

Chippewas of Rama First Nation
Consolidated Financial Statements
For the year ended March 31, 2014

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Chippewas of RAMA First Nation

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A Proud Progressive First Nation Community

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:

Dan Shilling
First Nation Manager

Rick Morano, CPA, CMA, CAFM
Chief Financial Officer

October 6, 2014



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Independent Auditor's Report

To Chief and Council of Chippewas of Rama First Nation

We have audited the accompanying consolidated financial statements of Chippewas of Rama First Nation, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and accumulated surplus, change in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Chippewas of Rama First Nation as at March 31, 2014, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Other Matters

These financial statements include unaudited supplementary schedules which present detailed program revenues and expenditures and have been prepared to assist management of Chippewas of Rama First Nation to meet the reporting requirements of various funding agencies. Our report is intended solely for management of Chippewas of Rama First Nation and various funding agencies. As a result, the financial statements should not be distributed to or used by other parties.

Chippewas of Rama First Nation has also prepared another set of financial statements for the year ended March 31, 2014 in accordance with Canadian public sector accounting standards. However, these financial statements do not include unaudited supplementary schedules. Our audit report on the other set of financial statements was issued to the members of Chippewas of Rama First Nation and was dated October 6, 2014.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants
Orillia, Ontario
October 6, 2014

Chippewas of Rama First Nation
Consolidated Statement of Financial Position

March 31

2014

2013

Financial assets

Cash (Note 3)	\$ 4,285,562	\$ 1,571,340
Restricted cash (Note 4)	716,762	607,415
Trust funds held by federal government (Note 5)	154,034	148,468
Accounts receivable (Note 6)	9,519,803	3,232,702
Due from government (Note 7)	768,617	517,511
Loans receivable (Note 8)	690,922	659,254
Portfolio investments (Note 9)	77,598,993	83,761,697
Inventories for resale	726,893	705,135
Due from controlled entities (Note 10)	3,079,032	2,992,873
Investment in government business enterprises (Note 11)	8,466,192	6,079,050
	<u>106,006,810</u>	<u>100,275,445</u>

Liabilities

Accounts payable and accrued liabilities (Note 12)	5,705,778	5,076,447
Deferred payouts - minors (Note 13)	25,103,618	24,459,295
Due to government (Note 14)	365,801	398,814
Deferred revenue (Note 15)	510,254	571,009
Long-term debt (Note 16)	22,363,166	16,666,123
Solid waste closure and post-closure liabilities (Note 17)	1,157,123	1,045,562
	<u>55,205,740</u>	<u>48,217,250</u>

Net financial assets

50,801,070 52,058,195

Non-financial assets

Tangible capital assets (Note 19)	90,311,981	89,029,419
Prepaid expenses	124,125	121,979
Inventories held for use	21,427	21,527

90,457,533 89,172,925

Accumulated surplus

\$141,258,603 \$141,231,120

Contingent liabilities (Note 20)

Contractual obligations (Note 21)

On behalf of Chippewas of Rama First Nation:



First Nation Manager

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

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

For the year ended March 31	(Note 23) Budget 2014	2014	(Note 2) 2013
Revenue			
Federal government transfers (Note 22)	\$ 6,430,860	\$ 6,640,151	\$ 6,543,632
Provincial government transfers (Note 22)	3,019,231	3,733,495	3,481,553
First Nation Fund revenue	-	6,099,099	29,849,683
Rental income	4,055,130	4,010,632	3,999,091
Net investment income	3,860,000	3,967,297	1,875,297
Income (loss) from investment in government business enterprises (Note 11)	-	(1,512,858)	13,964
Casino Rama ground rent	-	4,876,021	4,839,522
User fees	6,813,252	6,530,147	6,405,317
Sales from business enterprises	13,589,940	13,180,199	13,168,625
Casino Rama fees	8,100,000	7,394,362	7,960,505
Land settlement revenue	-	-	10,000,000
Other	3,207,219	3,780,454	4,015,184
	49,075,632	58,698,999	92,152,373
Expenses			
General government	6,548,448	7,353,261	7,540,406
Health and social services	5,738,100	6,064,659	5,911,306
Education services	6,161,885	6,202,926	6,233,486
Economic development and business operations	12,993,159	13,253,422	13,345,152
Housing and social housing services	965,426	921,128	824,634
Lands and trust	223,021	8,688,275	12,954,285
Recreation	488,683	487,346	493,051
Special projects	157,657	156,170	145,216
Operations and maintenance	5,834,964	6,767,482	5,732,449
Fire and police	6,826,099	6,809,985	6,934,210
Water and waste water	1,452,803	1,966,862	1,975,546
	47,390,245	58,671,516	62,089,741
Annual surplus	1,685,387	27,483	30,062,632
Accumulated surplus, beginning of year	141,231,120	141,231,120	111,168,488
Accumulated surplus, end of year	\$142,916,507	\$141,258,603	\$141,231,120

Segment Disclosure (Note 25)

