was withdrawn from the replacement reserve (\$9,500 and \$45,250 were transferred in 2022).

12 - 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:

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

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

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash	<u>595,936</u>	<u>408,360</u>
Reserve fund		
Balance, beginning of year	<u>595,284</u>	<u>407,928</u>
Adjustment requested by C.M.H.C. (Note 17)	<u>29,351</u>	<u>187,356</u>
Balance, end of year	<u>624,635</u>	<u>595,284</u>

During the year, an amount of \$187,576 was transferred to the operating reserve (\$102,781 in 2022).

13 - TANGIBLE CAPITAL ASSETS

	<u>2023</u>		<u>2022</u>	
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Land	380,586		380,586	380,586
Buildings	27,948,090	15,562,659	12,385,431	11,733,872
Sanitation system	7,470,417	6,743,316	727,101	798,146
Automotive equipment	4,033,087	2,488,161	1,544,926	669,839
Material and equipment	4,423,064	2,322,741	2,100,323	1,993,070
Roads	2,594,010	315,924	2,278,086	335,247
Gravel pit	100,000		100,000	100,000
Boat	2,330,117	276,853	2,053,264	1,690,999
Building in construction	1,631,272		1,631,272	1,839,957
	<u>50,910,643</u>	<u>27,709,654</u>	<u>23,200,989</u>	<u>19,541,716</u>

14 - BANK LOANS

The bank loan, for an authorized amount of \$1,000,000, bears interest at prime rate plus 1.5% (8.2%; 4.2% as at March 31, 2022) and is renegotiable annually.

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

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.

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

16 - CONTRIBUTION RECEIVABLE (PAYABLE)

	<u>2023</u>	<u>2022</u>
	\$	\$
Federal government		
110000 Medical Transportation NIHB/MT	(300,548)	
212383 Q2BY CFS Maintenance - Enhanced Prevent	386,453	
212384 Q2BX CFS Maintenance - Enhanced Prevent	108,794	595,888
302308 Q2AL Social assistance for Employment		(328,693)
408595 Q3X8 Water System Rehabilitation	23,423	
408746 QZ18 Waste Diversion Program		(202,877)
	<u>218,122</u>	<u>64,318</u>

17 - ADJUSTMENT TO PRIOR YEARS

After the review of the financial statements for the year ended March 31, 2022 by the Organization, the following adjustments were required:

	<u>2023</u>	<u>2022</u>
	\$	\$
Micmacs Housing Corporation		
Adjustment to operating reserve	<u>29,351</u>	<u>187,356</u>

18 - CONTINGENCY

As at March 31, 2023, the Organization is contingently liable as endorser in long-term debts for members of the community for an estimated amount of \$520,000 (\$580,000 in 2022).

19 - 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.

20 - ECONOMIC DEPENDENCE

The Organization receives 49% (39% in 2022) of its revenues from Indigenous Services Canada (ISC).

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

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 with the exception of rents receivable.

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:

	<u>2023</u>	<u>2022</u>
	\$	\$
Cash	9,430,600	9,945,465
Restricted cash and deposits	929,238	781,506
Accounts receivable	3,791,402	2,821,848
Rents receivable	2,580,909	2,468,172
Advances	52,346	55,462
Government transfers receivable	5,889,289	3,793,228
	<u>22,673,784</u>	<u>19,865,681</u>

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 \$3,274,399 as at March 31, 2023 (\$2,591,164 as at March 31, 2022).

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 March 31, 2023

21 - FINANCIAL INSTRUMENTS (Continued)

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, 2022) 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.

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, 2023, 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	3,713,137			
Long-term debt	599,488	519,805	2,679,887	90,904
	<u>4,312,625</u>	<u>519,805</u>	<u>2,679,887</u>	<u>90,904</u>

Micmacs of Gesgapegiag Band

Notes to Consolidated Financial Statements

March 31, 2023

22 - COMMITMENTS

The Organization has entered into long-term lease agreements expiring from January 2024 to January 2026 which call for minimum lease payments of \$11,747 for the rental of equipments.

Minimum lease payments for the next three years are \$10,928 in 2024, \$468 in 2025 and \$351 in 2026.

