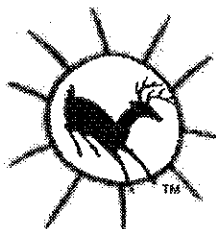


**Chippewas of Rama First Nation  
Consolidated Financial Statements  
For the year ended March 31, 2019**

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### **Management's Responsibility for the Consolidated Financial Statements**

The accompanying consolidated financial statements of Chippewas of Rama First Nation (the "First Nation") are the responsibility of management and have been approved by Chief and Council.

These 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. Management is responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Chief and Council are 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 external auditors, BDO Canada LLP, conduct an audit, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have access to financial management of Chippewas of Rama First Nation and meet when required.

On behalf of Chippewas of Rama First Nation:

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Dan Shilling  
First Nation Manager

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Rick Morano  
Chief Financial Officer

August 26, 2019



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19 Front Street N  
PO Box 670  
Orillia ON L3V 6K5 Canada

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## Independent Auditor's Report

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To Chief and Council of Chippewas of Rama First Nation

### Opinion

We have audited the consolidated financial statements of Chippewas of Rama First Nation (the "First Nation"), which comprise consolidated the statement of financial position as at March 31, 2019, and the consolidated statements of operations and accumulated surplus, change in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matters

Management is responsible for the other information. The other information comprises:

- The information, other than the consolidated financial statements and our auditor's report thereon, included in the unaudited supplementary schedules which present detailed program revenues and expenses and have been prepared to assist management of Chippewas of Rama First Nation to meet the reporting requirements of various funding agencies.
- Chippewas of Rama First Nation has also prepared another set of financial statements for the year ended March 31, 2019 in accordance with Canadian public sector accounting standards. Our audit report on the other set of financial statements was issued to the Members of Chippewas of Rama First Nation and was dated August 26, 2019.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to



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going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibility 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants  
Orillia, Ontario  
August 26, 2019

**Chippewas of Rama First Nation**  
**Consolidated Statement of Financial Position**

**March 31**

**2019**

**2018**

**Financial assets**

Cash and cash equivalents (Note 2)	<b>\$109,226,312</b>	\$ 3,464,767
Restricted cash (Note 3)	<b>696,500</b>	634,684
Trust funds held by federal government (Note 4)	<b>49,920</b>	177,706
Accounts receivable (Note 5)	<b>4,550,798</b>	3,642,505
Due from government (Note 6)	<b>1,152,626</b>	1,563,070
Loans receivable (Note 7)	<b>708,915</b>	953,078
Portfolio investments (Note 8)	<b>75,019,649</b>	76,505,239
Inventories for resale	<b>522,439</b>	559,947
Due from controlled entities (Note 9)	<b>2,314,541</b>	2,313,291
Investment in government business enterprises (Note 10)	<b>2,032,018</b>	2,578,256
	<b><u>196,273,718</u></b>	<b><u>92,392,543</u></b>

**Liabilities**

Accounts payable and accrued liabilities (Note 11)	<b>6,277,028</b>	6,808,082
Deferred payouts - minors (Note 12)	<b>22,196,364</b>	23,082,591
Due to government (Note 13)	<b>294,973</b>	242,190
Deferred revenue (Note 14)	<b>2,260,060</b>	3,503,699
Long-term debt (Note 15)	<b>19,883,657</b>	20,493,419
Solid waste closure and post-closure liabilities (Note 16)	<b>1,596,974</b>	1,601,967
	<b><u>52,509,056</u></b>	<b><u>55,731,948</u></b>

**Net financial assets**

**143,764,662**      **36,660,595**

**Non-financial assets**

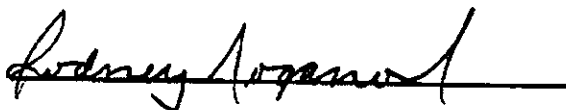
Tangible capital assets (Note 18)	<b>88,699,121</b>	90,514,988
Prepaid expenses	<b>113,742</b>	244,941
Inventories held for use	<b>37,684</b>	20,618
	<b><u>88,850,547</u></b>	<b><u>90,780,547</u></b>

**Accumulated surplus**

**\$232,615,209**      **\$127,441,142**

**Contingent liabilities (Note 19)**  
**Contractual obligations (Note 20)**

**On behalf of Chippewas of Rama First Nation:**



Chief

**Chippewas of Rama First Nation**  
**Consolidated Statement of Operations and Accumulated Surplus**

<b>For the year ended March 31</b>	(Note 22) <b>Budget</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Federal government transfers (Note 21)	\$ 8,034,057	\$106,440,547	\$ 8,242,430
Provincial government transfers (Note 21)	5,397,324	71,433,513	5,061,979
Rental income	5,001,082	5,135,241	4,860,982
Net investment income	3,673,000	1,895,381	2,493,960
Income (loss) from government business enterprises (Note 10)	100,000	(546,238)	(468,253)
Casino Rama ground rent	5,000,000	5,205,551	5,150,783
User fees	8,153,697	7,442,499	7,382,169
Sales from business enterprises	11,214,010	11,980,585	11,683,833
Casino Rama fees	7,446,000	7,007,606	8,072,201
Coldwater Treaty	-	184,252	180,000
Other	2,807,570	6,369,894	4,185,331
	<b>56,826,740</b>	<b>222,548,831</b>	<b>56,845,415</b>
<b>Expenses</b>			
General government	6,902,384	63,847,833	7,280,531
Health and social services	6,776,130	7,367,164	8,643,652
Education services	6,723,992	6,950,439	6,485,378
Economic development and business operations	11,740,658	13,224,554	13,378,225
Housing and social housing services	991,077	620,546	1,163,865
Lands and trust	9,160,058	7,922,899	8,071,681
Recreation and culture	670,561	663,570	601,360
Special projects	371,865	338,581	331,642
Operations and maintenance	6,399,811	6,965,758	7,067,810
Fire and police	7,696,920	7,370,100	7,562,120
Water and waste water	1,658,537	2,103,320	2,027,135
	<b>59,091,993</b>	<b>117,374,764</b>	<b>60,613,399</b>
<b>Annual surplus (deficit)</b>	<b>(2,265,253)</b>	<b>105,174,067</b>	<b>(3,767,984)</b>
<b>Accumulated surplus, beginning of year</b>	<b>127,441,142</b>	<b>127,441,142</b>	<b>131,209,126</b>
<b>Accumulated surplus, end of year</b>	<b>\$125,175,889</b>	<b>\$232,615,209</b>	<b>\$127,441,142</b>