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

For the year ended March 31	(Note 23) Budget	2014	2013
Annual surplus	\$ 1,685,387	\$ 27,483	\$ 30,062,632
Acquisition of tangible capital assets	(1,461,989)	(4,914,324)	(1,793,215)
Amortization of tangible capital assets	-	3,515,493	3,993,909
Loss on disposal of tangible capital assets	-	104,744	94,456
Proceeds on disposal of tangible capital assets	-	11,525	360,248
	<u>223,398</u>	<u>(1,255,079)</u>	<u>32,718,030</u>
Use/consumption of prepaid expenses	-	(2,146)	32,809
Use/consumption of inventories held for use	-	100	10,724
	<u>-</u>	<u>(2,046)</u>	<u>43,533</u>
Increase (decrease) in net financial assets	223,398	(1,257,125)	32,761,563
Net financial assets, beginning of year	52,058,195	52,058,195	19,296,632
Net financial assets, end of year	\$ 52,281,593	\$ 50,801,070	\$ 52,058,195

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

Chippewas of Rama First Nation
Consolidated Statement of Cash Flows

For the year ended March 31	2014	2013
Operating transactions		
Annual surplus	\$ 27,483	\$ 30,062,632
Items not involving cash:		
Amortization of tangible capital assets	3,515,493	3,993,909
Solid waste closure and post-closure liabilities	111,561	(1,133,744)
Loss on disposal of tangible capital assets	104,744	94,456
Income (loss) from investments in government business enterprises	(1,512,858)	13,964
Changes in non-cash operating balances:		
Accounts receivable	(6,287,101)	(462,039)
Due from government	(251,106)	172,240
Inventories for resale	(21,758)	(33,158)
Prepaid expenses	(2,146)	32,809
Inventories held for use	100	10,724
Accounts payable and accrued liabilities	629,331	(2,090,351)
Due to government	(33,013)	21,041
Deferred revenue	(60,755)	(29,840,201)
Cash provided by (applied to) operating transactions	(3,780,025)	842,282
Capital transactions		
Acquisition of tangible capital assets	(4,914,324)	(1,793,215)
Proceeds on disposal of tangible capital assets	11,525	360,248
Cash applied to capital transactions	(4,902,799)	(1,432,967)
Investing transactions		
Decrease in portfolio investments	6,162,704	4,632,758
Increase in investments in government business enterprises	(874,284)	(2,513,965)
Decrease in due from controlled entities	(86,159)	33,437
Transfer to Social Housing replacement reserve fund	(109,347)	(137,125)
Change in funds held in trust - AANDC	(5,566)	(5,322)
Loans receivable	(31,668)	164,302
Cash provided by investing transactions	5,055,680	2,174,085
Financing transaction		
Proceeds from issuance of long-term debt	9,553,667	-
Repayment of long-term debt	(3,856,624)	(2,758,213)
Deferred payouts - minors	644,323	2,157,734
Cash provided by (applied to) financing transactions	6,341,366	(600,479)
Increase in cash	2,714,222	982,921
Cash, beginning of year	1,571,340	588,419
Cash, end of year (Note 3)	\$ 4,285,562	\$ 1,571,340

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

Chippewas of Rama First Nation

Notes to Consolidated Financial Statements

March 31, 2014

1. Summary of Significant Accounting Policies

a) Nature of Organization

Chippewas of Rama First Nation (the "First Nation") provides government type services such as 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

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of Chartered Professional Accountants of Canada (CPA Canada).

c) Reporting Entity

The First Nation reporting entity includes the Chippewas of Rama First Nation government and all related entities that are controlled by the First Nation.

d) Principles of Consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Under the modified equity method of accounting, only the First Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the First Nation.

Organizations consolidated in the First Nation's financial statements include:

- Chippewas of Rama Social Housing
- Waasa Gdi Naabmin (Looking Far Ahead) Trust
- Ojibway Bay Marina Ltd.
- 455457 Ontario Inc. (o/a Ramcor Developments)
- 1176290 Ontario Limited (o/a Biindigen Gift Shop)
- 1291580 Ontario Inc. (o/a Rama Country Market and Gas Bar)
- Mnjikaning First Nation Limited Partnership

Organizations accounted for on a modified equity basis include:

- SEM Resort Limited Partnership - 33.33% interest
- Mnjikaning Holdings Limited Partnership
- Rama Parking Inc.
- Mnjikaning Chippewas General Partner Inc.
- Casino Rama Inc.
- 112449 Alberta Ltd.
- My Lucky Spot - Entertainment Centre Ltd. - 80.00% interest

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

1. Summary of Significant Accounting Policies (continued)

e) Loans Receivable

Loans receivable are recorded at cost less any amount for valuation allowance. Valuation allowances are made when collection is in doubt as assessed by management. Loans are reviewed on a regular basis by management. Interest income is accrued on loans receivable to the extent it is deemed collectable.

f) Portfolio Investments

Portfolio investments are recorded at cost unless there has been a decline in the market value which is other than temporary in nature in which case the investments are written down to market value.

g) 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.

h) 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
Computer systems	3 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

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.

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

1. Summary of Significant Accounting Policies (continued)

i) Inventories Held for Use

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

j) Pension Plan

The First Nation is an employer member of The Standard Life Assurance Company of Canada, which is 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) Loan Guarantees

Chippewas of Rama First Nation has guaranteed the mortgages of certain band members. When it is determined that a loss is likely, a provision for loss is recorded. The provision is determined using the best estimates available and taking into consideration all known circumstances. A provision for loan losses is reviewed by management on an annual basis.

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.

Government transfers are recognized as revenues 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, 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.