23 - TRUST FUNDS HELD BY ISC

	March 31, 2022	Addition 2023	Withdrawals 2023	March 31, 2023
	\$	\$	\$	\$
Revenue	45,778	1,170		46,948
Capital	647			647
	<u>46,425</u>	<u>1,170</u>		<u>47,595</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.

The main reclassifications as at March 31, 2022 and for the year then ended are as follows:

- The department 708190 has been renamed 408190 Q40 Lands, membership and Estates in the Consolidated Operations and Accumulated Surplus (Deficit) by Program and in the Supplementary Information.
- The department 708195 has been renamed 408195 Land use planning Initiative in the Consolidated Operations and Accumulated Surplus (Deficit) by Program and in the Supplementary Information.
- The departments 110041, 110042, 110044, 110045, 110046, 110048, 110049, 110051, 110052, 110053, 110054 and 110055 have been merged in department 110041 JP – Programs Activities in the Consolidated Operations and Accumulated Surplus (Deficit) by Program and in the Supplementary Information.
- The department 656600 has been separated in departments 656600 Owned Source Revenue and 656601 Surplus from the grant/Contribution in the Consolidated Operations and Accumulated Surplus (Deficit) by Program and in the Supplementary Information.
- The contribution for the purchase of boats have been presented as an expense instead of a deferred revenue in the Consolidated Operations.

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
March 31, 2023

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, 2023

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 2023	2022	Unaudited Budget 2023	2022	Unaudited Budget 2023	2022
Revenues	\$	\$	\$	\$	\$	\$
Federal government transfers	1,680,992	2,689,249	3,882,206	4,954,186	4,007,737	4,453,548
Provincial government transfers	56,145	69,681	5,000	(1,254,909)	15,396	(177,153)
Other revenues	70,122	153,723	3,887,206	4,700,676	4,007,737	4,276,395
Total Revenues	1,807,259	2,912,653	3,887,206	4,700,676	4,007,737	4,276,395
Expenses						
Salaries and fringe benefits	1,031,238	1,221,751	1,203,543	1,293,464	2,166,841	1,709,089
Amortization						
Other expenses	776,023	1,426,862	2,649,459	3,546,986	1,840,897	1,554,425
Total expenses	1,807,261	2,648,613	3,853,002	4,840,450	4,007,738	3,263,514
Transfers between programs			34,204	29,001		
Excess (deficiency) of revenues over expenses	(2)	(23,758)	68,408	(110,773)	(1)	96

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2023

26 - SEGMENT DISCLOSURES (Continued)

	Public Works		Public Security		Band Support	
	Unaudited Budget 2023	2022	Unaudited Budget 2023	2022	Unaudited Budget 2023	2022
Revenues						
Federal government transfers	369,536	1,549,851	415,957	807,956	550,046	583,623
Provincial government transfers		1,518	383,960	448,575	1,119,128	1,145,312
Other revenues	267,456	782,876	5,000	(324,624)	1,606,795	2,284,316
Total Revenues	636,992	2,334,245	804,917	931,907	3,275,969	4,013,251
Expenses						
Salaries and fringe benefits	415,958	523,616	991,129	1,071,293	1,251,528	1,557,484
Amortization						
Other expenses	587,776	1,995,091	230,488	266,511	2,541,241	2,636,635
Total expenses	1,003,734	2,518,707	1,221,617	1,337,804	3,792,769	4,194,119
Transfers between programs	355,320	180,145	416,700	191,191	793,000	233,462
Excess (deficiency) of revenues over expenses	(11,422)	(4,317)	(416,700)	(214,706)	276,200	52,594

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
Year ended March 31, 2023

26 - SEGMENT DISCLOSURES (Continued)