Segment Disclosure (Note 23)

**Chippewas of Rama First Nation**  
**Consolidated Statement of Change in Net Financial Assets**

<b>For the year ended March 31</b>	(Note 22) <b>Budget</b>	<b>2019</b>	<b>2018</b>
<b>Annual surplus (deficit)</b>	<b>\$ (2,265,253)</b>	<b>\$105,174,067</b>	<b>\$ (3,767,984)</b>
Acquisition of tangible capital assets	(1,148,711)	(2,692,941)	(4,118,449)
Amortization of tangible capital assets	-	4,344,948	4,352,054
Loss (gain) on disposal of tangible capital assets	-	(68,621)	5,335
Proceeds on disposal of tangible capital assets plug	-	232,481	64,740
	<b>(3,413,964)</b>	<b>106,989,934</b>	<b>(3,464,304)</b>
Use/consumption of prepaid expenses	-	131,199	(48,752)
Use/consumption of inventories held for use	-	(17,066)	(1,173)
	-	114,133	(49,925)
<b>Increase (decrease) in net financial assets</b>	<b>(3,413,964)</b>	<b>107,104,067</b>	<b>(3,514,229)</b>
<b>Net financial assets, beginning of year</b>	<b>36,660,595</b>	<b>36,660,595</b>	<b>40,174,824</b>
<b>Net financial assets, end of year</b>	<b>\$ 33,246,631</b>	<b>\$143,764,662</b>	<b>\$ 36,660,595</b>

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

**Chippewas of Rama First Nation**  
**Consolidated Statement of Cash Flows**

<b>For the year ended March 31</b>	<b>2019</b>	<b>2018</b>
<b>Operating transactions</b>		
Annual surplus (deficit)	\$105,174,067	\$ (3,767,984)
Items not involving cash:		
Amortization of tangible capital assets	4,344,948	4,352,054
Solid waste closure and post-closure liabilities	(4,993)	105,624
Loss (gain) on disposal of tangible capital assets	(68,621)	5,335
Loss from government business enterprises	546,238	468,253
Impairment allowance - investment in government business		
Changes in non-cash operating balances:		
Accounts receivable	(908,293)	416,747
Due from government	410,444	2,539,808
Inventories for resale	37,508	(89,637)
Prepaid expenses	131,199	(48,752)
Inventories held for use	(17,066)	(1,173)
Accounts payable and accrued liabilities	(531,052)	1,057,048
Due to government	52,783	(261,761)
Deferred revenue	(1,243,639)	(1,208,101)
Cash provided by operating transactions	<u>107,923,523</u>	<u>3,567,461</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(2,692,941)	(4,118,449)
Proceeds on disposal of tangible capital assets	232,481	64,740
Cash applied to capital transactions	<u>(2,460,460)</u>	<u>(4,053,709)</u>
<b>Investing transactions</b>		
Decrease (increase) in portfolio investments	1,485,590	(754,826)
Increase in due from controlled entities	(1,250)	(150,000)
Increase (decrease) in restricted cash	(61,816)	(6,604)
Increase (decrease) in trust funds held by federal government	127,786	(7,428)
Increase in loans receivable	244,163	(94,167)
Proceeds on sale of government business enterprises	-	3,600,000
Cash provided by investing transactions	<u>1,794,473</u>	<u>2,586,975</u>
<b>Financing transaction</b>		
Proceeds from issuance of long-term debt	644,307	1,137,977
Repayment of long-term debt	(1,254,071)	(1,051,615)
Increase (decrease) in deferred payouts - minors	(886,227)	(1,593,320)
Cash provided by (applied to) financing transactions	<u>(1,495,991)</u>	<u>(1,506,958)</u>
<b>Increase in cash</b>	<b>105,761,545</b>	<b>593,769</b>
<b>Cash, beginning of year</b>	<u><b>3,464,767</b></u>	<u><b>2,870,998</b></u>
<b>Cash, end of year (Note 2)</b>	<u><b>\$109,226,312</b></u>	<u><b>\$ 3,464,767</b></u>

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



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## Chippewas of Rama First Nation Notes to Consolidated Financial Statements

**March 31, 2019**

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### 1. Summary of Significant Accounting Policies

#### a) Nature of Organization

Chippewas of Rama First Nation (the "First Nation") provides government type services including education, health and social services, economic development, police, fire, public works, planning, lands and trust, recreation and other general government services.

The First Nation is exempt from income tax.

#### b) Basis of Accounting

The consolidated financial statements have been prepared using Canadian public sector accounting standards.

#### c) Reporting Entity

The reporting entity includes the First Nation and all entities that are controlled by the First Nation.

All controlled entities are consolidated in the First Nation's financial statements according to the First Nation's percentage ownership except for entities that meet the definition of a government business enterprise or a government business partnership, which are included in the financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Entities fully consolidated in the First Nation's financial statements include:

Chippewas of Rama Social Housing	- 100%
Waasa Gdi Naabmin (Looking Far Ahead) Trust	- 100%
Ojibway Bay Marina Ltd.	- 100%
455457 Ontario Inc. (o/a Ramcor Developments)	- 100%
1176290 Ontario Limited (o/a Biindigen Gift Shop)	- 100%
1291580 Ontario Inc. (o/a Rama Country Market and Gas Bar)	- 100%
Black River Wilderness Park Limited	- 100%

Under the modified equity method of accounting, only the First Nation's investment in the entity and the First Nation's portion of the entity's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the entity that are different from those of the First Nation and inter-organizational balances and transactions are not eliminated.

Entities consolidated under the modified equity method of accounting in the First Nation's financial statements include:

Rama Parking Inc.	- 100%
Casino Rama Inc.	- 100%
My Lucky Spot - Entertainment Centre Ltd.	- 80%

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

**d) Loans Receivable**

Loans receivable are initially recorded at cost less any amount for valuation allowance. Valuation allowances are used to reflect collectability and risk of loss and to reflect loans receivable at the lower of cost and the net recoverable value. Changes in valuation allowance are recognized in expenses in the statement of operations. When the loss is known with sufficient precision and there is no realistic prospect of recovery the loan receivable is reduced by the amount of the loss. Interest income is accrued on loans receivable as earned to the extent it is deemed collectable.