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

2. Comparative Amounts

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

3. Cash

	2014	2013
Internally restricted:		
Capital improvement contract holdbacks	\$ 50,294	\$ 361,190
Unrestricted:		
Operating	4,194,014	1,110,800
Social Housing	41,254	99,350
	<u>4,235,268</u>	<u>1,210,150</u>
Total cash	<u>\$ 4,285,562</u>	<u>\$ 1,571,340</u>

4. Restricted Cash

	2014	2013
Restricted - Social Housing Reserves	<u>\$ 716,762</u>	<u>\$ 607,415</u>

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.

5. Trust Funds Held by Federal Government

	Balance March 31, 2013	2014 Additions	2014 Withdrawals	Balance March 31, 2014
Revenue	\$ 100,354	\$ 5,566	\$ -	\$ 105,920
Capital	48,114	-	-	48,114
	<u>\$ 148,468</u>	<u>\$ 5,566</u>	<u>\$ -</u>	<u>\$ 154,034</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 Sections 63 to 69 of the Indian Act.

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

6. Accounts Receivable

	2014	2013
Due from members:		
Social Housing	\$ 220,269	\$ 168,710
Due from others:		
Services - non members	3,860,486	3,606,866
First Nation Fund revenue - Ontario Lottery and Gaming Corporation	6,099,709	-
	10,180,464	3,775,576
Less allowance for doubtful accounts	(660,661)	(542,874)
Total accounts receivable	\$ 9,519,803	\$ 3,232,702

7. Due from Government

	2014	2013
Federal government		
Aboriginal Affairs and Northern Development Canada	\$ 219,547	\$ 15,635
Health Canada	-	30,626
Canada Mortgage and Housing Corporation	34,928	27,728
OTC	79,091	143,984
HST	129,474	148,498
Other	217,825	96,819
Provincial government	87,752	54,221
	\$ 768,617	\$ 517,511

8. Loans Receivable

	2014	2013
Community Financial Assistance Program loans	\$ 238,374	\$ 244,039
Mortgages to members, bearing interest at 7%, 13 mortgages (15 in 2013), various monthly payments of \$4,330 in total, due from 2015 to 2038	509,904	512,692
	748,278	756,731
Less valuation allowance	(57,356)	(97,477)
	\$ 690,922	\$ 659,254

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

9. Portfolio Investments

	<u>2014</u>	<u>2013</u>
First Nation Fund		
Investments held by Standard Life Investments and Scotiabank, market value of \$25,073,294 (2013 - \$27,707,672) (Note 16)	\$ 19,853,814	\$ 24,231,122
Accrued interest receivable	25,927	31,191
	<u>19,879,741</u>	<u>24,262,313</u>
Restricted Assets of Waasa Gdi Naabmin (Looking Far Ahead) Trust		
Investments held by Scotiabank, market value of \$52,584,913 (2013 - \$53,149,958)	48,947,414	51,803,483
Accrued interest receivable	233,359	277,963
Due to Rama First Nation - general fund	4,000	-
	<u>49,184,773</u>	<u>52,081,446</u>
Other Investments		
Medcan Health, 30,000 (2013 - 30,000) class B common shares	300	300
Medcan Group Inc. promissory note	1,017,638	1,017,638
My Lucky Spot - Entertainment Centre Ltd., (GIC held as collateral) (Notes 11 and 16)	6,516,541	6,400,000
Deposit on investment	1,000,000	-
	<u>8,534,479</u>	<u>7,417,938</u>
Total portfolio investments	<u>\$ 77,598,993</u>	<u>\$ 83,761,697</u>

The income from the First Nation Fund portfolio investments for the year was \$2,317,428 (2013 - \$198,090). The First Nation Fund investments are subject to foreign exchange risk due to a portion being invested in foreign securities of \$10,038,758 (2013 - \$12,000,487). A portion is invested in fixed income securities of \$5,739,607 (2013 - \$6,885,251).

The income from Waasa Trust's portfolio investments for the year was \$1,649,868 (2013 - \$1,677,207) with this amount being included in the statement of operations. These investments are subject to foreign exchange risk as a portion is invested in foreign securities of \$10,177,014 (2013 - \$10,745,347). A portion is invested in fixed income securities of \$26,461,250 (2013 - \$29,389,849). Fixed income securities have interest rates ranging from 1.0% to 11.0% and maturity dates ranging from 2015 to 2108.

Medcan Group Inc. promissory note accrues interest at an effective annual rate of 10%. Interest is payable on a quarterly basis. The principal amount of the promissory note amount is due August 31, 2016.

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

10. Due from Controlled Entities

	<u>2014</u>	<u>2013</u>
SEM Resort Limited Partnership, bearing interest at 10%	\$ 2,000,000	\$ 2,000,000
SEM Resort Limited Partnership	85,900	2,772
Casino Rama Inc.	2,000	1,750
Mnjikaning Chippewas General Partner Inc.	30,341	27,560
Rama Parking Inc.	960,791	960,791
	<u>\$ 3,079,032</u>	<u>\$ 2,992,873</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.

Chippewas of Rama First Nation Notes to Consolidated Financial Statements

March 31, 2014

11. Investments in Government Business Enterprises

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

	2014	(Note 2) 2013
My Lucky Spot - Entertainment Centre Ltd., at cost	\$ 6,400,000	\$ 2,500,000
Casino Rama Inc., at cost	1	1
Rama Parking Inc.	1	1
Mnjikaning Chippewas General Partner Inc., at cost	1	1
SEM Resort Limited Partnership, 33.33%, at cost	3,000,000	3,000,000
	<u>9,400,003</u>	<u>5,500,003</u>
Cumulative income (loss) from government business enterprises	<u>(933,811)</u>	<u>579,047</u>
	<u>\$ 8,466,192</u>	<u>\$ 6,079,050</u>

The following table presents condensed supplementary financial information for these commercial enterprises as at March 31, 2014.

