

**Micmacs of Gesgapegiag Band**  
**Consolidated Financial Statements**  
**March 31, 2022**

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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

December 21, 2022

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Raymond Chabot  
Grant Thornton LLP  
138, route 132 West  
New Richmond, Quebec G0C 2B0

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## 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, 2022, 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, 2022, 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 \$8,651,746 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, 2021. 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 \$787,767 in 2022 and \$2,886,204 in 2021, accumulated surplus would have increased by \$8,651,746 in 2022 and \$7,863,979 in 2021 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, 2022 and 2021, 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, 2022 and 2021 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, 2021 was qualified accordingly because of the possible effects of this departure.

Also, Micmacs of Gesgapegiag Band interest in Salaweg Inc., a limited partnership accounted at cost, is carried at \$33 333 on the statement of financial position as at March 31, 2022 and 2021 and Micmacs of Gesgapegiag Band share of Salaweg Inc.'s net income is not included in Micmacs of Gesgapegiag Band's income for the years ended March 31, 2022 and 2021 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, 2021 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.

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*Raymond Khabab Grant Thornton LLP*

New Richmond  
December 21, 2022

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<sup>1</sup> CPA auditor, public accountancy permit no. A123501

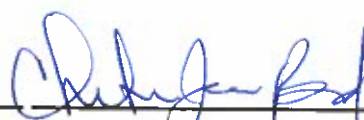
**Micmacs of Gesgapegiag Band**  
**Consolidated Financial Position**  
 March 31, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash	9,945,465	7,505,433
Restricted cash and deposits (Note 3)	781,506	623,219
Accounts receivable (Note 4)	2,836,909	953,194
Due from government and other government organizations (Note 5)	3,793,228	4,693,597
Inventory	28,998	27,163
Investments (Note 6)	33,434	33,434
	<u>17,419,540</u>	<u>13,836,040</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 7)	5,708,592	3,626,943
Current income tax liability		386
Deferred revenues (Note 8)	5,943,286	4,884,004
Current portion of long-term debt (Note 9)	857,248	876,098
Long-term debt (Note 9)	3,058,383	3,668,874
Deferred contributions related to tangible capital assets (Note 10)	8,651,746	7,863,979
Reserve funds		
Replacement reserve (Note 11)	333,029	373,054
Operating reserve (Note 12)	595,284	407,928
	<u>25,147,568</u>	<u>21,701,266</u>
<b>NET DEBT</b>	<u>(7,728,028)</u>	<u>(7,865,226)</u>
<b>NON-FINANCIAL ASSETS</b>		
Prepaid expenses	88,208	
Tangible capital assets (Note 13)	19,541,716	17,465,839
	<u>19,629,924</u>	<u>17,465,839</u>
<b>ACCUMULATED SURPLUS</b>	<u>11,901,896</u>	<u>9,600,613</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, 2022

	Unaudited budget	2022	2021
	\$	\$	\$
<b>Revenues</b>			
<b><i>Federal government transfers</i></b>			
ISC Grant	5,385,738	7,701,347	6,900,010
ISC Fixed Contribution	3,454,248	5,694,616	5,976,236
ISC Set Contribution		286,417	
ISC Flexible Contribution	185,171	875,854	1,382,692
ISC Block Contribution		635,820	596,993
Contribution receivable (payable) (Note 16)		64,318	(121,214)
Correction of receivable, deferred revenues and unexpended funding of prior years		(66,996)	(46,587)
Solicitor General of Canada	485,952	807,956	509,749
First Nations Education Council	652,663	782,493	1,073,722
Revenue Canada	32,644	119,112	106,349
Canada Mortgage and Housing Corporation		215,989	1,435,816
Canada Economic Development		11,814	7,378
Department of Fisheries and Oceans	55,008	440,318	665,597
	<u>10,251,424</u>	<u>17,569,058</u>	<u>18,486,741</u>
<b><i>Provincial government transfers</i></b>			
Ministre de la Sécurité publique	504,716	503,990	525,493
Ministre de la Culture et des Communications		37,500	45,000
Ministre de l'Agriculture, des Pêcheries et de l'Alimentation			269,250
Ministre des Forêts, de la Faune et des Parcs du Québec	1,134,128	1,808,055	2,324,204
Ministre de l'Économie, de l'Innovation et des Exportations	35,000		
Secrétariat aux Affaires Autochtones	294,713	210,125	262,335
Ministre des Transports du Québec		1,518	
	<u>1,968,557</u>	<u>2,561,188</u>	<u>3,426,282</u>
<b><i>Other</i></b>			
First Nations Human Resources Development Commission of Quebec		763,842	558,836
Native Commercial Credit Corporation (SOCCA)		84,030	20,000
First Nations of Quebec and Labrador Health and Social Services Commission	105,797	310,192	93,848
Listuguj Mi'gmaq Development Council			48,000
Welfare injection	14,595	23,274	39,099
Gesgapegiag Human Resource Development Commission		129,828	32,970
Community services	24,400	30,394	33,880
Gain on disposal of tangible capital assets			50,250
Rental revenues	383,692	967,005	625,300
Administration revenues	764,996	840,879	716,700



**Micmacs of Gesgapegiag Band**  
**Consolidated Operations**  
Year ended March 31, 2022

	Unaudited budget	2022	2021
	\$	\$	\$
Forestry sales	1,057,125	869,160	1,055,029
Fisheries sales	7,127,996	15,000,171	8,878,471
Fishing leases	670,000	841,716	817,094
Fishing contributions	300,000	249,913	310,232
Other revenues	907,634	1,023,703	1,509,718
Excavation sales		783	783
Gas, restaurant and rooms sales		242,973	185,086
Deferred contribution related to tangible capital assets		(1,658,359)	(3,467,924)
Amortization of deferred contributions related to tangible capital assets		916,421	643,470
Deferred revenue from previous years	30,000	4,884,004	4,636,895
Less: Deferred revenue		(5,943,286)	(4,884,004)
	<u>11,386,235</u>	<u>19,576,643</u>	<u>11,903,733</u>
	<u>23,606,216</u>	<u>39,706,889</u>	<u>33,816,756</u>
<b>Expenses</b>			
Salaries and fringe benefits	10,354,354	15,476,055	12,746,565
Travel	371,684	237,771	167,195
Professional fees	551,345	715,377	697,941
Publicity and promotion		533	1,240
Material and equipment rental	138,978	279,778	242,521
Training and development	61,100	121,540	234,769
Fishing quota rental			19,803
Fisheries purchases	189,510	3,064,568	1,204,997
Honoraria	223,470	305,336	126,813
Economics Stimulus Package	1,208,000	1,260,000	1,248,000
Contracted services	3,605,362	5,870,448	5,598,410
Membership fees	12,850	2,184	13,950
Materials and supplies	722,455	2,170,745	2,126,651
Office supplies and expenses	117,691	78,269	117,108
Repair and maintenance	538,802	783,574	534,750
Energy	901,771	818,881	654,331
Telecommunications	84,917	67,015	68,232
Insurance	142,385	389,786	309,526
Interest and bank charges	61,380	43,649	47,646
Interest on long-term debt	111,874	99,544	124,493
Doubtful (recovered) accounts	49,500	(179,465)	110,412
Administration charges	603,646	828,834	698,199
Room and board and educational allowances	367,350	465,415	468,212
Contract for payroll administration		968,528	
Business contributions	191,907	2,246	
Contributions to community activities	13,804	33,470	2,248
Band contributions	90,750	37,442	246,950
Program aids	286,085	303,082	275,524