	Economic Development		Commercial		Capital Housing	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	Budget	Budget	Budget	Budget	Budget	Budget
	2023	2023	2023	2023	2023	2022
	\$	\$	\$	\$	\$	\$
Revenues						
Federal government transfers	219,717	596,595	1,066,041	85,000	496,182	339,954
Provincial government transfers	97,500	340,122	224,100	235,000	279,207	
Other revenues	1,563,837	(1,195,019)	16,582,654	11,084,700	16,441,301	1,058,098
Total Revenues	1,881,054	(258,302)	17,872,795	11,404,700	17,216,690	1,398,052
Expenses						
Salaries and fringe benefits	1,325,189	1,705,846	5,958,935	3,816,757	4,225,622	523,300
Amortization			59,277		59,277	1,629,424
Other expenses	803,857	938,997	10,963,663	5,053,665	10,605,219	361,991
Total expenses	2,129,046	2,644,843	16,981,875	8,870,422	14,890,118	2,514,715
Transfers between programs	(810,848)	1,508,261	(1,307,575)	(1,850,000)	(1,578,235)	798,431
Excess (deficiency) of revenues over expenses	(1,058,840)	(1,394,884)	(416,655)	684,278	748,337	(318,232)

Micmacs of Gesgapegiag Band
Notes to Consolidated Financial Statements
 Year ended March 31, 2023

26 - SEGMENT DISCLOSURES (Continued)

	Total	
	Unaudited Budget 2023	2022
	\$	\$
Revenues		
Federal government transfers	12,151,523	17,569,058
Provincial government transfers	1,891,733	2,561,188
Other revenues	14,602,910	20,551,643
Total Revenues	28,646,166	40,681,889
Expenses		
Salaries and fringe benefits	12,499,576	13,564,783
Amortization	2,052,378	1,688,701
Other expenses	14,977,256	22,939,766
Total expenses	27,476,832	38,193,250
Transfers between programs	(640,957)	
Excess (deficiency) of revenues over expenses	528,377	(2,388,257)
	2,488,639	

Micmacs of Gesgapegiag
 Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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	293,000	(99,924)	193,076	193,076			(35,144)	(35,144)
110001 Mental wellness	343,113	61,288	404,401	229,189	(175,212)			
110002 Q301 Emerging Technologies	16,521		16,521	16,521				
110004 Q21G Mental wellness team	417,462	(185,673)	231,789	231,789				
110005 Q22K Aboriginal Head Start On-Reserve AHSOR		42,000	42,000	53,864		(11,864)	71,110	59,246
110007 Q3YZ Emergency Management Assistance	35,440		35,440	35,440				
110008 Q40E Healthy Child Develop	167,851		167,851	167,851			4,812	4,812
110009 Q40H Environmental - Public Health	11,615		11,615	11,615			255,661	255,661
110010 Aboriginal Diabetes Initiative ADI							58,611	58,611
110012 Q23R Immunity Prevention, Promotion and Education	10,426		10,426	10,426				
110014 Q231/Q233 AHHRI Health Careers	9,301	6,327	15,628	15,628			(4,953)	(4,953)
110015 Q23Y/Q40J/Q40K Health Planning & Management								
HPM	554,806	8,490	563,296	542,719	(20,577)		(305,411)	(305,411)
110016 Q40A Clinical and Client Care CCC	172,710	2,279	174,989	174,989			128,399	128,399
110025 QA0X Minor projects	10,000		10,000	10,000				
110030 Children's Oral Health Initiative and D	36,955		36,955	15,754	(21,201)		111	111
110034 Q23X Communication of Disease and Management	15,822		15,822	15,822				
110038 Avenir enfant							(19,922)	(19,922)
110040 Q2FY JP-Service coordination	69,078	36,831	105,909	74,306		31,603	31,603	31,603
110041 JP - Programs Activities	553,049	(89,352)	463,697	495,300		(31,603)		(31,603)
110060 Social Service Child in Foster Allowance		29,353	29,353	29,353			49,216	49,216
110065 Liaison Nurses		53,476	53,476	74,053	20,577			
110066 Family Violence		46,971	46,971	46,971				
110067 Cancer control		29,418	29,418	29,418			12,334	12,334
110075 Q40I Blood Borne disease and Sexually Transmitted	24,541		24,541	24,541				
110081 CHR, Healthy Leaving	119,128		119,128	27,743	(91,385)			