	SEM Group	My Lucky Spot - Entertainment Centre Ltd.	Other	2014 Total	2013 Total
Cash	\$ 2,677,193	\$ 250,812	\$ 40,846	\$ 2,968,851	\$ 2,783,292
Accounts receivable	2,197,173	476,257	3,513	2,676,943	1,649,594
Inventory	198,664	15,992	-	214,656	212,774
Prepaid expenses	60,915	80,044	-	140,959	39,704
Tangible capital assets	10,970,353	2,924,145	983,791	14,878,289	12,040,057
Other assets	6,309,395	4,278,750	2	10,588,147	6,859,400
Total assets	<u>\$ 22,413,693</u>	<u>\$ 8,026,000</u>	<u>\$ 1,028,152</u>	<u>\$ 31,467,845</u>	<u>\$ 23,584,821</u>
Accounts payable	\$ 2,153,412	\$ 500,598	\$ 7,526	\$ 2,661,536	\$ 1,804,696
Long-term debt	-	2,900,607	960,791	3,861,398	1,035,791
Other liabilities	5,576,247	6,872,000	32,341	12,480,588	6,336,422
Total liabilities	<u>7,729,659</u>	<u>10,273,205</u>	<u>1,000,658</u>	<u>19,003,522</u>	<u>9,176,909</u>
Equity	14,684,034	(2,247,205)	27,474	12,464,303	14,407,912
Total liabilities and equity	<u>\$ 22,413,693</u>	<u>\$ 8,026,000</u>	<u>\$ 1,028,132</u>	<u>\$ 31,467,825</u>	<u>\$ 23,584,821</u>
Revenue	\$ 13,239,221	\$ 1,323,381	\$ 41,896	\$ 14,604,498	\$ 13,327,727
Expenses	13,036,313	3,478,112	33,876	16,548,301	13,313,763
Net income (loss)	<u>\$ 202,908</u>	<u>\$ (2,154,731)</u>	<u>\$ 8,020</u>	<u>\$ (1,943,803)</u>	<u>\$ 13,964</u>
Chippewas of Rama First Nation's share of net income (loss)	\$ 202,908	\$ (1,723,786)	\$ 8,020	\$ (1,512,858)	\$ 13,964

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

11. Investment in Government Business Enterprises (continued)

SEM Group

The SEM Group of companies includes the holding company (112449 Alberta Ltd.), the limited partner (Mnjikaning Holdings Limited Partnership), and SEM Resort Limited Partnership. SEM Resort Limited Partnership is engaged in the operation of a full-service hotel, dining facilities, 18-hole golf course, casino gaming facility, and the operation of automated teller machines ("ATM") collectively known as the St. Eugene Golf Resort and Casino. The First Nation's interest in SEM Resort Limited Partnership is 33.33%.

The SEM Group incurred interest costs of \$268,082 (2013 - \$200,000) payable to the First Nation. At year end there was an amount of \$468,082 (2013 - \$200,000) owing to the First Nation.

My Lucky Spot - Entertainment Centre Ltd.

As at March 31, 2014, the First Nation acquired 6,400,000 participating preferred shares at \$1.00 per share in My Lucky Spot - Entertainment Centre Ltd. This represents 100% of the issued preferred 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, 2013 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%.

Other

The other category includes Mnjikaning Chippewas General Partner Inc., Casino Rama Inc. and Rama Parking Inc. Rama Parking Inc. represents the majority of this category and holds parking lots.

12. Accounts Payable and Accrued Liabilities

	<u>2014</u>	<u>2013</u>
Trade payables	\$ 1,037,702	\$ 1,037,930
Accrued salaries and benefits payable	2,690,131	2,462,377
Other accrued liabilities	1,977,945	1,576,140
	<u>\$ 5,705,778</u>	<u>\$ 5,076,447</u>

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

13. 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.

14. Due to Government

	<u>2014</u>	<u>2013</u>
Federal government, non interest bearing, due within one year	\$ 342,744	\$ 307,759
Provincial government, non interest bearing, due within one year	<u>23,057</u>	<u>91,055</u>
	<u>\$ 365,801</u>	<u>\$ 398,814</u>

15. Deferred Revenue

	Balance March 31, 2013	2014 Funding Received	2014 Revenue Recognized	Balance March 31, 2014
Government:				
Federal - capital	\$ -	\$ 52,000	\$ 25,340	\$ 26,660
Provincial - capital	-	48,000	23,391	24,609
	<u>-</u>	<u>100,000</u>	<u>48,731</u>	<u>51,269</u>
Other:				
Unearned fees	418,299	297,108	296,297	419,110
Other	152,710	265	113,100	39,875
	<u>571,009</u>	<u>297,373</u>	<u>409,397</u>	<u>458,985</u>
	<u>\$ 571,009</u>	<u>\$ 397,373</u>	<u>\$ 458,128</u>	<u>\$ 510,254</u>