**Micmacs of Gesgapegiag Band**  
**Consolidated Operations**  
Year ended March 31, 2022

	<b>Unaudited budget</b>	<b>2022</b>	<b>2021</b>
	\$	\$	\$
Medical fees	59,175	329,823	238,650
Tuition fees	153,000	282,147	173,325
Other	130,650	19,489	126,386
Basic needs	734,400	863,520	652,216
Special needs	10,200	9,810	7,815
Purchase of equipment	821,379	1,109,706	1,562,558
Welfare injection	132,600	23,274	26,220
Registration fees	21,572	174,381	162,522
Placements	296,640	2,025,097	1,157,859
Purchases for resale		167,679	94,434
Variation of gas inventory		(1,835)	(16,438)
Annual contribution - replacement reserve		41,780	41,900
Expenses capitalized to tangible capital assets	(555,400)	(3,759,927)	(3,488,816)
Amortization of tangible capital assets		1,688,701	1,171,031
	<b>22,805,186</b>	<b>37,218,250</b>	<b>29,996,148</b>
<b>Excess of revenues over expenses</b>	<b>801,030</b>	<b>2,488,639</b>	<b>3,820,608</b>

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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance, beginning of year	9,600,613	5,829,694
Excess of revenues over expenses	<u>2,488,639</u>	<u>3,820,608</u>
	<b>12,089,252</b>	9,650,302
Adjustment to prior years (Note 17)	<u>187,356</u>	49,689
Balance, end of year	<u><b>11,901,896</b></u>	<u>9,600,613</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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
Excess of revenues over expenses	2,488,639	3,820,608
Adjustment to prior years (Note 17)	<u>(187,356)</u>	<u>(49,689)</u>
	<u>2,301,283</u>	<u>3,770,919</u>
<b>Tangible capital assets</b>		
Acquisition of tangible capital assets	(3,764,578)	(3,814,767)
Disposal of tangible capital assets		150,000
Gain on disposal of tangible capital assets		(50,250)
Amortization of tangible capital assets	<u>1,688,701</u>	<u>1,171,031</u>
<b>Total tangible capital assets</b>	<u>(2,075,877)</u>	<u>(2,543,986)</u>
Use (acquisition) of prepaid expenses	<u>(88,208)</u>	<u>21,179</u>
Changes in net debt	<u>137,198</u>	<u>1,248,112</u>
Net debt, beginning of the year	<u>(7,865,226)</u>	<u>(9,113,338)</u>
Net debt, end of the year	<u>(7,728,028)</u>	<u>(7,865,226)</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, 2022

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess of revenues over expenses	2,488,639	3,820,608
Non-cash items		
Amortization of tangible capital assets	1,688,701	1,171,031
Amortization of deferred contributions related to tangible capital assets	(916,421)	(643,470)
Transfer to the replacement reserve fund for the year	41,780	41,900
Use of the replacement reserve fund for the year	(81,805)	(31,654)
Gain on disposal of tangible capital assets		(50,250)
	<u>3,220,894</u>	<u>4,308,165</u>
Net change in assets and liabilities	2,067,156	(1,203,808)
Cash flows from operating activities	<u>5,288,050</u>	<u>3,104,357</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(3,764,578)	(3,814,767)
Disposal of tangible capital assets		150,000
Cash flows from capital activities	<u>(3,764,578)</u>	<u>(3,664,767)</u>
<b>INVESTING ACTIVITIES</b>		
Restricted cash and deposits and cash flows from investing activities	<u>(158,287)</u>	<u>(311)</u>
<b>FINANCING ACTIVITIES</b>		
Long-term loans	124,575	6,333,911
Repayment of long-term loans	(753,916)	(6,997,443)
Deferred contributions related to tangible capital assets	1,704,188	3,529,674
Cash flows from financing activities	<u>1,074,847</u>	<u>2,866,142</u>
<b>Net increase in cash</b>	<u>2,440,032</u>	<u>2,305,421</u>
Cash, beginning of year	<u>7,505,433</u>	<u>5,200,012</u>
Cash, end of year	<u>9,945,465</u>	<u>7,505,433</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash	<u>9,945,465</u>	<u>7,505,433</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, 2022

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### **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, 2022

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**2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**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 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, 2022

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**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**  
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**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**  
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**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>2022</u>	<u>2021</u>
	\$	\$
Replacement reserve fund (Note 11)	373,146	317,820
Operating reserve fund (Note 12)	408,360	305,399
	<u>781,506</u>	<u>623,219</u>

**4 - ACCOUNTS RECEIVABLE**

	<u>2022</u>	<u>2021</u>
	\$	\$
Accounts receivable	2,821,848	1,120,800
Rents receivable	2,468,172	2,492,275
Advances	55,462	46,500
Indirect taxes receivable	82,591	87,214
	<u>5,428,073</u>	<u>3,746,789</u>
Doubtful accounts	2,591,164	2,793,595
	<u>2,836,909</u>	<u>953,194</u>

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
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**5 - DUE FROM GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS**

	<u>2022</u>	<u>2021</u>
	\$	\$
Federal government		
Indigenous Services Canada (ISC)	868,513	2,617,598
Health Canada	(14,765)	(117,992)
C.M.H.C.	16,843	26,475
Department of Fisheries and Oceans	865,239	571,682
Canada Economic Development		
First Nations Education Council	186,098	115,232
Solicitor General of Canada	115,760	115,760
Natural Resources Canada	28,061	
Canada Economic Development	11,814	
Department of Canadian Heritage	43,225	
Provincial Government		
Finance Québec	1,000	23,500
Ministre de l'Agriculture, des pêcheries et de l'Alimentation	269,250	269,250
Ministre des Forêts, de la Faune et des Parcs du Québec	333,544	664,068
Secrétariat aux Affaires Autochtones	170,325	260,491
Ministre de la Sécurité publique	712,400	106,856
Ministre des Transports du Québec	7,255	5,510
Sûreté du Québec	74,891	
Ministre de la Culture et des Communications	15,000	
CNESST	(21,467)	
Other		
First Nations of Quebec and Labrador Health and Social Services Commission	110,242	35,167
	<u>3,793,228</u>	<u>4,693,597</u>

**6 - INVESTMENTS**

	<u>2022</u>	<u>2021</u>
	\$	\$
Mi'gmawei Mawiomi Resources L.P., government business partnership		
Capital	100	100
Mi'gmawei Mawiomi Business Corporation Inc., joint arrangement		
1 common share	1	1
	101	101
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**  
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**7 - ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2022</u>	<u>2021</u>
	\$	\$
Trade accounts	4,318,155	2,112,350
Salaries payable	566,754	710,307
Government remittances	163,505	145,818
Indirect taxes	1,967	
Accrued interest	8,872	9,129
Account payable to Mi'gmawei Mawiomi Resources L. P., government business partnership, without interest	649,339	649,339
	<u>5,708,592</u>	<u>3,626,943</u>