Micmacs of Gesgapegiag
 Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
110090 Probation Officer (before 655700)		69,681	69,681	69,681			4,980	4,980
110091 Q226 Tobacco	13,384		13,384	13,384				
110092 Fighting First Nations Poverty		20,039	20,039	20,039				
110099 Q01T Traditional Healer	9,714	(2,467)	7,247	19,141	(11,894)			(11,894)
Sub total - Health	2,883,916	28,737	2,912,653	2,648,613	(287,798)	(23,758)	219,804	196,046
SOCIAL SERVICES								
212373 Q2C0 Operations - CFS	555,635	153,644	709,279	709,278		1	(239,954)	(239,953)
212382 Q22U Home Community Care before Q2BY paid back	52,122		52,122	52,122				
212383 Q2BY CFS Maintenance - Enhanced Prevent	582,954	312,735	895,689	758,171		137,518	(41,273)	96,245
212384 Q2BX CFS Maintenance - Enhanced Prevent	824,348	(30,998)	793,350	793,350			(206,996)	(206,996)
212388 Q2C3 Prevention/Least Disruptive Measure	1,616,999	(1,133,429)	483,570	483,570			(64,626)	(64,626)
212389 Sports Life line		9,590	9,590	9,590				
212395 Q2BF/Q40F In-Home Care	337,289		337,289	337,289			(336,016)	(336,016)
212396 NPC5/Q2BF In Home Care 2016-2019							(110,773)	(110,773)
212399 Q2BH Service Delivery	422,345		422,345	422,345			(5,924)	(5,924)
212400 Q2BW Community based initiative	188,001	(120,237)	67,764	67,764				
212405 Q2C7 Representative Service	204,326	(204,326)						
212450 Healing for men		6,525	6,525	6,525				
302305 Q410 Basic Needs	1,251,388	1,246	1,252,634	1,300,437	(59,782)	(107,585)	(172,209)	(279,794)
302306 Q29W Basic Needs		113,346	113,346	113,346				
302308 Q2AL Social assistance for Employment	134,466	(113,976)	20,490	20,490			(96,694)	(96,694)
302320 Special Needs				14,226				
302330 Q2AF Service Needs		2,992	2,992	46,548			48,139	48,139
309006 Q2AK Case management capacity	71,326	(71,326)						
309009 Q2AM Services delivery infra	3,141	(3,141)						
Elimination of inter-organizational transactions upon consolidation				(113,346)		113,346		113,346
Sub Total Social Services	6,244,340	(1,077,355)	5,166,985	5,023,705	143,280	(1,226,326)	(1,083,046)	(1,083,046)

Micmacs of Gesgapeagiag
 Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
EDUCATION								
361001 Career Promotion	4,856	4,856	8,293	3,437	(3,684)	(3,684)		
361002 Youth Employment	17,248	17,248	1,807	26,713	(17)	(17)		
361003 Science and Technology	1,807	1,807	16,203	3,474	794	794		
361004 Skills Link	12,729	12,729	39,076	198,643	450	450		
361005 Continuous School Improvement	10,539	10,539	500	500				
361006 Innovation in Education program	500	500	67,534	67,534	(1,012)	(1,012)		
361007 Partnerships Initiative	9,174	9,174	8,711	463	463	463		
361009 Education Partnerships Program	35,227	35,227	54,769	19,542	(1,450)	(1,450)		
361012 Breakfast/FNSSP/Early Literacy	94,674	94,674	2,500	94,674				
361013 NP1M New Paths Language	2,500	2,500	129,190	129,190	154,319	154,319		
361014 Postsecondary (PSP)								
361015 Fight Against Bullying								
361300 NTHL Schools - O&M								
362105 Q2JB-Q3R0-Q40Y Instructional Services Formula	4,815,592	31,450	4,847,042	2,162,648	(2,684,394)	701,112	701,112	
Seq. 1				18,720	18,720	24,920	24,920	
362126 NP0S Ancillary Support				11,342	10,975	191,957	191,950	
362138 NP12 Financial Assistance Allowances				226,279	226,129	465,972	465,972	
362145 NP18 Student Transportation Services	150	150	295,647	295,647	(367)	(19,186)	(19,186)	
362234 Band Operated School - Special Education	295,647	295,647	728,702	576,230	(152,472)	(123,401)	(123,401)	
362270 Q40Z Post-Secondary Student Support Pro	728,702	728,702	112,977	7,576	(105,401)			
368500 Q40Q - Education Facilities Capital	112,977	112,977						
Sub Total Education	5,657,271	555,577	6,212,848	3,935,766	(2,276,986)	96	1,390,774	1,390,870
PUBLIC WORKS								
400000 Tangible capital assets		48,000	48,000	38,373	(9,627)			
408190 Q40 Lands, membership and Estates	34,454	34,454	35,486	1,032	(20,805)	(20,805)		
408195 Land use planning Initiative	2,132	2,132	48,163	46,031				