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

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16. Long-term Debt

	<u>2014</u>	<u>2013</u>
Non-revolving demand promissory note, secured by credit facility, interest at prime plus 1% payable monthly	\$ 4,000,000	\$ 6,000,000
Non-revolving demand promissory note, secured by credit facility, interest at prime plus 2% payable monthly	1,500,000	3,000,000
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due March 2015	6,400,000	-
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due August 2015	2,041,868	-
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due August 2015	1,111,799	-
Mortgages payable - Social Housing, 1.53% to 3.09%, payable monthly in blended payments of \$41,996 secured by the First Nation and ministerial guarantee, due 2016 to 2019	<u>7,309,499</u>	<u>7,666,123</u>
	<u>\$ 22,363,166</u>	<u>\$ 16,666,123</u>

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

Year	Amount
2015	\$ 12,349,182
2016	4,972,064
2017	755,314
2018	3,558,898
2019	<u>727,708</u>
	<u>\$ 22,363,166</u>

	<u>2014</u>	<u>2013</u>
Interest expense for the year on long-term debt	<u>\$ 612,444</u>	<u>\$ 654,155</u>

The First Nation has entered into a credit facility agreement with the bank for non-revolving demand promissory notes with an authorized total amount of \$6,000,000. Advances are repayable in full on or before August 31, 2014, unless the bank agrees to extend the credit. If the bank agrees to extend the credit, both demand loans shall be reduced and repaid by annual amounts of \$500,000 or such higher amount as the bank may determine on August 31st. Subsequent to year end, the bank extended the credit and \$500,000 was repaid on both demand loans for a total of \$1,000,000. These demand loans are secured by an unconditional and unlimited guarantee of the Waasa Gdi Naabmin (Looking Far Ahead) Trust and hypothecation of the investment portfolio of the trust (Note 9).

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

16. Long-term Debt (continued)

Under the same credit facility, the First Nation has an additional 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 March 31, 2015, unless the bank agrees to extend the credit. If the bank agrees to extend the credit, the demand loan shall be reduced and repaid by an annual amount of \$1,280,000 or such higher amount as the bank may determine on March 31st. This demand loan is secured by a guaranteed investment certificate (Note 9).

Under the same credit facility, the First Nation has additional non-revolving demand promissory notes with an authorized amount of \$3,000,000 and \$4,300,000 for assistance in financing the purchase and installation of solar panels and the construction of the Public Works building respectively (Note 20). Advances are repayable in full on or before August 31, 2015, unless the bank agrees to extend the credit. If the bank agrees to extend the credit, the demand loan related to the Public Works building shall be reduced and repaid by an annual amount of \$215,000 or such higher amount as the bank may determine on August 31st. The solar panel loan is repayable in equal monthly installments of principal of \$16,667 commencing within 30 days of drawdown in full, with a final payment of the balance of principal and interest then outstanding due August 31, 2015, unless the bank agrees to extend the credit. These demand loans are secured by the First Nation Fund portfolio investments held in Scotiabank (Note 9).

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 1% payable monthly. As at year end, the line of credit was unused. This operating line of credit is secured by an unlimited guarantee of the First Nation.

In addition to the security specified above, the loans are secured by collateral mortgages in the amount of \$8,065,000 providing a first fixed charge over five properties.

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Notes to Consolidated Financial Statements

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17. 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 \$1,157,123 (2013 - \$1,045,562) and reflects a discount rate of 4.2% (2013 - 4.2%). The estimated total expenditures for landfill closure costs are approximately \$530,000 with annual post-closure care costs of approximately \$50,000.

The liability is based on estimates and assumptions related to events extending over the remaining life of the landfill. The landfill was expected to reach its capacity during 2012 however, its useful life has been increased by an estimate of 11 years due to an extension of the terms performed in 2013. 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.

18. Pension Plan

The First Nation makes contributions to The Standard Life Assurance Company of Canada 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 \$1,181,080 (2013 - \$1,154,611) to the defined contribution pension plan and is included in employee benefits in the statement of financial activities. There were no significant changes to the plan during the year.

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

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19. Tangible Capital Assets

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions	Disposals	Closing Balance	Opening Balance	Disposals	Total 2014	Total 2013
Land	\$ 31,603,878	\$ 185,000	\$ -	\$ 31,788,878	\$ -	\$ -	\$ 31,788,878	\$ 31,603,878
Land Improvements	1,245,611	38,996	-	1,284,607	492,806	57,467	734,334	752,805
Buildings and Structures	72,058,895	1,621,090	(10,951)	73,669,034	29,102,896	2,306,880	42,264,186	42,955,999
Roads and Bridges	4,492,550	60,310	-	4,552,860	1,185,291	112,832	3,254,737	3,307,259
Water and Waste Water Systems	7,086,649	313,565	-	7,400,214	2,407,126	144,869	4,848,219	4,679,523
Automotive Equipment	10,047,040	228,632	(611,193)	9,664,479	6,667,540	393,881	3,153,530	3,379,500
Solar Panels	8,074,861	199,356	(1,138,087)	7,136,130	5,898,412	411,110	1,915,170	2,176,449
Computer Systems	-	2,247,567	-	2,247,567	-	-	2,247,567	-
	1,954,925	19,808	(1,118,550)	856,183	1,780,919	88,454	105,360	174,006
Total	\$136,564,409	\$ 4,914,324	\$ (2,878,781)	\$138,599,952	\$ 47,534,990	\$ 3,515,493	\$ 90,311,981	\$ 89,029,419

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 \$3,762,549 (2013 - \$NIL).