**8 - DEFERRED REVENUES**

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>Federal government</b>		
110000 Medical Transportation NIHB/MT	200,624	
110001 Mental wellness before Tele Health Q21G	60,288	245,937
110002 Emerging Technologies Q30I		16,114
110004 Mental wellness team Q21G	173,166	7,619
110005 Aboriginal Head Start On-Reserve AHSOR Q22K	53,864	40,273
110029 Indigenous Early Learning and Child Care program Q210		62,556
110038 Avenir Enfant		5,272
110040 JP - Service Coordination Q2FY	61,471	60,258
110041 JP - Allied Services Q2FQ	187,731	97,990
110042 JP - Education Q2FR	184,628	179,906
110044 JP - Med supplies Q2FT		5,419
110045 JP - Mental Health Q2G1	35,284	46,691
110046 JP - Transportation Q2FU	1,441	1,441
110048 JP - Day Programs		750
110049 JP - Assisted Technology Q2GA	1,270	1,270
110051 JP - Education assistance Q2G9		20,000
110052 JP - Healthy Child Dev Q2FS	600	2,000
110053 JP - Q2G5		639
110054 JP - Respite Q2G2	1,400	
110055 JP - Day Care Q2G8	14,471	
110059 Food Security		30,000
110060 Social Service Child in Foster Allowance	279,164	186,099
110065 Liaison Nurses	53,476	120,000
110066 Family violence	14,623	
110067 Cancer control	39,879	
110092 Fighting First Nations Poverty	19,768	
110099 Q01T Traditional Healer	9,427	22,793
212373 Q2C0 Operations - CFS	349,000	
212382 Q22U Home Community Care before Q2BY paid back	317,694	
212383 Q2BY CFS Maintenance - Enhanced Prevent	175,217	561,670

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
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**8 - DEFERRED REVENUES (Continued)**

	<u>2022</u>	<u>2021</u>
	\$	\$
212384 Q2BX CFS Maintenance - Enhanced Prevent		108,794
212388 Q2C3 Prevention/Least Disruptive Measure	243,014	82,824
212389 Sports Life line	3,316	
212400 Q2BW Community Based Initiative	543,148	378,235
302306 Q29W Basic Needs	113,346	
302308 Q2AL Social assistance for Employment		217,501
309009 Q2AM Services delivery infra	3,141	
361005 Continuous School Improvement	107,941	142,809
361006 Innovation in Education program	56,479	44,119
361007 Partnerships Initiative	40,182	50,522
361009 Education Partnerships Program		53,259
361014 Postsecondary (PSPP)	93,907	93,907
408595 Q35T Water System Rehabilitation	16,049	443,622
408746 QZ18 Waste Diversion Program		202,877
408775 Q35E Maintenance Management	466,450	390,057
590103 Policing Infrastructure of the Community	322,000	
590110 Q3BN Training - Fire Protection	24,600	24,600
590115 Q3AU Fire Protection QD88	24,800	12,800
641366 QZ9P Specific Claims Submission		86,790
641843 Q32J before NG1E Fin Mgmt gov cap dev	100,211	148,893
658501 Q3SJ Pandemie	160,012	6,365
708111 Q3QP Ec dev Capacity & readiness		55,644
708165 Recreative project	10,868	
708185 Sundance	29,945	
708195 Land Use Planning Initiative		22,206
860033 Whalesafe	67,870	
860037 Little Pax Knot bad		436,701
990028 ISC repairs		101,827
<b>Provincial government</b>		
641013 Cultural & Language	79,100	46,803
708199 Clean energy	61,930	18,152
<b>Other</b>		
Gesgapegiag Human Resource Development Commission	165,491	
860000 Mid-shore Fisheries	650,000	
860041 Uktan	65,000	
860042 Kiskamsi & Little Pax	65,000	
860043 Gitpu	65,000	
860044 Guimu & Knot To Bad	65,000	
860045 Ansalewit	65,000	
	<u>5,943,286</u>	<u>4,884,004</u>

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
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**9 - LONG-TERM DEBT**

	<u>2022</u>	<u>2021</u>
	\$	\$
Bank of Montreal, secured by 4 housing units and by ISC, 3.85%, payable in monthly instalments of \$2,094, capital and interest, renegotiable in May 2024	<b>228,141</b>	245,013
Bank of Montreal, prime rate plus 2.5% (3.20%), payable in monthly instalments of \$1,735, plus interest, maturing in June 2025	<b>67,653</b>	88,470
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	<b>170,884</b>	183,292
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	<b>374,211</b>	400,767
Native Commercial Credit Corporation, secured by a hypothec on the universality of property and automotive equipment with a net carrying amount of \$18,530 as at March 31, 2022, 6.50%, payable in monthly instalments of \$2,315, capital and interest, maturing in November 2024	<b>67,875</b>	90,388
Laurentian Bank, secured by a building with a net carrying amount of \$12,548 as at March 31, 2022, 3.59%, payable in monthly instalments of \$230, capital and interest, renegotiable in May 2027	<b>12,827</b>	15,222
Laurentian Bank, secured by a building with a net carrying amount of \$9,900 as at March 31, 2022, 5.49%, payable in monthly instalments of \$299, capital and interest, renegotiable in August 2023	<b>29,454</b>	31,382
Loan, secured by automotive equipment with a net carrying amount of \$0 as at March 31, 2022, 5%, payable in monthly instalments of \$1,047, capital and interest, maturing in March 2024	<b>23,873</b>	34,945
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 \$53,957 as at March 31, 2022, 6.5%, payable in monthly instalments of \$804, capital and interest, maturing in December 2024	<b>24,227</b>	32,017
Laurentian Bank, secured by a building with a net carrying amount of \$29,535 as at March 31, 2022, 2.24%, payable in monthly instalments of \$444, capital and interest, renegotiable in July 2026	<b>31,582</b>	35,914
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	<b>149,535</b>	158,999

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

	<u>2022</u>	<u>2021</u>
	\$	\$
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,110 yearly, maturing in August 2027	60,177	71,287
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,720 yearly, maturing in August 2027	63,481	75,201
Bank of Montreal, prime rate plus 2.5% (4.95%), reimbursed during the year		49,650
Bank of Montreal, 4.45%, payable in monthly instalments of \$1,792, capital and interest, renegotiable in July 2022	237,977	248,661
Bank of Montreal, 4.19%, payable in monthly instalments of \$3,150, plus interest, maturing in February 2024	69,293	110,238
Mortgage loan, 7.65%, reimbursed during the year		10,417
Loan, without interest, payable in monthly instalments of \$7,711, maturing in December 2025	346,994	439,525
Canada Mortgage and Housing Corporation forgivable loan, without interest, reimbursed during the year		2,933
Canada Mortgage and Housing Corporation forgivable loan, without interest, reimbursed during the year		2,667
Canada Mortgage and Housing Corporation forgivable loan, without interest, reimbursed during the year		2,484
Canada Mortgage and Housing Corporation forgivable loan, without interest, reimbursed during the year		3,200
Bank of Montreal, 4.75%, reimbursed during the year		61,155
Canada Mortgage and Housing Corporation forgivable loan, without interest, forgiveness earned of \$11,715 yearly, maturing in September 2023	17,573	29,288
Bank of Montreal, prime rate plus 1.5% (3.20%), payable on demand, maturing in December 2024	46,750	63,750
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	100,202	149,978