**e) Portfolio Investments**

Portfolio investments are recorded at cost. Portfolio investments are written down where there has been a loss in value that is other than a temporary decline.

**f) Inventories for Resale**

Inventory for resale is stated at the lower of cost and net realizable value. Cost is generally determined on a first-in, first-out basis.

**g) Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Land improvements	10 to 25 years
Buildings and structures	10 to 30 years
Roads and bridges	20 to 50 years
Water and waste water systems	50 years
Automotive	3 to 15 years
Equipment	5 to 15 years
Solar panels	20 years
Computer systems	3 years

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.

**h) Inventories Held for Use**

Inventories of supplies held for consumption are recorded at the lower of cost and replacement cost.

**i) Landfill Closure and Post-Closure Accrual**

The estimated costs to close and maintain solid waste landfill sites are based on estimated future expenses in current dollars, discounted, adjusted for estimated inflation, and are charged to expense as the landfill site's capacity is used.

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**1. Summary of Significant Accounting Policies (continued)**

**j) Pension Plan**

The First Nation is an employer member of Manulife Financial, which has a defined contribution pension plan. The Pension Committee, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The First Nation records as pension expense the current service cost.

**k) Government Transfers**

Government transfers are recognized as revenue in the consolidated financial statements 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.

**l) Revenue Recognition**

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis.

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**2. Cash and cash equivalents**

	2019	2018
Internally restricted:		
Williams Treaty Settlement	\$ 19,679,875	\$ -
Unrestricted:		
Operating	89,199,032	3,219,289
Social Housing	347,405	245,478
	89,546,437	3,464,767
Total cash	\$ 109,226,312	\$ 3,464,767

**3. Restricted Cash**

	2019	2018
Restricted - Social Housing Reserves	\$ 696,500	\$ 634,684

Under the terms of the agreements with Canada Mortgage and Housing Corporation, Chippewas of Rama First Nation must set aside funds annually for the repair, maintenance and replacement of worn out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund.

**4. Trust Funds Held by Federal Government**

	Balance March 31, 2018	2019 Additions	2019 Withdrawals	Balance March 31, 2019
Revenue	\$ 129,592	\$ -	\$ 129,592	\$ -
Capital	48,114	1,806	-	49,920
	\$ 177,706	\$ 1,806	\$ 129,592	\$ 49,920

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 Sections 63 to 69 of the Indian Act.

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**5. Accounts Receivable**

	2019	2018
Due from members:		
Social Housing	\$ 114,517	\$ 138,870
Rent and other	1,313,115	923,257
Due from others:		
Services	3,863,968	3,267,998
	5,291,600	4,330,125
Less impairment allowance	(740,802)	(687,620)
Total accounts receivable	\$ 4,550,798	\$ 3,642,505

**6. Due from Government**

	2019	2018
Federal government		
Indigenous and Northern Affairs Canada	\$ 445,290	\$ 370,259
Canada Mortgage and Housing Corporation	22,459	20,420
Ogemawahj Tribal Council	39,069	185,630
HST	106,368	160,988
Other	449,428	664,788
Provincial government	90,012	160,987
	\$ 1,152,626	\$ 1,563,070

**7. Loans Receivable**

	2019	2018
Community Financial Assistance Program loans	\$ 295,938	\$ 464,351
Mortgages to members, bearing interest from 5.7% to 7%, 11 (2018 - 11) mortgages, various monthly payments of \$6,133 in total, due from 2020 to 2038	495,002	556,411
	790,940	1,020,762
Less impairment allowance	(82,025)	(67,684)
	\$ 708,915	\$ 953,078

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**8. Portfolio Investments**

	2019	2018
<b>First Nation Fund</b>		
Investments held by Scotiatrust, market value of \$30,909,107 (2018 - \$2,894,935) (Note 15 & 19)	<b>\$ 28,802,581</b>	\$ 27,412,941
Accrued interest receivable	<b>55,348</b>	72,202
	<b>28,857,929</b>	27,485,143
 <b>Restricted Assets of Waasa Gdi Naabmin (Looking Far Ahead) Trust</b>		
Investments held by Scotiatrust, market value of \$29,445,262 (2018 - \$32,544,454) (Note 15)	<b>28,989,346</b>	32,103,054
Accrued interest receivable	<b>1,851</b>	1,584
	<b>28,991,197</b>	32,104,638
 <b>Other Investments</b>		
Medcan Health, 30,000 class B common shares	<b>300</b>	300
Guaranteed Investment Certificates held as collateral (Note 15)	<b>13,970,223</b>	13,715,158
Diversified Canadian Growth Deposit Notes, due 2021 (Note 15)	<b>3,200,000</b>	3,200,000
	<b>17,170,523</b>	16,915,458
 Total portfolio investments	<b>\$ 75,019,649</b>	\$ 76,505,239

Included in the Scotiatrust portfolio investment of \$28,802,581 (2018 - \$27,412,941) is \$8,710,267 (2018 - \$8,827,330) in fixed income securities. These bear interest rates ranging from 1.2% to 11% (2018 - 0.75% to 11%) and maturity dates ranging from 2020 to 2050 (2018 - 2019 to 2047).

Included in the Scotiatrust portfolio investment of \$28,989,346 (2018 - 32,103,054) is \$Nil (2018 - \$231,233) in fixed income securities.

The amount of the Waasa Gdi Naabmin (Looking Far Ahead) Trust capital distributions are limited to those funds held in the Waasa Gdi Naabim (Looking Far Ahead) Trust by Scotiatrust with the balance of \$28,991,197 (2018 - \$32,104,638) above. There is no liability to the First Nation or guarantee by the First Nation to pay out any trust capital distributions related to the Waasa Gdi Naabmin (Looking Far Ahead) Trust.

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**9. Due from Controlled Entities**

	<u>2019</u>	<u>2018</u>
Casino Rama Inc.	\$ 3,750	\$ 2,500
Rama Parking Inc.	960,791	960,791
My Lucky Spot - Entertainment Centre Ltd.	<u>1,350,000</u>	<u>1,350,000</u>
	<u>\$ 2,314,541</u>	<u>\$ 2,313,291</u>

The advances to the above entities are non-interest bearing, unless otherwise stated, have no specific terms of repayment and are not due within one year, unless specifically noted above.