Chippewas of Rama First Nation Notes to Consolidated Financial Statements

March 31, 2014

20. Contingent Liabilities

- a) The First Nation has guaranteed the mortgages of certain members in the amount of approximately \$4,169,220 (2013 - \$4,169,220). The outstanding balance of the mortgages amounted to \$2,257,157 (2013 - \$2,573,840) 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) Various lawsuits have been filed or are pending against the First Nation for incidents which arose in the ordinary course of business. In the opinion of management, the outcome of the lawsuits, now pending, is not determinable. Should any loss result from the resolution of these claims, such loss will be charged to operations in the year of resolution.
- d) 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 \$12,927,357 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 \$3,000,000 to assist in financing the purchase and installation of solar panels, and \$4,300,000 to assist in financing the construction of the Public Works building (Note 16). In addition, the outstanding balance of the mortgages at year end amounted to \$3,341,924 (2013 - \$3,258,843).
- e) The First Nation has provided a guarantee of \$5,000,000 on two Bank of Nova Scotia bank notes for the SEM Resort Limited Partnership with Samson First Nation. These bank notes are further secured by postponement agreements in the amount of \$2,000,000 from Mnjikaning Holdings Limited Partnership and Samson Holdings Limited Partnership. As at March 31, 2014 the outstanding amount of these bank notes from SEM Resort Limited Partnership was \$812,500 (2013 - \$1,574,573). The first bank note in the amount of \$312,500 is repayable at \$63,377 monthly including interest of prime plus 1.5% and matures August 2014. The second bank note in the amount of \$500,000, with payments of interest only at prime plus 0.25% is secured by cash of \$1,000,000 and matures December 2014.

21. Contractual Obligations

	2015	2016	2017	2018	2019 and thereafter	Total
Computer equipment leases	\$ 79,173	\$ 47,411	\$ 37,111	\$ 18,614	\$ 3,668	\$ 185,977
Construction contracts	4,646,400	-	-	-	-	4,646,400
	<u>\$4,725,573</u>	<u>\$ 47,411</u>	<u>\$ 37,111</u>	<u>\$ 18,614</u>	<u>\$ 3,668</u>	<u>\$4,832,377</u>

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

22. Government Transfers

	<u>2014</u>	<u>2013</u>
Federal government transfers		
Operating:		
Aboriginal Affairs and Northern Development Canada:		
Block contribution	\$ 4,104,377	\$ 3,940,500
Fixed contribution	35,000	80,621
Set contribution	662,901	718,325
Health Canada	866,859	855,254
Canada Mortgage and Housing Corporation	246,761	271,952
Other	698,913	676,980
Capital (Note 15)	<u>25,340</u>	<u>-</u>
Total federal government transfers	<u>6,640,151</u>	<u>6,543,632</u>
Provincial government transfers		
Operating	3,710,104	3,481,553
Capital (Note 15)	<u>23,391</u>	<u>-</u>
Total provincial government transfers	<u>3,733,495</u>	<u>3,481,553</u>
Total government transfers	<u>\$ 10,373,646</u>	<u>\$ 10,025,185</u>

Chippewas of Rama First Nation
Notes to Consolidated Financial Statements

March 31, 2014

23. 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>2014</u>
Financial Plan (Budget) surplus (deficit) for the year	
Chippewas of Rama First Nation	\$ (220,327)
Chippewas of Rama Social Housing	139,550
Ojibway Bay Marina Ltd.	31,602
455457 Ontario Inc. (o/a Ramcor Developments)	293,809
1176290 Ontario Limited (o/a Biindigen Gift Shop)	(34,341)
1291580 Ontario Inc. (o/a Rama Country Market and Gas Bar)	<u>13,105</u>
Total Financial Plan (Budget) surplus for the year	223,398
Add: Capital expenditures	<u>1,461,989</u>
 Budget surplus per statement of operations	 <u>\$ 1,685,387</u>

24. Subsequent Event

Subsequent to the year end, the First Nation has committed to renovate the Casino Rama office building at a cost of approximately \$4,300,000 with the Ontario Lottery and Gaming Corporation contributing \$2,000,000.

Chippewas of Rama First Nation

Notes to Consolidated Financial Statements

March 31, 2014

25. 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 the learning centre to obtain grade 12 equivalency and 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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Notes to Consolidated Financial Statements

March 31, 2014

25. 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

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 department provides public services that contribute to community development and sustainability through the provision of water and sanitation services.

Chippewas of Rama First Nation

Notes to Consolidated Financial Statements

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25. Segmented Information (continued)