**Micmacs of Gesgapegiag Band**  
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**9 - LONG-TERM DEBT (Continued)**

	<u>2022</u>	<u>2021</u>
	\$	\$
Loan, capital of \$90,000, secured by the Government of Canada, reimbursed during the year		90,000
Project # 10, Caisse Desjardins, mortgage, original amount of \$104,800, secured by 2 housing units, by the C.M.H.C. and ISC, 4.939%, payable in monthly instalments of \$642, capital and interest, maturing in September 2022	3,822	11,138
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, maturing in December 2022	7,855	17,907
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	7,451	11,075
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	14,805	19,400
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 \$582, capital and interest, renegotiable in April 2026	27,978	34,721
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	50,392	59,882
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	28,287	32,687
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, renegotiable in June 2025	24,417	27,284
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, renegotiable in June 2025	25,599	28,605



**Micmacs of Gesgapegiag Band**  
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**9 - LONG-TERM DEBT (Continued)**

	<u>2022</u>	<u>2021</u>
	\$	\$
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, renegotiable in December 2026	<b>104,564</b>	116,773
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	<b>80,835</b>	88,291
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	<b>54,625</b>	58,817
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, renegotiable in September 2024	<b>62,010</b>	67,364
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, renegotiable in October 2025	<b>111,534</b>	119,346
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, renegotiable in April 2027	<b>774,154</b>	820,116
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, renegotiable in April 2027	<b>67,092</b>	71,075
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	<b>225,637</b>	233,648

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

	<u>2022</u>	<u>2021</u>
	\$	\$
Native Commercial Credit corporation, 4.25%, payable in monthly instalments of \$1,117 \$, capital and interest, renegotiable in December 2028	<u>121,865</u>	
	<u>3,915,631</u>	<u>4,544,972</u>
Current portion		
Subject to renewal	<u>340,717</u>	<u>300,807</u>
Other	<u>516,531</u>	<u>575,291</u>
	<u>857,248</u>	<u>876,098</u>
	<u>3,058,383</u>	<u>3,668,874</u>

The estimated instalments on long-term debt for the next five years are \$857,248 in 2023, \$736,170 in 2024, \$1,634,435 in 2025, \$789,571 in 2026 and \$742,004 in 2027.

**Micmacs of Gesgapegiag Band**  
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**10 - DEFERRED CONTRIBUTIONS RELATED TO TANGIBLE CAPITAL ASSETS**

	<u>2022</u>	<u>2021</u>
	\$	\$
Balance, beginning of year	7,863,979	4,977,775
ISC		
368500 Q40Q Education Facilities Capital		117,805
362105 Q40Y Blue Bird Vision 2023	117,960	
362105 Q40Y 8x MS Tablets	18,846	
362105 Q40Y Kitchen	10,952	
362105 Q40Y Storage Container	7,250	
362105 Q40Y 75x Ipad Pro	84,980	
408566 Q40O Water Systems	39,288	
860037 Little Pax Knot bad	436,701	
641850 Q32N Risk Management gov capacity Development		75,114
Department of Fisheries and Oceans		
860000 Mid-shore Fisheries		20,500
860035 New Vessel and repairs		435,777
First Nations Education Council		
361005 GreenHouse	17,046	
Secrétariat aux Affaires Autochtones		
708151 Gas pump project	24,680	167,851
Solicitor General of Canada		
590104 Policing/COVID 19	8,815	
C.M.H.C.		
990030 Sixplex 24 Gasgusi Lane		235,907
990031 15 Pagtape		124,875
990032 21 Pagtape		124,875
990033 25 Pagtape		124,875
990034 17 Pagtape		133,607
990035 28 Pagtape		133,607
990036 30 Pagtape		133,607
990037 34 Pagtape		133,607
990038 36 Pagtape		133,607
990040 1 Bedroom Houses	374,400	
Ministre des Forêts, de la Faune et des Parcs du Québec		
708199 Clean energy	517,442	1,103,059
Ministre de l'Agriculture, des Pêcheries et de l'Alimentation		
860038 Echo trawl		269,250
Other	45,828	
Canada Mortgage and Housing Corporation - Forgivable loans		61,751
Amortization	(916,421)	(643,470)
Balance, end of year	<u>8,651,746</u>	<u>7,863,979</u>

**Micmacs of Gesgapegiag Band**  
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**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>2022</u>	<u>2021</u>
	\$	\$
<b>Cash</b>	<b>373,146</b>	<b>317,820</b>
<b>Reserve fund</b>		
Balance, beginning of year	373,054	362,808
Annual contribution - replacement reserve	41,780	41,900
Use of the reserve	<u>(81,805)</u>	<u>(31,654)</u>
Balance, end of year	<u><b>333,029</b></u>	<u><b>373,054</b></u>

With the exception of interest earned during the year, no amount has been transferred to the reserve for 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:

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

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>Cash</b>	<u>408,360</u>	<u>305,399</u>
<b>Reserve fund</b>		
Balance, beginning of year	407,928	358,239
Adjustment requested by C.M.H.C. (Note 17)	<u>187,356</u>	<u>49,689</u>
Balance, end of year	<u>595,284</u>	<u>407,928</u>

With the exception of interest earned during the year, no amount has been transferred to the reserve for 2022.

**13 - TANGIBLE CAPITAL ASSETS**

	<u>2022</u>		<u>2021</u>	
	Cost	Accumulated amortization	Net carrying amount	Net carrying amount
	\$	\$	\$	\$
Land	380,586		380,586	380,586
Buildings	26,729,014	14,995,142	11,733,872	10,107,802
Sanitation system	7,470,417	6,672,272	798,145	869,278
Automotive equipment	3,003,563	2,333,724	669,839	851,671
Material and equipment	3,727,569	1,734,499	1,993,070	1,258,136
Roads	624,319	289,071	335,248	353,893
Gravel pit	100,000		100,000	100,000
Boat	1,840,041	149,042	1,690,999	1,591,703
Building in construction	<u>1,839,957</u>		<u>1,839,957</u>	<u>1,952,770</u>
	<u>45,715,466</u>	<u>26,173,750</u>	<u>19,541,716</u>	<u>17,465,839</u>

**14 - BANK LOANS**

The bank loan, for an authorized amount of \$1,000,000, bears interest at prime rate plus 1.5% (4.2%; 3.95% as at March 31, 2021) 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**  
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**16 - CONTRIBUTION RECEIVABLE (PAYABLE)**

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>Federal government</b>		
110000 Medical Transportation NIHB/MT		(77,513)
212384 Q2BX CFS Maintenance - Enhanced Prevent	595,888	
302308 Q2AL Social assistance for Employment	(328,693)	
408746 QZ18 Wast Diversion Program	(202,877)	
641366 QZ9P Specific Claims Submission		(43,701)
	<u>64,318</u>	<u>(121,214)</u>

**17 - ADJUSTMENT TO PRIOR YEARS**

After the review of the financial statements for the year ended March 31, 2021 by the Organization, the following adjustments were required:

	<u>2022</u>	<u>2021</u>
	\$	\$
<b>Micmacs Housing Corporation</b>		
Adjustment to operating reserve	<u>187,356</u>	<u>49,689</u>

**18 - CONTINGENCY**

As at March 31, 2022, the Organization is contingently liable as endorser in long-term debts for members of the community for an estimated amount of \$580,000 (\$655,000 in 2021).