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**Chippewas of Rama First Nation  
Notes to Consolidated Financial Statements**

**March 31, 2019**

**10. Investments in Government Business Enterprises**

The First Nation's investments in government business enterprises consist of the following:

	2019	2018
My Lucky Spot - Entertainment Centre Ltd., at cost	\$ 6,400,000	\$ 6,400,000
Casino Rama Inc., at cost	1	1
Rama Parking Inc.	1	1
	<u>6,400,002</u>	<u>6,400,002</u>
Cumulative income (loss) from government business enterprises	<u>(4,367,984)</u>	<u>(3,821,746)</u>
Less impairment allowance	<u>2,032,018</u>	<u>2,578,256</u>
	<u>-</u>	<u>-</u>
	<u>\$ 2,032,018</u>	<u>\$ 2,578,256</u>

The following table presents condensed supplementary financial information for these commercial enterprises as at March 31, 2019.

	My Lucky Spot - Entertainment Centre Ltd.	Other	2019 Total	2018 Total
Cash	\$ 174,564	\$ 1,031,128	\$ 1,205,692	\$ 244,182
Accounts receivable	143,692	-	143,692	95,198
Inventory	28,746	-	28,746	25,540
Prepaid expenses	93,044	5,098	98,142	93,136
Tangible capital assets	1,855,455	979,227	2,834,682	2,824,682
Other assets	3,216,250	1	3,216,251	3,428,751
<b>Total assets</b>	<u>\$ 5,511,751</u>	<u>\$ 2,015,454</u>	<u>\$ 7,527,205</u>	<u>\$ 6,711,487</u>
Accounts payable	\$ 259,825	\$ 102,360	\$ 362,185	\$ 194,201
Long-term debt	2,664,620	960,791	3,625,411	3,703,162
Other liabilities	8,235,110	878,011	9,111,121	7,702,501
<b>Total liabilities</b>	<u>11,159,555</u>	<u>1,939,162</u>	<u>13,098,717</u>	<u>11,599,864</u>
Equity	(5,847,804)	76,292	(5,571,512)	(4,888,377)
<b>Total liabilities and equity</b>	<u>\$ 5,511,751</u>	<u>\$ 2,015,454</u>	<u>\$ 7,527,205</u>	<u>\$ 6,711,487</u>
Revenue	\$ 3,010,144	\$ 9,156,640	\$ 12,166,784	\$ 3,102,146
Expenses	3,694,627	9,155,292	12,849,919	3,686,921
<b>Net Income (loss)</b>	<u>\$ (684,483)</u>	<u>\$ 1,348</u>	<u>\$ (683,135)</u>	<u>\$ (584,775)</u>
Chippewas of Rama First Nation's share of net income (loss)	<u>\$ (547,586)</u>	<u>\$ 1,348</u>	<u>\$ (546,238)</u>	<u>\$ (488,253)</u>



**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**10. Investment in Government Business Enterprises (continued)**

**My Lucky Spot - Entertainment Centre Ltd.**

As at March 31, 2014, the First Nation acquired 6,400,000 participating preference shares at \$1.00 per share in My Lucky Spot - Entertainment Centre Ltd. This represents 100% of the issued preference shares and 80.00% of the voting shares of the company. My Lucky Spot - Entertainment Centre Ltd. is in the process of acquiring, renovating and operating existing bingo centres and electronic gaming centres.

The fiscal year end of My Lucky Spot - Entertainment Centre Ltd. is December 31. As the year end for My Lucky Spot - Entertainment Centre Ltd. does not coincide with the year end of the First Nation, and it is not possible to use financial statements that do coincide, the financial statements used under the modified equity method will be for the year ended December 31. Therefore, December 31, 2018 amounts have been picked up using the modified equity basis of accounting in these financial statements. The First Nation's interest in My Lucky Spot - Entertainment Centre Ltd. is 80.00%.

The long-term debt payable by My Lucky Spot - Entertainment Centre Ltd. consists of two promissory notes due to parties external to the reporting entity.

Principal repayments on aggregate long-term debt over the next five years are as follows:

	Debt due to other organizations within the reporting entity	Debt due to parties external to the reporting entity	Total
2019	\$ -	\$ 134,770	\$ 134,770
2020	-	85,911	85,911
2021	-	90,306	90,306
2022	-	94,927	94,927
2023	-	99,783	99,783
Thereafter	-	2,158,923	2,158,923
	<b>\$ -</b>	<b>\$ 2,664,620</b>	<b>\$ 2,664,620</b>

Additionally, My Lucky Spot - Entertainment Centre Ltd. has leased premises under a long-term lease agreements maturing 2022 and 2023, which includes an optional renewal clause to extend the lease term. Future minimum operating lease payments for the next five years are as follows:

Year	Amount
2019	\$ 929,000
2020	936,000
2021	936,000
2022	936,000
2023	516,000

**Other**

The other category includes Casino Rama Inc. and Rama Parking Inc. Rama Parking Inc. represents the majority of this category and holds parking lots.

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**11. Accounts Payable and Accrued Liabilities**

	2019	2018
Trade payables	\$ 1,133,489	\$ 1,734,602
Accrued salaries and benefits payable	3,669,248	3,314,169
Other accrued liabilities	1,474,291	1,759,311
	\$ 6,277,028	\$ 6,808,082

**12. Deferred Payouts - Minors**

Under the Waasa Gdi Naabmin (Looking Far Ahead) Trust agreement amounts owed to minor beneficiaries are held in trust until the band member reaches 18 years of age. As a result, this allocated amount is set up as a liability.