Micmacs of Gosagepiag
Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
408565 Q35A Wastewater Systems	113,578	9,343	122,921	245,803	8,005	(114,877)	(613,557)	(728,434)
408566 Q400 Water Systems	112,977	17,886	130,863	88,070	(2,736)	40,057	(80,592)	(40,535)
408595 Q3X8 Water System Rehabilitation	250,000	(219,215)	30,785	48,199		(17,414)		(17,414)
408627 Q3DB Paglape Extension							(1,382)	(1,382)
408749 Q3X9 Gasgusi extension before Q3CD	1,695,000	(1,695,000)						
408751 Q40U Community Buildings	28,515		28,515	28,515			(43,470)	(43,470)
408767 Q3BH Roads and Bridges		3,000	3,000	152,291		(149,291)	(314,208)	(463,499)
408774 Q40T Maintenance Management	356,923	75,652	432,575	447,575	15,000		(298,424)	(298,424)
408775 Q35E Maintenance Management	714,074	97,295	811,369	816,184		(4,815)		(4,815)
410000 Community Beautification & Elder Assistance		29,644	29,644	321,832	292,188		2,397	2,397
Sub Total Public Works	3,305,521	(1,631,263)	1,674,258	2,270,491	349,893	(246,340)	(1,370,041)	(1,616,381)
PUBLIC SECURITY								
590102 Policing Equipments initiative 2022-2023				86,098			17,103	17,103
590104 Policing/COVID 19					340,654		(799,606)	(799,606)
590105 Policing Services	1,319,995		1,319,995	1,660,649				
590106 Police Tickets	13,897		13,897	14,782		(885)	37,327	36,442
590107 Dog Catcher				9,796	9,796		17,195	17,195
590109 Prevention liaison officer	31,069		31,069	31,069				
590110 Q3BN Training - Fire Protection							68,476	68,476
590115 Q3AU Fire Protection QD88	23,374		23,374	23,374			89,246	89,246
590120 Q3BG Fire Protection	4,787		4,787	74,027	69,240		(24,134)	(24,134)
Sub Total Public Security	1,479,220		1,479,220	1,899,795	419,690	(885)	(594,393)	(595,278)
BAND SUPPORT								
630000 MMBC		19,596	19,596	2,871	(16,725)		10,768	10,768
630050 Coop Handicraft				6,722	6,722		(1,683)	(1,683)
630060 Walgwan Center	170,057		170,057	69,153	(120,488)		1,175,627	1,156,043
640000 Estuary Fishing Agreement	1,335,188		1,335,188	1,405,188	70,000		(356,546)	(356,546)

Micmacs of Gesgapegiag
Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
641010 Council department		3,594	3,594	368,254	364,660		(6,483)	(6,483)
641011 Q40L-Q31M Band Support Funding	495,885	1,035,925	1,531,810	1,828,079	248,547	(47,722)	(502,205)	(549,927)
641012 Mobilization		49,927	49,927	49,927				
641013 Cultural & Language		170,233	170,233	170,233				
641014 Communication		51,141	51,141	51,141				
641016 Learning Center				61,656	61,656			
641017 Q40M Band Employee Benefit	141,789		141,789	141,789			(3,189)	(3,189)
641072 NGD1 Capacity Building	95,000	(30,438)	64,562	64,562				
641366 QZ9P Specific Claims Submission	120,000	(106,258)	13,742	13,742				
641843 Q32J before NG1E Fin Mgmt gov cap dev	60,000	65,908	125,908	125,808		100		100
641846 Q32K/NG1F Human Resource management	30,000		30,000	30,000				
641850 Q32N Risk Management gov capacity Development	80,000	(45,441)	34,559	34,559				
Gesgapegiag Human Resource Development Commission		1,008,024	1,008,024	1,000,412		7,612	36,201	43,813
Gesgapegiag Natural Resources Inc.							66,487	66,487
Elimination of inter-organizational transactions upon consolidation		(113,346)	(113,346)			(113,346)		(113,346)
Sub Total Band Support	1,022,674	3,614,110	4,636,784	5,424,096	614,372	(172,940)	418,977	246,037
ECONOMIC DEVELOPMENT								
650050 Daycare Center Rent		112,733	112,733	143,218	26,964	(3,521)	(48,802)	(52,323)
651025 Rod Lease		75,000	75,000	24,393	(50,607)		(22,861)	(22,861)
652000 Pastoral Agent Church		4,915	4,915	27,378	16,000	(6,463)	(4,642)	(11,105)
653000 Cascapedia Society		592,491	592,491	592,491			48,183	48,183
655000 Summer Student Employment Program		26,622	26,622	46,622	20,000		24,811	24,811
655700 Plamugwet		173,060	173,060	191,881	18,821			
656600 Owned Source Revenue		59,853	59,853	384,961	(1,598,782)	(1,923,890)	(5,559,994)	(7,483,894)
656601 Surplus from the grant/Contribution					439,390	439,390	2,423,933	2,863,323
656602 Surplus From the Grant/Education		(2,276,986)	(2,276,986)		2,276,986			