**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 39% (44% in 2021) of its revenues from Indigenous Services Canada (ISC).

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
 March 31, 2022

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**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>2022</u>	<u>2021</u>
	\$	\$
Cash	9,945,465	7,505,333
Accounts receivable	2,821,848	1,120,800
Rents receivable	2,468,172	2,492,275
Advances	55,462	46,500
Government transfers receivable	<u>3,793,228</u>	<u>4,693,597</u>
	<u>19,084,175</u>	<u>15,858,505</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 \$2,591,164 as at March 31, 2022 (\$2,793,595 as at March 31, 2021).

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
 March 31, 2022

**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, 2021) 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, 2022, 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	5,708,595			
Long-term debt	597,297	271,971	2,951,920	110,282
	<u>6,305,892</u>	<u>271,971</u>	<u>2,951,920</u>	<u>110,282</u>



**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
 March 31, 2022

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**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 \$24,767 for the rental of equipments.

Minimum lease payments for the next four years are \$13,020 in 2023, \$10,928 in 2024, \$468 in 2025 and \$351 in 2026.

**23 - TRUST FUNDS HELD BY ISC**

	March 31, 2021	Addition 2022	Withdrawals 2022	March 31, 2022
	\$	\$	\$	\$
Revenue	44,488	1,290		45,778
Capital	647			647
	<u>45,135</u>	<u>1,290</u>		<u>46,425</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, 2022

**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		Unaudited Budget		Unaudited Budget		Unaudited Budget		Unaudited Budget		Unaudited Budget	
	2022	2022	2021	2021	2022	2022	2021	2021	2022	2022	2021	2021
<b>Revenues</b>												
Federal government transfers	1,390,647	2,959,042	2,691,947	2,135,976	4,954,186	4,262,595	3,395,025	4,453,548	4,242,482			
Provincial government transfers	89,942	55,415	54,954									
Other revenues	30,000	18,511	(344,900)	5,000	(253,510)	(58,204)	287,640	(177,153)	968,922			
<b>Total Revenues</b>	<b>1,510,589</b>	<b>3,032,968</b>	<b>2,402,001</b>	<b>2,140,976</b>	<b>4,700,676</b>	<b>4,204,391</b>	<b>3,682,665</b>	<b>4,276,395</b>	<b>5,211,404</b>			
<b>Expenses</b>												
Salaries and fringe benefits	870,933	1,283,411	1,358,713	691,102	1,293,464	1,358,956	2,111,601	1,709,089	1,928,016			
Amortization												
Other expenses	667,124	1,059,825	682,352	1,427,325	3,546,986	2,371,051	1,571,217	1,554,425	1,522,795			
<b>Total expenses</b>	<b>1,538,057</b>	<b>2,343,236</b>	<b>2,041,065</b>	<b>2,118,427</b>	<b>4,840,450</b>	<b>3,730,007</b>	<b>3,682,818</b>	<b>3,263,514</b>	<b>3,450,811</b>			
<b>Transfers between programs</b>		<b>(689,732)</b>	<b>(348,572)</b>		<b>5,100</b>	<b>29,001</b>	<b>(474,384)</b>		<b>(1,012,881)</b>	<b>(1,761,550)</b>		
<b>Excess (deficiency) of revenues over expenses</b>	<b>(27,468)</b>		<b>12,364</b>	<b>27,649</b>	<b>(110,773)</b>		<b>(153)</b>		<b>(957)</b>			

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
Year ended March 31, 2022

**26 - SEGMENT DISCLOSURES (Continued)**

	Public Works			Public Security			Band Support		
	Unaudited Budget		2021	Unaudited Budget		2021	Unaudited Budget		2021
	2022	2022		2022	2022		2022	2022	
<b>Revenues</b>									
Federal government transfers	1,684,859	1,549,851	2,007,463	485,952	807,956	523,999	550,046	583,623	942,860
Provincial government transfers		1,518		448,571	448,575	470,539	1,085,331	1,145,312	1,066,054
Other revenues	464,544	782,876	178,172	5,000	(324,624)	5,569	1,456,785	2,284,316	2,264,029
<b>Total Revenues</b>	<b>2,149,403</b>	<b>2,334,245</b>	<b>2,185,635</b>	<b>939,523</b>	<b>931,907</b>	<b>1,000,107</b>	<b>3,092,162</b>	<b>4,013,251</b>	<b>4,272,943</b>
<b>Expenses</b>									
Salaries and fringe benefits									
Amortization	739,127	523,616	294,805	775,735	1,071,293	828,288	1,137,328	1,557,484	1,613,749
Other expenses	1,776,846	1,995,091	2,115,240	248,176	266,511	216,657	2,293,904	2,636,635	2,695,068
<b>Total expenses</b>	<b>2,515,973</b>	<b>2,518,707</b>	<b>2,410,045</b>	<b>1,023,911</b>	<b>1,337,804</b>	<b>1,044,945</b>	<b>3,431,232</b>	<b>4,194,119</b>	<b>4,308,817</b>
<b>Transfers between programs</b>	<b>366,570</b>	<b>180,145</b>	<b>174,479</b>	<b>201,050</b>	<b>191,191</b>	<b>51,311</b>	<b>622,250</b>	<b>233,462</b>	<b>227,202</b>
<b>Excess (deficiency) of revenues over expenses</b>		<b>(4,317)</b>	<b>(49,931)</b>	<b>116,662</b>	<b>(214,706)</b>	<b>6,473</b>	<b>283,180</b>	<b>52,594</b>	<b>191,328</b>

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
Year ended March 31, 2022

**26 - SEGMENT DISCLOSURES (Continued)**

	Economic Development			Commercial			Capital Housing		
	Unaudited Budget			Unaudited Budget			Unaudited Budget		
	2022	2022	2021	2022	2021	2022	2022	2021	
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Revenues</b>									
Federal government transfers	208,417	1,424,716	1,042,504	55,008	496,182	1,151,319	345,494	339,954	1,621,572
Provincial government transfers	174,713	631,161	1,285,409	170,000	279,207	549,326			
Other revenues	879,645	721,828	(189,100)	8,257,621	15,466,301	9,397,814		1,058,098	(318,569)
<b>Total Revenues</b>	<b>1,262,775</b>	<b>2,777,705</b>	<b>2,138,813</b>	<b>8,482,629</b>	<b>16,241,690</b>	<b>11,098,459</b>	<b>345,494</b>	<b>1,398,052</b>	<b>1,303,003</b>
<b>Expenses</b>									
Salaries and fringe benefits	813,675	1,377,504	1,445,550	2,904,662	6,136,894	3,613,144	310,192	523,300	305,344
Amortization					59,277	56,954		1,629,424	1,114,077
Other expenses	626,630	913,083	796,784	3,471,244	7,718,946	5,300,575	368,367	361,991	378,030
<b>Total expenses</b>	<b>1,440,305</b>	<b>2,290,587</b>	<b>2,242,334</b>	<b>6,375,906</b>	<b>13,915,117</b>	<b>8,970,673</b>	<b>678,559</b>	<b>2,514,715</b>	<b>1,797,451</b>
<b>Transfers between programs</b>	<b>78,030</b>	<b>1,848,618</b>	<b>3,592,891</b>	<b>(1,500,000)</b>	<b>(1,578,235)</b>	<b>(1,590,000)</b>	<b>227,000</b>	<b>798,431</b>	<b>128,623</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(99,500)</b>	<b>2,335,736</b>	<b>3,489,370</b>	<b>606,723</b>	<b>748,338</b>	<b>537,786</b>	<b>(106,065)</b>	<b>(318,232)</b>	<b>(365,825)</b>