**13. Due to Government**

	2019	2018
Federal government, non interest bearing, due within one year	\$ 285,319	\$ 242,007
Provincial government, non interest bearing, due within one year	9,654	183
	\$ 294,973	\$ 242,190

**14. Deferred Revenue**

	Balance March 31, 2018	2019 Funding Received	2019 Revenue Recognized	Balance March 31, 2019
<b>Government:</b>				
Federal - other	\$ 1,647,446	\$ 1,198,310	\$ 1,425,829	\$ 1,419,927
Provincial - other	1,457,258	155,035	1,192,536	419,757
	3,104,704	1,353,345	2,618,365	1,839,684
<b>Other:</b>				
Unearned fees	344,948	316,350	287,447	373,851
Other	54,047	36,775	44,297	46,525
	398,995	353,125	331,744	420,376
	\$ 3,503,699	\$ 1,706,470	\$ 2,950,109	\$ 2,260,060

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**15. Long-term Debt**

	<b>2019</b>	<b>2018</b>
Loan payable to Morningstar, interest at 6%, repayable in monthly blended payments of \$24,109, due 2020	\$ 188,607	\$ 457,775
Non-revolving demand promissory note for Tim Horton's renovations, interest at prime plus 1% payable monthly, due 2022	426,667	586,667
Non-revolving demand promissory note for investment in My Lucky Spot - Entertainment Centre Ltd., interest at prime plus 0.25% payable monthly, due September 2021	6,400,000	6,400,000
Non-revolving demand promissory note for the acquisition of solar panels, interest at prime plus 0.25% payable monthly, due March 2019, extended until March 2020	2,152,686	2,330,839
Non-revolving demand promissory note for the construction of the Public Works building, interest at prime plus 0.25% payable monthly, due March 2019, extended until March 2020	3,655,000	3,870,000
Non-revolving demand promissory note for fire truck, interest at prime plus 1% payable monthly, due 2022	644,307	-
Mortgages payable - Social Housing, 1.08% to 2.52%, payable monthly in blended payments of \$45,420 secured by the First Nation and ministerial guarantee, due 2020 to 2023	6,416,390	6,848,138
	<b>\$ 19,883,657</b>	<b>\$ 20,493,419</b>

Anticipated annual principal repayments over the next five years and thereafter are due as follows:

<b>Year</b>	<b>Amount</b>
2020	\$ 13,100,820
2021	646,687
2022	1,644,979
2023	1,021,644
2024	2,521,312
Thereafter	948,215
	<b>\$ 19,883,657</b>

	<b>2019</b>	<b>2018</b>
Interest expense for the year on long-term debt	\$ 672,883	\$ 552,874

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**15. Long-term Debt (continued)**

The First Nation has a non-revolving demand promissory note with an authorized amount of \$6,400,000 for assistance with financing the investment in My Lucky Spot - Entertainment Centre Ltd. Advances are repayable in full on or before September 30, 2021. This demand loan is secured by a guaranteed investment certificate and diversified Canadian growth deposit notes (Note 8).

Under the same credit facility, the First Nation has additional non-revolving demand promissory notes with an authorized amount of \$2,479,301 and \$3,870,000 for assistance in financing the purchase and installation of solar panels and the construction of the Public Works building respectively (Note 19). Advances are repayable in full on or before March 1, 2020, unless the bank agrees to extend the credit. If the bank agrees to extend the credit related to the Public Works building, the loan shall be repaid by an annual amount of \$215,000 or such higher amount as the bank may determine. The solar panel loan is repayable in equal monthly installments of principal of \$14,846 plus interest with a final payment of the balance of principal and interest then outstanding due March 1, 2020. These two demand loans are secured by the First Nation Fund portfolio investments held in Scotiabank and a guaranteed investment certificate (Note 8).

Under the same credit facility, the First Nation has a revolving demand promissory note with an authorized amount of \$1,500,000 for assistance in financing the renovations of the Tim Hortons locations and all other capital equipment. Each advance is repayable in 59 monthly installments with a final payment of the balance of principal and interest on the 60th month.

In addition, to the above long-term debt, the First Nation has an operating line of credit with an authorized amount of \$1,150,000 which bears interest at prime plus 0.5% payable monthly. Within this amount, the First Nation guarantees lines of credit totaling \$150,000 for other government organizations included in these consolidated financial statements. The remaining amount of the line of credit limit is secured by the operating credit line agreement.

The First Nation also has a non-revolving promissory note with an authorized amount of \$11,580,000 for capital infrastructure refinancing, repayable over 30 years. This loan is secured by a Secured Revenue Trust Account (SRTA) for Rama Fee proceeds from Casino Rama. This credit facility has not been drawn on as of March 31, 2019.

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**16. Solid Waste Closure and Post-Closure Liabilities**

Solid waste closure and post-closure care requirements have been defined in accordance with industry standards and include final covering and landscaping of the landfill, removal of ground water and leachates, and ongoing environmental monitoring, site inspection and maintenance. The present value of the First Nation's estimated future liability for this expense is recognized as the landfill site's capacity is used. The liability and annual expense is calculated based on the ratio of utilization to total capacity of the landfill site and the discounted estimated cash flows associated with closure and post-closure activities. The reported liability as at year end was \$1,596,974 (2018 - \$1,601,967) and reflects a discount rate of 3.5% (2018 - 3.5%). The estimated total expenditures for landfill closure costs are approximately \$461,000 with annual post-closure care costs of approximately \$62,000.

The liability is based on estimates and assumptions related to events extending over the remaining life of the landfill. The estimated remaining landfill life is 10 years. There are no specific assets designated for these post-closure costs, though management believes that the current accumulated surplus will be sufficiently maintained to meet this liability. The estimated length of time needed for post-closure care is 50 years.

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**17. Pension Plan**

The First Nation makes contributions to the Manulife Financial (formerly Standard Life) pension plan. This plan is a defined contribution plan. The First Nation matches employee contributions up to a maximum of 8% of the employees compensation. Employees have the choice of contributing either 5% or 8% of their compensation to the plan. The retirement benefit for each employee is the amount that can be provided at retirement based on the accumulated contributions made on that individual's behalf and investment earnings on those contributions.

During the year, the First Nation contributed \$1,326,635 (2018 - \$1,321,917) to the defined contribution pension plan and is included in employee benefits in the consolidated operations and accumulated surplus. There were no significant changes to the plan during the year.