Micmacs of Gesgapegiag
Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$
658501 Q3SJ Pandemic		160,012	160,012	160,012			
658502 Q3V9 COVID	222,278	(129,658)	92,620	92,620			
708110 Q40W Community Ec. Dev. Program	149,317	24,861	174,178	397,443	155,765	(67,500)	(14,074)
708125 Basket Making/Beading		268,199	268,199	268,199			
708145 Chalets Ste-Helene (operationnel)		166,364	166,364	281,637	115,273	(85,230)	(85,230)
708165 Recreative project		318	318	318			
708170 Tourism Initiative		47,425	47,425	47,425			
708180 Community Park Project		2,500	2,500	26,567	24,067	(58,014)	(58,014)
708185 Sundance		14,853	14,853	14,853			
708196 Interpretation center		34,000	34,000	42,484	8,484	(21,693)	(21,693)
708197 Hyde Project		13,541	13,541	69,441	55,900		
Elimination of inter-organizational transactions upon consolidation				(167,100)	167,100		
Sub Total Economic Development	371,595	(629,897)	(258,302)	2,644,843	1,508,261	(1,394,884)	(3,250,883)
COMMERCIAL							
860000 Mid-shore Fisheries		8,144,224	8,144,224	6,661,325	(1,853,084)	(370,185)	22,635,118
860005 Fisheries Training C4		10,486	10,486	49,338	38,852		
860006 Natural Resources Administration		296,328	296,328	602,718	400,000	93,610	(864,738)
860008 Lobsters trap course		55,166	55,166	102,819	47,653		
860010 Gesgapegiag Lobsterhut		352,600	352,600	397,552	42,425	(2,527)	(86,611)
860011 Lobster Whole Sale		3,766,431	3,766,431	3,642,148		124,283	639,437
860024 Halibut		5,440	5,440	5,440			
860033 Whalesafe		63,423	63,423	63,423			
860034 Ansalewit & Guluimu boats				28,859		(28,859)	(34,797)
860035 New Vessel and repairs		9,414	9,414	25,993	16,579		
860041 Ukian		625,128	625,128	625,168		(40)	(40)
860042 Kiskamsi & Little Pax		723,193	723,193	675,189	48,004	48,004	48,004
860043 Gitpu		613,637	613,637	631,350	(17,713)	(17,713)	(17,713)