**Micmacs of Gesgapegiag Band**  
**Notes to Consolidated Financial Statements**  
Year ended March 31, 2022

**26 - SEGMENT DISCLOSURES (Continued)**

	Total		
	Unaudited Budget	2022	2021
	2022	\$	\$
<b>Revenues</b>			
Federal government transfers	10,251,424	17,569,058	18,486,741
Provincial government transfers	1,968,557	2,561,188	3,426,282
Other revenues	11,386,235	19,576,643	11,903,733
<b>Total Revenues</b>	<b>23,606,216</b>	<b>39,706,889</b>	<b>33,816,756</b>
<b>Expenses</b>			
Salaries and fringe benefits	10,354,354	15,476,065	12,746,565
Amortization		1,688,701	1,171,031
Other expenses	12,450,832	20,053,484	16,078,552
<b>Total expenses</b>	<b>22,805,186</b>	<b>37,218,250</b>	<b>29,996,148</b>
<b>Transfers between programs</b>			
<b>Excess (deficiency) of revenues</b>			
<b>over expenses</b>	<b>801,030</b>	<b>2,488,639</b>	<b>3,820,608</b>

Micmacs of Gasgapegiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year	
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>HEALTH</b>									
110000 Medical Transportation NIHB/MT	295,250	(123,112)	172,138	172,138			(35,144)	(35,144)	
110001 Mental wellness before Tele Health Q21G	159,440	221,599	381,039	381,039					
110002 Emerging Technologies Q301	18,434	16,114	34,548	34,548					
110004 Mental wellness team Q21G	540,397	(165,547)	374,850	97,715	(277,135)		71,110	71,110	
110005 Aboriginal Head Start On-Reserve AHSOR Q22K	81,011	(13,591)	67,420	67,420			42,549	42,549	
110006 Brighter Futures BF							4,812	4,812	
110008 Maternal Child Health MCH	145,300		145,300	145,300			255,661	255,661	
110009 Environmental - Public Health Q40H	11,270		11,270	11,270			58,611	58,611	
110010 Aboriginal Diabetes Initiative ADI	3,562		3,562	3,562			(4,953)	(4,953)	
110014 AHHRI Health Careers Q231	9,236		9,236	9,236			(305,411)	(305,411)	
110015 Health Planning & Management HPM Q23Y	770,643	23,113	793,756	466,659	(327,097)		128,399	128,399	
110016 Clinical and Client Care CCC	167,581		167,581	167,581			37,982	37,982	
110018 FN and Inuit Health Services AS/Accreditation									
110021 Clinical and Client Care CCC service delivery Q02I	47,890		47,890	47,890			111	111	
110029 Indigenous Early Learning and Child Care program Q210		62,556	62,556	62,556			(19,922)	(19,922)	
110030 Children's Oral Health Initiative and D	35,858	5,272	35,858	15,200	(20,658)				
110038 Avenir enfant									
110040 JP-Service coordination Q2FY	69,078	(1,213)	67,865	67,865					
110041 JP - Allied Services Q2FQ	160,876	(89,741)	71,135	71,135					
110042 JP - Education Q2FR	96,864	(4,722)	92,142	92,142					
110044 JP - Med supplies Q2FT		5,419	5,419	5,419					
110045 JP - Mental Health Q2G1	13,225	11,407	24,632	24,632					
110046 JP - Transportation Q2FU	1,150		1,150	1,150					
110048 JP - Day Programs Q20M		750	750	750					
110049 JP - Assisted Technology Q2GA	1,742		1,742	1,742					
110051 JP - Education assistance Q2G9	20,000		20,000	20,000					
110052 JP - Healthy Child Dev Q2FS	2,157	1,400	3,557	3,557					

Micmacs of Gesgapeagiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year	
	\$	\$	\$	\$	\$	\$	\$	\$	
110053 JP - Q2G5		639	639	639					
110054 JP - Respite Q2G2	4,100	(1,400)	2,700	2,700					
110055 JP - Day Care Q2G8	27,438	(14,471)	12,967	12,967					
110059 Food Security		30,000	30,000	30,000					
110060 Social Service Child in Foster Allowance		26,047	26,047	26,047			49,216	49,216	
110065 Liaison Nurses		66,524	66,524	66,524					
110086 Family violence		24,824	24,824	24,824					
110067 Cancer control		6,400	6,400	6,400			12,334	12,334	
110075 Blood Borne disease and Sexually Transmitted Q401	39,105		39,105	39,105					
110081 CHR, Healthy Leaving	115,450		115,450	50,608	(64,842)				
110090 Probation Officer (before 655700)		55,415	55,415	55,415			4,980	4,980	
110091 Tobacco Q226	13,448	1,960	15,408	15,408					
110092 Fighting First Nations Poverty		14,029	14,029	14,029					
110099 Q01T Traditional Healer	9,427	13,366	22,793	22,793					
Sub total - Health	2,839,932	193,037	3,032,969	2,343,237	(689,732)		300,335	300,335	
<b>SOCIAL SERVICES</b>									
212373 Q2C0 Operations - CFS	555,635	(343,350)	212,285	461,469	249,184		(239,954)	(239,954)	
212382 Q22U Home Community Care before Q2BY paid back	416,214	(317,694)	98,520	98,520					
212383 Q2BY CFS Maintenance - Enhanced Prevent	344,467	386,453	730,920	730,920			(41,273)	(41,273)	
212384 Q2BX CFS Maintenance - Enhanced Prevent	413,280	704,682	1,117,962	1,117,962			(206,996)	(206,996)	
212388 Q2C3 Prevention/Least Disruptive Measure	431,290	(160,190)	271,100	271,100			(64,626)	(64,626)	
212389 Sports Life line		15,721	15,721	15,721					
212395 Q2BF In-Home Care	360,469		360,469	360,469			(336,016)	(336,016)	
212396 NPC5/Q2BF In Home Care 2016-2019				110,773		(110,773)		(110,773)	
212397 NPC6/Q2BG Adult Foster Care 2011-2017	286,417		286,417	286,417					
212399 Q2BH Service Delivery	409,803		409,803	336,419	(73,384)		(5,924)	(5,924)	
212400 Q2BW Community based initiative	164,913	(164,913)							