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**Chippewas of Rama First Nation**  
Notes to Consolidated Financial Statements

March 31, 2019

**18. Tangible Capital Assets**

	Cost			Accumulated Amortization			Net Book Value		
	Opening Balance	Additions	Closing Balance	Opening Balance	Amortization	Disposals	Closing Balance	Total 2019	Total 2018
Land	\$ 31,676,704	\$ 153,221	\$ 31,802,399	\$ -	\$ -	\$ -	\$ -	\$ 31,802,399	\$ 31,676,704
Land Improvements	2,399,470	263,357	2,662,827	843,880	108,430	-	952,310	1,710,517	1,555,590
Buildings and Structures	83,331,992	70,076	83,271,030	41,157,193	2,710,672	(6,825)	43,861,040	39,409,990	42,174,799
Roads and Bridges	4,711,066	249,638	4,960,706	1,764,435	120,772	-	1,885,207	3,075,499	2,946,633
Water and Waste Water Systems	7,997,330	22,954	8,020,284	3,177,562	160,176	-	3,337,738	4,682,546	4,819,768
Automotive	10,483,996	1,340,153	11,505,631	8,349,943	519,773	(307,634)	8,562,082	2,943,549	2,134,053
Equipment	8,643,447	508,239	9,140,243	6,111,820	494,418	(10,206)	6,596,032	2,544,211	2,531,627
Solar Panels	3,112,741	85,303	3,198,044	536,632	155,637	-	692,269	2,505,775	2,576,109
Computer Systems	966,068	-	966,068	866,363	75,070	-	941,433	24,635	99,705
<b>Total</b>	<b>\$153,322,816</b>	<b>\$ 2,692,941</b>	<b>\$ 155,527,232</b>	<b>\$ 62,807,828</b>	<b>\$ 4,344,948</b>	<b>\$ (324,665)</b>	<b>\$ 66,828,111</b>	<b>\$ 88,699,121</b>	<b>\$ 90,514,988</b>

The net book value of tangible capital assets not being amortized because they are under construction (or development or have been removed from service) is \$267,075 (2018 - \$1,319,554).

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**19. Contingent Liabilities**

- a) The First Nation has guaranteed the mortgages of certain members in the amount of approximately \$4,003,993 (2018 - \$4,602,087). The outstanding balance of the mortgages amounted to \$1,907,204 (2018 - \$1,965,796) at year end.
- b) Where differences exist between the agency's net approved expenses and their actual net expenses, the resolution of these variances will be negotiated between the agency and the First Nation. Any resultant adjustments will be recognized in the year in which the changes are confirmed by the agency.
- c) The First Nation has entered into a collateral security agreement with a Canadian chartered bank that has agreed to finance on-reserve housing loans for individual band members of Rama. The First Nation has guaranteed the payment and performance by the borrowers of the obligations up to the amount of \$12,846,166 (Note 8) which the First Nation has set aside as restricted assets into a separate collateral account and has given the bank a security interest in that account. Of this amount, the First Nation, has set aside \$2,479,301 to assist in financing the purchase and installation of solar panels, and \$3,870,000 to assist in financing the construction of the Public Works building (Note 15). In addition, the outstanding balance of the mortgages at year end amounted to \$5,275,899 (2018 - \$3,203,877).

**20. Contractual Obligations**

	2020	2021	2022	2023	2024 and thereafter	Total
Operating leases	\$ 83,414	\$ 67,645	\$ 62,276	\$ 51,739	\$ 15,048	\$ 280,122
Construction contracts	1,850,104	-	-	-	-	1,850,104
	<b>\$1,933,518</b>	<b>\$ 67,645</b>	<b>\$ 62,276</b>	<b>\$ 51,739</b>	<b>\$ 15,048</b>	<b>\$2,130,226</b>

**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

**21. Government Transfers**

	<b>2019</b>	<b>2018</b>
<b>Federal government transfers</b>		
Operating:		
Indigenous and Northern Affairs Canada:		
Block contribution	\$ 1,682,199	\$ 4,320,725
Fixed contribution	1,614,707	1,171,443
Set contribution	351,939	66,600
Grant - special claims	97,092,000	-
Health Canada	1,076,960	944,537
Canada Mortgage and Housing Corporation	269,224	241,949
Anishinabek Nation Education	3,936,787	-
Other	416,731	1,497,176
	<b>106,440,547</b>	<b>8,242,430</b>
<b>Provincial government transfers</b>		
Operating	<b>71,433,513</b>	<b>5,061,979</b>
<b>Total government transfers</b>	<b>\$177,874,060</b>	<b>\$ 13,304,409</b>



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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**22. Budget**

The Financial Plan (Budget) adopted by Chief and Council was not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget was prepared on a modified accrual basis while Public Sector Accounting Standards require a full accrual basis. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statements of operations and change in net financial assets represent the Financial Plan adopted by Chief and Council with adjustments as follows:

	<u>2019</u>
Financial Plan (Budget) surplus (deficit) for the year	
Chippewas of Rama First Nation	\$ 101,359
Chippewas of Rama Social Housing	133,060
Ojibway Bay Marina Ltd.	40,799
455457 Ontario Inc. (o/a Ramcor Developments)	254,323
1176290 Ontario Limited (o/a Biindigen Gift Shop)	8,233
1291580 Ontario Inc. (o/a Rama Country Market and Gas Bar)	-
Black River Wilderness Park Limited	48,262
Waasa Gdi Naabmin (Looking Far Ahead) Trust	<u>(4,000,000)</u>
Total Financial Plan (Budget) deficit for the year	(3,413,964)
Add: Capital expenditures	<u>1,148,711</u>
Budget deficit per statement of operations	<u>\$ (2,265,253)</u>

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## **Chippewas of Rama First Nation** **Notes to Consolidated Financial Statements**

**March 31, 2019**

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### **23. Segmented Information**

The First Nation is a diversified government institution that provides a wide range of services to its members such as education, health and social services, economic development, housing, police, fire, public works, planning, lands and trust, recreation and other general government services. Distinguishable functional segments have been separately disclosed in the segmented information.

For each reported segment, revenues and expenses include amounts that are directly attributable to the segment and amounts are allocated on a reasonable basis. Therefore certain allocation methodologies are employed in the preparation of segmented financial information, including transfers that have been apportioned based on a percentage of budgeted expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the summary of significant accounting policies.

The nature of the segments and the activities they encompass are as follows:

#### **General Government**

The general government department oversees the delivery of all governmental services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance activities of Chief and Council.

#### **Health and Social Services**

The health department provides a diverse bundle of services directed towards the well-being of members including such activities as long-term care, medical transportation, pre-natal care, nursing, health representation, traditional healing, family violence and many other smaller programs designed to enhance the health of members. The social services department is responsible for administering social assistance payments as well as providing services directed towards members.