Micmacs of Gesgapegiag
Consolidated Operations and Accumulated Surplus (Deficit) by Program
Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
860044 Guimu & Knot To Bad		740,285	740,285	749,211		(8,926)		(8,926)
860045 Ansalewit		634,216	634,216	691,584		(57,368)		(57,368)
870999 Forestry General		796,953	796,953	815,173	18,220		884,525	884,525
871000 Forestry Training							(270,801)	(270,801)
872000 Production/Forestry		263,993	263,993	280,049		(16,056)	14,091	(1,965)
872500 Community Firewood Assistance		200,000	200,000	148,459	(18,220)	33,321	982	34,303
873000 Native protected area project		52,270	52,270	52,270				
9252-9106 Québec Inc. (Gesgapegiag Excavation)		686,708	686,708	715,418		(28,710)	(2,159,733)	(2,188,443)
Gesgapegiag Business Corporation		2,244,594	2,244,594	2,262,983		(18,389)		(18,389)
Elimination of inter-organizational transactions upon consolidation		(2,411,694)	(2,411,694)	(2,244,594)		(167,100)		(167,100)
Sub Total Commercial	17,872,795	17,872,795	16,981,875	(1,307,575)	(112,470)	(416,655)	20,758,000	20,341,345
CAPITAL HOUSING								
990002 Q40S Small Repair	112,977		112,977	507			(27,333)	(27,333)
990003 Q3XJ New Houses	38,134	(33,420)	4,714	4,714				
990005 RRAP		30,665	30,665	40,665	10,000			
990007 Construction Article 95	108,801		108,801	121,689				
990011 Q40R Housing Councils	14,782	18,123	32,905	208,335	130,548	(44,882)	(42,152)	(87,034)
990019 Q3BL Special services				172,027				
990020 3 bedrooms house				8,744				
990026 RAAP 180 Main Street 2022-23				12,905		(12,905)	(31,808)	(31,808)
990027 CHMC repairs							(332)	(332)
990030 Sixplex 24 Gasgusi Lane								
990041 Pilot project elders house's repairs								
990043 Quadplex Usgewinugg & Elder's Unit	46,897	(46,897)		129,181	129,181		(30,927)	(30,927)
990050 6-C Gasgusi							(825,116)	(997,787)
999001 Mortgage Payments		167,150	167,150	339,821		(172,671)		
999002 Replacement reserve pre 96		3,224	3,224	3,224				

Micmacs of Gesgapeagiag
Consolidated Operations and Accumulated Surplus (Deficit) by Program
 Year ended March 31, 2023

	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
	\$	\$	\$	\$	\$	\$	\$	\$
999003 Replacement reserve post 97	311,775	311,775	311,775	311,775				
999990 Amortization of tangible capital assets	1,173,806	1,173,806	1,853,639	1,853,639	629,225	(50,608)	(7,374,720)	(7,425,328)
Micmacs Housing Corporation	429,399	429,399	424,504	424,504		4,895	(1,482,933)	(1,478,038)
Elimination of inter-organizational transactions upon consolidation	(79,794)	(79,794)	(79,794)	(79,794)				
Sub Total Capital Housing	1,974,031	2,295,622	3,551,936	3,551,936	980,143	(276,171)	(9,815,321)	(10,091,492)
PRIOR PERIOD FINANCIAL								
999999 Discontinued projects							5,341,954	5,341,954
TOTAL	19,806,908	22,185,955	41,992,863	44,381,120	(2,388,257)	11,872,545	9,484,288	9,484,288

Micmacs of Gesgapegiag Band
Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration
 March 31, 2023

	Position title	Number of months	Honoraria	Remuneration		Expenses
				Note 1	Note 2	
			\$	\$	\$	\$
Elected officials:						
John Martin	Chief	12		109,668		31,648
Dorothy Gedeon	Councillor	12	16,150	34,263		2,645
Christianne B. Jerome	Councillor	12		55,245		18,434
Armand Martin	Councillor	12	2,500	36,817		2,652
Tammy Martin	Councillor	12	13,750		23,540	14,876
Aaron Condo	Councillor	12	16,211			10,328
Bernard Jerome	Councillor	12	16,250	61,293		3,149
Daniel Condo	Councillor	12	16,250	41,535		1,765
			<u>81,111</u>	<u>362,361</u>		<u>85,497</u>

Note 1: "Remuneration" means any salaries, wages, commissions, bonuses, fees, dividends and any other monetary benefits — other than the reimbursement of expenses — and non-monetary benefits. Examples are provided in the supporting document which accompanies this document on the Internet sites of Crown-Indigenous Relations and Northern Affairs Canada and Indigenous Services Canada, in the section entitled: "Supplementary Information".

Note 2: As per the First Nations Financial Transparency Act: "expenses" include the costs of transportation, accommodation, meals, hospitality and incidental expenses.