Micmacs of Gesgapeagiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
302305 Q410 Basic Needs	\$ 901,566	\$ 120,655	\$ 1,022,221	\$ 857,118	\$ (165,103)	\$ (172,209)	\$ (172,209)	
302306 Q29W Basic Needs	160,223	(113,346)	46,877	46,877				
302308 Q2AL Social assistance for Employment	134,466	(111,192)	23,274	23,274				
302320 Special Needs				7,565	7,565			
302330 Q2AF Service Needs			33,781	44,520	10,739			
309006 Q2AK Case management capacity			71,326	71,326				
309009 Q2AM Services delivery infra	3,141	(3,141)						
Sub Total Social Services	4,686,991	13,685	4,700,676	4,840,450	29,001	(110,773)	(1,115,553)	(1,226,326)
<b>EDUCATION</b>								
361000 FNEC initiative for the 4 to 8 years old		11,558	11,558	11,558				
361001 Career Promotion		6,195	6,195	6,195				
361002 Youth Employment		26,537	26,537		(26,537)		(3,684)	(3,684)
361003 Science and Technology		11,827	11,827	11,827			(17)	(17)
361005 Continuous School Improvement		263,583	263,583	263,583			794	794
361007 Partnerships Initiative		10,340	10,340	10,340			450	450
361009 Education Partnerships Program		53,351	53,351	53,351			(1,012)	(1,012)
361012 Breakfast FNSSSP/Early Literacy		4,931	4,931	4,931				
361013 NP1M New Paths Language				63,242	63,242		(1,450)	(1,450)
361014 Postsecondary (PSP)		87,519	87,519	87,519				
361300 NTHL Schools - O&M				13,288	13,288			
362105 Q2JB-Q3R0-Q40Y Instructional Services Formula Seq. 1	3,104,430	(238,603)	2,865,827	1,465,501	(1,400,326)		154,319	154,319
362126 NP0S Ancillary Support				16,660	16,660		701,112	701,112
362138 NP12 Financial Assistance Allowances				15,925	15,925		24,920	24,920
362144 NP17 Student Accommodation Service Prov.				16,140	16,140		191,957	191,957
362145 NP18 Student Transportation Services		125	125	167,340	167,215		465,972	465,972
362234 Band Operated School - Special Education		367,977	367,977	367,977			(19,186)	(19,186)
362270 Q40Z Post-Secondary Student Support Pro	457,003		457,003	612,164	155,161		(123,401)	(123,401)



**Micmacs of Gasgapegiag**  
**Consolidated Operations and Accumulated Surplus (Deficit) by Program**  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year	
368500 Q40Q - Education Facilities Capital	109,622		109,622	75,973	(33,649)		1,390,774	1,390,774	
Sub Total Education	3,671,055	605,340	4,276,395	3,263,514	(1,012,881)				
<b>PUBLIC WORKS</b>									
408565 Q35A Wastewater Systems	110,205	11,910	122,115	122,115			(613,557)	(613,557)	
408566 Q40Q Water Systems	109,622	(28,518)	81,104	87,274	(6,753)	(12,923)	(67,669)	(80,592)	
408595 Q35T Water System Rehabilitation		381,238	381,238	381,238			(1,382)	(1,382)	
408627 Q3DB Pagtape Extension		(4,996)	(4,996)		4,996		(25,468)	(25,468)	
408748 Q3AX Roads and Bridges QD88							(43,470)	(43,470)	
408751 Q40U Community Buildings	13,114		13,114	13,114			(322,814)	(314,208)	
408767 Q3BH Roads and Bridges		99,768	99,768	86,166	(4,996)	8,606	(298,424)	(298,424)	
408768 Q3UO Roads (Droken road)	609,740		609,740	616,493	6,753		2,397	2,397	
408774 Q40T Maintenance Management	354,316	33,950	388,266	388,266					
408775 Q35E Maintenance Management	607,062	(76,393)	530,669	530,669					
410000 Community Beautification & Elder Assistance		113,227	113,227	293,372	180,145				
Sub Total Public Works	1,804,059	530,186	2,334,245	2,518,707	180,145	(4,317)	(1,370,387)	(1,374,704)	
<b>PUBLIC SECURITY</b>									
590104 Policing/COVID 19		147,208	147,208	147,208			17,103	17,103	
590105 Policing Services		778,508	778,508	1,124,065	125,000	(220,557)	(579,049)	(799,606)	
590106 Police Tickets		6,191	6,191	340		5,851	31,476	37,327	
590107 Dog Catcher				8,141	8,141		17,195	17,195	
590108 Emergency preparedness							(14,250)	(14,250)	
590110 Q3BN Training - Fire Protection							68,476	68,476	
590115 Q3AU Fire Protection QD88							89,246	89,246	
590120 Q3BG Fire Protection							(24,134)	(24,134)	
Sub Total Public Security		931,907	931,907	58,050	58,050	(214,706)	(393,937)	(608,643)	

Micmacs of Gesgapegiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
	\$	\$	\$	\$	\$	\$	\$	\$
<b>BAND SUPPORT</b>								
630000 MMBBC		13,800	13,800	4,500	(9,300)	10,768	10,768	
630050 Coop Handicraft				6,252	6,252	(1,683)	(1,683)	
630060 Walgwan Center		168,107	168,107	35,254	(132,853)	1,175,627	1,175,627	
640000 Estuary Fishing Agreement		1,332,121	1,332,121	1,332,121	292,687	(356,546)	(356,546)	
641010 Council department				292,687		(6,483)	(6,483)	
641011 Q40L-Q31M Band Support Funding	448,138	891,440	1,339,578	1,449,053	109,475	(502,205)	(502,205)	
641012 Mobilization		117,874	117,874	56,503	(61,371)			
641013 Cultural & Language		55,828	55,828	55,828				
641016 Learning Center		24,159	24,159	48,807	24,648			
641017 NGOM CPP/QPP and Private Pension Plans	120,608		120,608	120,608		(3,189)	(3,189)	
641843 Q32J before NG1E Fin Mgmt gov cap dev	101,667	48,682	150,349	150,349				
648500 MAPAQ		22,500	22,500	26,424	3,924			
Gesgapegiag Human Resources Development Commission		669,677	669,677	616,992		52,685	(16,484)	
Gesgapegiag Natural Resources Inc.				91		(91)	66,578	
Elimination of inter-organizational transactions upon consolidation	(1,350)		(1,350)	(1,350)				
Sub Total Band Support	670,413	3,342,838	4,013,251	4,194,119	233,462	52,594	366,383	418,977
<b>ECONOMIC DEVELOPMENT</b>								
650050 Daycare Center Rent		61,925	61,925	61,925			(48,802)	(48,802)
651025 Rod Lease		52,500	52,500	22,537	(29,963)		(22,861)	(22,861)
652000 Pastoral Agent Church		4,916	4,916	20,832	15,916		(4,642)	(4,642)
653000 Cascapedia Society		453,467	453,467	453,467			48,183	48,183
655000 Summer Student Employment Program		21,160	21,160	64,630	43,470		24,811	24,811
656600 Owned Source Revenue	535,130	527,552	1,062,682	563,378	1,509,175	2,008,479	(5,144,540)	(3,136,061)
658500 Q3FP Pandemie							(17,250)	(17,250)
658501 Q3SJ Pandemie								
680000 Elections	444,556	(153,647)	290,909	290,909	18,194			