#### **Education**

The education department provides services to elementary and secondary students primarily by entering into service contracts with provincially funded area school boards, as well as native language study and early childhood education. In addition, the department reimburses tuition costs and provides living and other allowances to students who are attending post-secondary institutions.

#### **Economic Development and Business Enterprises**

The economic development department is responsible for promoting economic growth within the First Nation. Band operated enterprises are activities conducted by the First Nation with the objective of promoting economic self-sufficiency. These operations include but are not limited to the retail mall, country market, gas station, marina and gift shop.

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**Chippewas of Rama First Nation**  
**Notes to Consolidated Financial Statements**

**March 31, 2019**

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**23. Segmented Information (continued)**

**Housing and Social Housing**

Social housing is responsible for administering and providing affordable housing within the First Nation, including unit allocations, rental assessments, collections and maintenance and repairs.

**Lands and Trust**

Lands and trust includes rental of the land and trust distributions.

**Recreation and Culture**

The First Nation provides a wide array of recreation services, including youth leadership programs, sport programs and clubs, and various special events.

**Special Projects**

The First Nation provides a wide array of other services included in special projects.

**Operations and Maintenance**

The operations and maintenance department provides public services that contribute to community development and sustainability through the provision of operating services such as roads and community buildings maintenance.

**Fire and Police**

Fire services is responsible for providing fire suppression service, fire prevention programs, and training and education related to prevention, detection or extinguishment of fires. Police services responsibility is to ensure the safety of the lives and property of citizens, preserve the peace and good order, prevent crimes from occurring, detect offenders and enforce the law.

**Water and Waste Water**

The water and waste water departments provide public services that contribute to community development and sustainability through the provision of water and sanitation services.

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# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 23. Segmented Information (continued)

	General Government			Health and Social Services			Education			Economic Development and Business Enterprises		
	Budget 2019	2019	2018	Budget 2019	2019	2018	Budget 2019	2019	2018	Budget 2019	2019	2018
<b>Revenue</b>												
Federal government transfers	\$ 402,866	\$ 97,556,838	\$ 616,207	\$ 1,255,978	\$ 1,492,895	\$ 1,366,271	\$ 4,002,216	\$ 4,017,926	\$ 3,546,972	\$ 147,422	\$ 142,734	\$ 678,255
Provincial government transfers	-	64,730,403	7,271	4,766,582	5,497,947	4,401,023	100,431	323,547	107,311	-	900	-
Rental income	3,637,623	3,850,969	3,617,353	203,300	202,005	196,165	-	-	-	-	-	-
Investment income	1,000,000	1,372,787	711,191	-	-	-	-	-	-	-	-	-
Income (loss) from enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama ground rent	-	-	-	-	-	-	-	-	-	100,000	(546,238)	(468,253)
User fees	76,956	66,331	68,900	-	-	-	-	-	-	-	-	-
Sales from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama fees	7,446,000	7,007,606	8,072,201	-	-	-	-	-	-	11,214,010	12,308,135	11,933,373
Coldwater Treaty (Note )	-	-	-	-	-	-	-	-	-	-	-	-
Other	(244,000)	4,498,872	1,133,737	521,286	769,846	1,018,644	581,600	736,367	592,759	1,021,879	701,006	691,103
	12,319,445	179,082,806	14,226,060	6,747,126	7,962,693	6,982,103	4,684,147	5,077,840	4,247,042	12,483,311	12,606,537	12,834,478
<b>Expenses</b>												
Salaries and wages	4,696,057	4,727,163	4,470,356	4,650,484	4,510,419	4,340,669	3,581,112	4,044,801	3,670,189	2,460,142	2,464,333	2,210,449
Materials, services and other	778,656	57,000,200	685,953	1,767,796	2,062,280	1,666,656	3,014,628	2,570,884	2,330,008	8,836,748	10,056,101	10,400,268
Repairs and maintenance	30,540	28,636	23,440	422,333	448,612	443,653	244,031	339,367	276,574	388,341	475,125	444,971
Contracted services, professional fees	835,099	720,506	871,884	79,000	85,469	65,681	10,500	17,128	8,600	149,400	53,801	112,285
Utilities, insurance	48,597	47,788	48,763	96,087	101,272	93,435	99,034	88,499	93,825	250,160	312,250	312,006
Rental	272,764	323,492	230,353	80,763	76,988	76,969	44,874	41,805	48,282	49,358	48,152	176,539
Gifts, donations, grants	144,000	119,617	193,185	58,993	24,270	60,667	75,700	46,891	50,815	-	-	-
Amortization	-	697,156	603,378	-	239,585	229,783	-	315,131	303,409	120,300	427,716	423,745
Loss (gain) on disposal of tangible capital assets	-	(14,504)	4,967	-	-	-	-	-	-	-	-	368
Interest expense	216,800	296,386	231,271	-	-	-	-	-	-	43,920	100,265	81,605
Trust capital distributions	-	-	-	-	-	-	-	-	-	-	-	-
Coldwater Treaty (Note )	-	-	-	-	-	-	-	-	-	-	-	-
	7,022,513	63,946,460	7,363,550	7,155,456	7,544,695	6,977,513	7,069,879	7,464,306	6,781,682	12,298,367	13,938,744	14,162,246
<b>Net surplus (deficit)</b>	\$ 5,296,932	\$ 115,136,346	\$ 6,863,310	\$ (408,330)	\$ 417,798	\$ 4,580	\$ (2,385,732)	\$ (2,386,466)	\$ (2,534,640)	\$ 184,944	\$ (1,332,207)	\$ (1,327,768)



# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 23. Segmented Information (continued)