	General Government			Health and Social Services			Education			Economic Development and Business Enterprises		
	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013
Revenue												
Federal government transfers	\$ 519,041	\$ 501,659	\$ 565,120	\$ 1,210,162	\$ 1,285,853	\$ 1,283,538	\$ 2,565,000	\$ 2,792,450	\$ 2,648,961	\$ 134,318	\$ 138,797	\$ 175,118
Provincial government transfers	-	535	-	2,977,683	3,380,061	3,133,719	18,700	14,719	16,355	-	-	-
First Nation Fund revenue	-	6,089,099	29,849,683	-	-	-	-	-	-	-	-	-
Rental income	2,833,920	2,912,410	2,766,781	180,900	182,572	190,196	-	-	-	-	-	-
Investment income	1,200,000	2,317,429	198,090	-	-	-	-	-	-	-	-	-
Income from enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama ground rent	-	-	-	-	-	-	-	-	-	-	(1,512,858)	13,964
User fees	-	-	9,000	-	-	-	-	-	-	-	-	-
Sales from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama fees	8,100,000	7,394,362	7,960,505	-	-	-	-	-	-	13,589,540	13,484,058	13,463,987
Land settlement revenue	-	-	-	-	-	-	-	-	-	-	-	-
Other	680,037	1,750,244	2,381,333	616,115	477,549	589,029	457,120	758,483	454,861	298,926	313,422	279,850
	13,332,998	21,065,738	43,730,512	4,984,860	5,326,035	5,196,482	3,040,820	3,565,652	3,119,977	14,032,784	12,423,419	13,932,919
Expenses												
Salaries and wages	4,391,799	4,555,688	4,629,679	3,856,750	3,871,135	3,870,216	3,047,315	2,922,399	2,913,277	2,255,807	2,169,013	2,143,480
Materials, services and other	647,874	657,162	1,081,329	1,536,876	1,559,418	1,469,607	2,902,944	2,732,172	2,808,949	10,354,183	10,540,476	10,747,895
Repairs and maintenance	15,823	10,395	17,204	378,644	462,552	381,896	250,491	338,681	323,831	228,485	274,638	242,807
Contracted services, professional fees	549,480	884,660	506,280	40,162	43,452	29,948	36,531	7,391	9,007	37,270	47,520	274,822
Utilities, insurance	51,992	51,670	58,564	81,202	94,166	81,091	86,796	100,916	84,718	167,563	202,432	189,711
Rental	345,281	319,815	383,908	69,636	67,859	70,148	48,195	56,270	45,742	559,260	559,117	559,047
Gifts, donations, grants	212,000	136,063	143,022	67,860	75,350	92,907	131,539	126,296	110,617	-	-	294
Amortization	-	299,157	276,462	-	200,882	205,996	-	278,800	275,807	212,520	369,959	373,608
Loss on disposal of assets	-	4,120	-	-	7,520	-	-	5,971	-	-	14,877	1,121
Interest expense	390,900	487,097	479,562	-	-	-	-	-	-	47,340	39,164	43,117
Trust capital distributions	-	-	-	-	-	-	-	-	-	-	-	-
	6,605,149	7,405,827	7,576,010	6,031,130	6,382,334	6,181,809	6,504,811	6,568,896	6,571,948	13,862,448	14,217,196	14,575,902
Net surplus (deficit)	\$ 6,727,849	\$ 13,659,911	\$ 38,154,502	\$ (1,046,270)	\$ (1,056,299)	\$ (985,327)	\$ (3,463,991)	\$ (3,003,244)	\$ (3,451,971)	\$ 170,336	\$ (1,793,777)	\$ (642,985)

March 31, 2014

25. Segmented Information (continued)

	Housing and Social Housing			Lands and Trust			Recreation			Special Projects		
	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013	Budget 2014	2014	(Note 2) 2013
Revenue												
Federal government transfers	\$ 478,672	\$ 446,045	\$ 462,969	\$ 212,827	\$ 83,632	\$ 80,969	\$ -	\$ 5,000	\$ 13,052	\$ 23,660	\$ 34,660	\$ 70,695
Provincial government transfers	-	-	-	-	-	-	-	-	-	-	-	-
First Nation Fund revenue	-	-	-	-	-	-	-	-	-	-	-	36,035
Rental income	692,220	635,891	631,433	547,899	541,293	544,327	-	-	-	-	-	-
Investment income	-	-	-	2,660,000	1,649,868	1,677,207	-	-	-	-	-	-
Income from enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama	-	-	-	-	-	-	-	-	-	-	-	-
ground rent	-	-	-	-	-	-	-	-	-	-	-	-
User fees	-	-	-	-	4,876,021	4,839,522	-	-	-	-	-	-
Sales from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama fees	-	-	-	-	-	-	-	-	-	-	-	-
Land settlement	-	-	-	-	-	-	-	-	-	-	-	-
revenue	-	-	-	-	-	10,000,000	-	-	-	-	-	-
Other	41,600	30,789	22,411	-	-	6,380	251,700	273,922	270,049	40,700	35,191	15,337
	1,212,492	1,112,725	1,116,813	3,420,726	7,150,814	17,148,405	251,700	278,922	283,101	64,360	69,851	122,067
Expenses												
Salaries and wages	71,051	76,976	1,309	123,158	116,516	123,452	325,967	326,376	321,678	104,069	81,660	64,645
Materials, services and other	130,775	143,638	86,559	39,264	394,942	392,279	142,600	116,727	137,700	53,860	58,396	57,247
Repairs and maintenance	128,700	179,990	94,585	-	-	525	24,000	23,108	24,997	-	-	-
Contracted services, professional fees	16,700	18,500	18,047	60,000	24,141	400	7,000	4,852	5,154	-	15,859	20,018
Utilities, Insurance	74,920	73,656	70,168	-	-	819	3,000	2,115	1,559	-	-	-
Rental	700	-	-	1,980	1,398	3,103	3,500	3,697	3,494	2,100	2,096	2,096
Gifts, donations, grants	-	-	-	200	-	-	-	-	-	-	-	-
Amortization	328,870	487,837	488,635	-	694	1,463	-	27,061	26,960	-	255	3,307
Loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	213,710	144,245	198,721	-	-	54,018	-	-	-	-	-	-
Trust capital distributions	-	-	-	-	-	-	-	-	-	-	-	-
	965,426	1,124,842	958,024	224,602	9,051,088	13,317,973	505,967	503,936	521,542	160,029	158,266	147,313
Net surplus (deficit)	\$ 247,066	\$ (12,117)	\$ 158,789	\$ 3,196,124	\$ (1,900,274)	\$ 3,830,432	\$ (254,267)	\$ (225,014)	\$ (238,441)	\$ (95,669)	\$ (88,415)	\$ (25,246)