Micmacs of Gesgapegiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year	
708110 Q40W Community Ec. Dev. Program	144,883	84,985	229,868	309,207	79,339		53,426	53,426	
708111 Q3QP Ec dev Capacity & readiness	177,123	55,644	232,767	232,767					
708125 Basket Making/Beading		65,405	65,405	152,986	87,581		(85,230)	(85,230)	
708145 Chalets Ste-Helene (operationnel)		176,263	176,263	243,527	67,264				
708151 Gas pump project		(24,680)	(24,680)		24,680				
708165 Recreative project		60,398	60,398	60,398					
708170 Tourism Initiative		11,814	11,814	12,116	302		(58,014)	(58,014)	
708180 Community Park Project		2,701	2,701	9,509	6,808		(21,693)	(21,693)	
708185 Sundance		13,280	13,280	13,280					
708190 Q40 Lands, membership and Estates	40,083	40	40,123	40,866	743		(20,805)	(20,805)	
708195 Land use planning Initiative		22,206	22,206	45,324	23,118				
708196 Interpretation center				1,991	1,991				
Elimination of inter-organizational transactions upon consolidation				(327,256)		327,256	100,013	427,269	
Sub Total Economic Development	1,341,775	1,435,929	2,777,704	2,290,587	1,848,618	2,335,735	(5,197,404)	(2,861,669)	
<b>COMMERCIAL</b>									
860000 Midshore Fisheries		7,504,086	7,504,086	4,561,602	(1,947,938)	994,546	21,640,572	22,635,118	
860004 Sub-contract Other Species Mathilde							12,075	12,075	
860005 Fisheries Training C4							624,472	624,472	
860006 Natural Resources Administration		179,215	179,215	663,620	484,405		(864,738)	(864,738)	
860010 Gesgapegiag Lobsterhut		413,910	413,910	517,535	103,625		(86,084)	(86,084)	
860011 Lobster Whole Sale	55,864	3,241,825	3,297,689	3,094,922	(202,767)		639,437	639,437	
860024 Hållbut		44,216	44,216	44,216					
860026 Rock Crab		8,443	8,443	8,443					
860033 Whalesafe		5,130	5,130	5,130					
860034 Ansaletwit & Guinimu boats							(34,797)	(34,797)	
860036 Communal Fisheries							(391,979)	(391,979)	
860039 AICFI Expansion and Diversification Application		285,318	285,318		(285,318)				

**Micmacs of Gesgapegiag**  
**Consolidated Operations and Accumulated Surplus (Deficit) by Program**  
Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year	
	\$	\$	\$	\$	\$	\$	\$	\$	
860041 Uktañ		588,751	588,751	602,761	14,000			884,525	
860042 Kiskamsi & Little Pax		802,503	802,503	963,053	160,550		(270,801)	14,091	
860043 Gitpu		716,091	716,091	730,091	14,000		42,851	982	
860044 Guimtu & Knot To Bad		567,791	567,791	585,774	17,983		(3,604,012)	(3,655,732)	
860045 Ansalewit		438,270	438,270	501,495	63,225				
870999 Forestry General		687,258	687,258	519,045		168,213	716,312	884,525	
871000 Forestry Training		52,921	52,921	87,389		(34,468)	(236,333)	(270,801)	
872000 Production/Forestry		260,769	260,769	286,883		(26,114)	40,205	14,091	
872500 Community Firewood Assistance		100,000	100,000	141,869		(41,869)	42,851	982	
9252-9106 Québec Inc. (Gesgapegiag Excavation)		549,207	549,207	600,927		(51,720)	(3,604,012)	(3,655,732)	
Gesgapegiag Business Corporation		1,911,644	1,911,644	1,911,644					
Elimination of inter-organizational transactions upon consolidation		(2,171,522)	(2,171,522)	(1,911,272)		(260,250)		(260,250)	
Sub Total Commercial	55,864	16,185,826	16,241,690	13,915,117	(1,578,235)	748,338	18,497,981	19,246,319	
<b>CAPITAL HOUSING</b>									
990002 Small Repair Q40S			109,622	48,311	(61,311)		(27,333)	(27,333)	
990006 New house subitize D. J.				24,000	24,000				
990007 Construction Article 95				53,750	53,750				
990011 Q40R Housing Councils	14,343	111,414	125,757	232,757	107,000		(42,152)	(42,152)	
990027 CHMC repairs		101,827	101,827	17,478	17,478		(31,808)	(31,808)	
990028 ISC repairs				101,827					
990030 Sixplex 24 Gasgusi Lane									
990040 1 bedroom houses									
990041 Pilot project elders houses's repairs									
990050 6-C Gasgusi									
999001 Mortgage Payments		92,705	92,705	30,927		(30,927)		(30,927)	
999002 Replacement reserve pre 96		751	751	751			(1,154,542)	(825,116)	
999003 Replacement reserve post 97		81,054	81,054	81,054					

Micmacs of Gasgapegiag  
 Consolidated Operations and Accumulated Surplus (Deficit) by Program  
 Year ended March 31, 2022

	ISC	Other revenues	Total revenues	Total expenses	Transfers between programs	Excess (deficiency) of revenues over expenses	Adjusted surplus (deficit), beginning of year	Accumulated surplus (deficit), end of year
999990 Amortization of tangible capital assets	\$	880,070	880,070	1,482,354		(602,284)	(6,772,436)	(7,374,720)
Micmacs Housing Corporation		447,672	447,672	395,113		52,559	(1,506,141)	(1,453,582)
Elimination of inter-organizational transactions upon consolidation		(67,006)	(67,006)			(67,006)	(100,013)	(167,019)
Sub Total Capital Housing	123,965	1,274,087	1,398,052	2,514,715	798,431	(318,232)	(9,634,757)	(9,952,989)

PRIOR PERIOD FINANCIAL

999999 Discontinued projects

6,569,822 6,569,822

TOTAL

15,194,054 24,512,835 39,706,889 37,218,250 2,488,639 9,413,257 11,901,896

**Micmacs of Gesgapegiag Band**  
**Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration**  
 March 31, 2022

	Position title	Number of months	Remuneration		
			Honoraria	Note 1	Expenses Note 2
			\$	\$	\$
<b>Elected officials:</b>					
John Martin	Chief	12		93,600	6,691
Dorothy Gedeon	Councillor	12	14,900	31,999	442
Christianne B. Jerome	Councillor	12	12,500	18,728	6,119
Amy Martin	Councillor	2	2,500		
Armand Martin	Councillor	12	15,000	40,313	2,822
Tammy Martin	Councillor	12	15,000		19,384
Aaron Condo	Councillor	11	15,000	19,931	1,915
Bernard Jerome	Councillor	11	15,000	44,811	332
Daniel Condo	Councillor	11	15,000	41,747	263
			<u>104,900</u>	<u>291,130</u>	<u>37,968</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.