	Operations and Maintenance			Fire and Police			Water and Waste Water			Totals Before Adjustments		
	Budget 2019	2019	2018	Budget 2019	2019	2018	Budget 2019	2019	2018	Budget 2019	2019	2018
<b>Revenue</b>												
Federal government transfers	\$ 1,055,309	\$ 1,563,665	\$ 940,830	\$ 312,621	\$ 365,938	\$ 310,978	\$ 4,630	\$ 13,890	\$ 4,630	\$ 8,034,057	\$ 106,440,547	\$ 8,242,430
Provincial government transfers	22,848	162,734	23,898	263,176	427,462	300,847	-	-	-	5,397,324	71,433,513	5,061,979
Rental income	384,104	412,917	406,297	-	-	-	-	-	-	5,001,082	5,206,960	5,071,952
Investment income	-	-	-	-	-	-	-	-	-	3,673,000	1,895,381	2,493,960
Income (loss) from enterprises	-	-	-	-	-	-	-	-	-	100,000	(546,238)	(468,253)
Casino Rama ground rent	-	-	-	-	-	-	-	-	-	-	-	-
User fees	1,876,382	1,758,312	1,570,604	6,266,264	5,793,046	5,785,674	1,366,728	1,246,172	1,212,083	5,000,000	5,205,551	5,150,783
Sales from business enterprises	-	-	-	-	-	-	-	-	-	9,843,080	9,084,908	8,662,884
Casino Rama fees	-	-	-	-	-	-	-	-	-	-	-	-
Coldwater Treaty (Note )	-	-	-	-	-	-	-	-	-	11,214,010	12,308,135	11,933,373
Other	1,212,755	538,482	1,190,140	33,792	40,899	15,918	10,520	3,997	2,713	184,252	180,000	180,000
	4,551,398	4,436,110	4,131,769	6,875,855	6,627,065	6,393,417	1,381,878	1,284,059	1,219,426	3,359,272	8,954,444	4,827,878
<b>Expenses</b>												
Salaries and wages	3,200,962	1,728,889	1,855,867	6,637,017	6,329,544	6,325,690	760,583	794,447	775,026	28,744,813	25,405,214	24,386,187
Materials, services and other	1,594,440	2,910,317	2,899,402	478,446	362,312	419,158	379,884	269,079	280,538	17,534,695	75,467,250	19,541,636
Repairs and maintenance	1,543,510	1,358,568	1,328,352	446,520	296,746	229,454	339,048	292,142	177,334	3,574,623	3,397,582	3,145,191
Contracted services, professional fees	189,551	112,540	69,758	18,300	10,925	11,254	53,684	23,299	29,519	1,378,719	1,077,211	1,196,951
Utilities, insurance	352,390	387,219	369,141	167,093	154,308	161,600	211,551	202,712	211,426	1,321,495	1,378,931	1,387,836
Rental	37,277	25,937	37,584	48,497	31,403	34,563	6,572	7,113	7,187	550,417	564,283	621,584
Gifts, donations, grants	-	-	-	4,150	2,328	1,830	-	-	-	282,843	193,750	306,497
Amortization	-	1,097,361	1,096,012	-	360,764	505,350	-	625,950	622,168	572,460	4,344,948	4,362,054
Loss (gain) on disposal of tangible capital assets	-	-	-	-	(54,117)	-	-	-	-	-	(68,821)	5,335
Interest expense	-	-	-	-	24,572	-	-	-	-	373,013	632,205	409,871
Trust capital distributions	-	-	-	-	-	-	-	-	-	9,000,000	7,648,770	7,680,056
Coldwater Treaty (Note )	-	-	-	-	-	-	-	-	-	-	-	-
	6,618,130	7,620,631	7,846,116	7,800,023	7,518,785	7,588,899	1,751,322	2,204,742	2,097,198	61,333,078	120,000,982	63,197,211
<b>Net surplus (deficit)</b>	<b>\$ (2,366,732)</b>	<b>\$ (3,184,521)</b>	<b>\$ (3,514,347)</b>	<b>\$ (924,168)</b>	<b>\$ (891,720)</b>	<b>\$ (1,295,482)</b>	<b>\$ (369,444)</b>	<b>\$ (940,683)</b>	<b>\$ (877,772)</b>	<b>\$ (2,265,253)</b>	<b>\$ 105,174,067</b>	<b>\$ (3,767,984)</b>

# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2019

### 23. Segmented Information (continued)

	Consolidation Adjustments			Consolidated Totals		
	Budget 2019	2019	2018	Budget 2019	2019	2018
<b>Revenue</b>						
Federal government transfers	\$ -	\$ -	\$ -	\$ 8,034,057	\$ 106,440,547	\$ 8,242,430
Provincial government transfers	-	-	-	5,397,324	71,433,513	5,061,979
Rental income	-	71,709	211,010	5,001,082	5,135,244	4,860,982
Investment income	-	-	-	3,673,000	1,895,381	2,493,960
Income (loss) from enterprises	-	-	-	100,000	(546,238)	(468,253)
Casino Rama ground rent	-	-	-	-	-	-
User fees	1,689,383	1,642,409	1,480,715	5,000,000	5,205,551	5,150,783
Sales from business enterprises	-	327,550	249,540	8,153,697	7,442,489	7,382,189
Casino Rama fees	-	-	-	11,214,010	11,980,585	11,683,833
Coldwater Treaty (Note )	-	-	-	7,446,000	7,007,606	8,072,201
Other	551,702	584,550	842,547	2,807,570	184,252	180,000
	<u>2,241,085</u>	<u>2,626,218</u>	<u>2,583,812</u>	<u>55,826,740</u>	<u>6,369,694</u>	<u>4,185,331</u>
<b>Expenses</b>						
Salaries and wages	61,555	(254,372)	(269,386)	26,683,258	25,659,586	24,655,573
Materials, services and other	348,464	736,529	771,961	17,186,231	74,730,721	18,789,675
Repairs and maintenance	1,661,345	1,936,970	1,739,267	1,913,278	1,460,612	1,405,924
Contracted services, professional fees	-	-	-	1,378,719	1,077,211	1,196,951
Utilities, insurance	11,472	10,541	6,393	1,310,023	1,368,390	1,361,443
Rental	148,896	187,956	315,636	401,521	376,337	305,958
Gifts, donations, grants	9,353	8,594	19,941	273,490	185,156	286,556
Amortization	-	-	-	572,460	4,344,948	4,352,054
Loss (gain) on disposal of tangible capital assets	-	-	-	-	(68,621)	5,335
Interest expense	-	-	-	373,013	532,205	409,871
Trust capital distributions	-	-	-	9,000,000	7,648,770	7,680,056
Coldwater Treaty (Note )	-	-	-	-	59,449	184,003
	<u>2,241,085</u>	<u>2,626,218</u>	<u>2,583,812</u>	<u>59,091,993</u>	<u>117,374,764</u>	<u>60,613,399</u>
<b>Net surplus (deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,265,253)</b>	<b>\$ 105,174,067</b>	<b>\$ (3,767,984)</b>