Chippewas of Rama First Nation

Notes to Consolidated Financial Statements

March 31, 2014

25. Segmented Information (continued)

	Operations and Maintenance		Fire and Police		Water and Waste Water		Totals Before Adjustments	
	Budget 2014	(Note 2) 2013	Budget 2014	(Note 2) 2013	Budget 2014	(Note 2) 2013	Budget 2014	(Note 2) 2013
Revenue								
Federal government transfers	\$ 1,287,180	\$ 1,262,055	\$ 1,243,210	\$ -	\$ -	\$ -	\$ 6,430,860	\$ 6,640,151
Provincial government transfers	22,848	338,180	295,444	-	-	-	3,733,495	3,481,553
First Nation Fund revenue	-	-	-	-	-	-	-	29,849,683
Rental income	349,275	329,472	411,434	-	-	-	4,604,214	4,544,171
Investment income	-	-	-	-	-	-	3,860,000	3,967,297
Income from enterprises	-	-	-	-	-	-	-	(1,512,858)
Casino Rama ground rent	-	-	-	-	-	-	-	13,964
User fees	1,390,814	1,591,017	1,383,149	5,136,046	1,328,642	1,224,424	8,169,066	4,876,021
Sales from business enterprises	-	-	-	-	-	-	-	8,115,774
Casino Rama fees	-	-	-	-	-	-	13,599,540	13,484,058
Land settlement	-	-	-	-	-	-	8,100,000	7,394,362
Other revenue	1,122,140	1,150,706	1,039,384	-	-	-	-	10,000,000
	4,172,257	4,671,430	4,372,601	5,155,750	1,328,642	1,226,674	51,333,016	5,078,118
Expenses								
Salaries and wages	3,560,651	2,959,076	2,771,776	5,491,377	793,444	773,514	24,445,855	23,590,690
Materials, services and other	506,736	1,215,609	(199,536)	5,762,922	264,774	228,467	17,080,942	18,044,795
Repairs and maintenance	1,667,332	1,841,014	2,235,610	393,529	217,448	207,833	3,182,123	3,615,895
Contracted services, professional fees	273,764	263,818	231,234	271,198	214,319	207,833	1,116,016	1,364,572
Utilities, insurance	307,018	387,040	335,167	13,280	64,544	35,946	1,077,156	1,238,490
Rental	40,929	44,896	22,339	139,277	165,045	178,759	1,135,998	1,108,401
Gifts, donations, grants	-	-	-	51,160	1,509	1,441	-	-
Amortization	-	951,737	1,007,020	2214	-	-	416,199	339,923
Loss on disposal of assets	-	-	-	289,007	-	610,103	541,390	3,515,492
Interest expense	-	20,327	-	51,929	-	-	-	104,744
Trust capital distributions	-	-	-	-	-	-	651,950	670,506
	6,356,430	7,683,517	6,403,610	6,974,516	1,506,764	2,056,487	49,647,629	62,126,905
Net surplus (deficit)	\$ (2,184,173)	\$ (3,012,087)	\$ (2,031,009)	\$ (1,711,398)	\$ (178,122)	\$ (829,813)	\$ 1,685,387	\$ 27,483
								\$ 30,062,632

Chippewas of Rama First Nation

Notes to Consolidated Financial Statements

March 31, 2014

25. Segmented Information (continued)

	Consolidation Adjustments		Consolidated Totals	
	Budget 2014	(Note 2) 2013	Budget 2014	(Note 2) 2013
Revenue				
Federal government transfers	\$ -	\$ -	\$ -	\$ -
Provincial government transfers	-	-	-	-
First Nation Fund revenue	-	-	3,019,231	3,733,495
Rental income	549,084	591,006	4,055,130	3,999,091
Investment income	-	-	3,860,000	3,967,297
Income from enterprises	-	-	-	1,875,297
Casino Rama	-	-	-	13,964
ground rent	-	-	-	(1,512,858)
User fees	1,355,814	1,585,627	6,813,252	4,876,021
Sales from business enterprises	9,600	303,859	13,589,940	6,530,147
Casino Rama fees	-	-	8,100,000	13,180,199
Land settlement revenue	-	-	-	7,394,362
Other	342,886	974,897	3,207,219	10,000,000
	2,257,384	3,455,389	3,282,612	4,015,184
Expenses				
Salaries and wages	189,150	3,598	24,256,705	23,586,992
Materials, services and other	175,751	907,101	16,905,191	17,137,694
Repairs and maintenance	1,163,687	1,832,819	2,018,436	1,783,076
Contracted services, professional fees	-	-	1,116,016	1,364,572
Utilities, insurance	19,282	18,894	1,057,864	1,160,044
Rental	707,403	689,635	428,595	1,239,596
Gifts, donations, grants	2,101	3,242	414,098	418,766
Amortization	-	-	541,390	336,681
Loss on disposal of assets	-	-	-	3,515,492
Interest expense	-	-	651,950	104,744
Trust capital distributions	-	-	-	670,506
	2,257,384	3,455,389	47,390,245	8,513,397
Net surplus (deficit)	\$ -	\$ -	\$ 1,685,367	\$ 12,741,914
				62,089,741
				30,062,632

