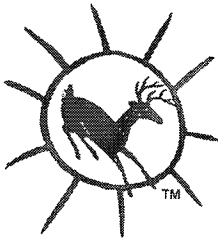


**Chippewas of Rama First Nation**  
**Consolidated Financial Statements**  
For the year ended March 31, 2017

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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:

Dan Shilling

First Nation Manager

Rick Morano

Chief Financial Officer

September 26, 2017



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BDO Canada LLP  
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

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, 2017, 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, 2017, 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**

Chippewas of Rama First Nation has also prepared another set of consolidated financial statements for the year ended March 31, 2017 in accordance with Canadian public sector accounting standards. However, these consolidated financial statements do not include unaudited supplementary schedules. Our audit report on the other set of consolidated financial statements was issued to the members of Chippewas of Rama First Nation and was dated September 26, 2017.

#### **Unaudited Information**

These consolidated 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.

We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the supplementary schedules on pages 32 through 68 of the financial statements.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Orillia, Ontario

September 26, 2017

# Chippewas of Rama First Nation

## Consolidated Statement of Financial Position

March 31

2017

2016

### Financial assets

Cash and cash equivalents (Note 2)	\$ 2,870,998	\$ 2,438,140
Restricted cash (Note 3)	628,080	730,362
Trust funds held by federal government (Note 4)	170,278	165,405
Accounts receivable (Note 5)	4,059,252	3,598,924
Due from government (Note 6)	4,102,878	603,752
Loans receivable (Note 7)	858,911	720,796
Portfolio investments (Note 8)	75,750,413	73,506,732
Inventories for resale	470,310	615,864
Due from controlled entities (Note 9)	2,163,291	3,185,744
Investment in government business enterprises (Note 10)	6,646,509	7,865,226
	<u>97,720,920</u>	<u>93,430,945</u>

### Liabilities

Accounts payable and accrued liabilities (Note 11)	5,751,034	5,471,284
Deferred payouts - minors (Note 12)	24,675,911	23,438,908
Due to government (Note 13)	503,951	296,063
Deferred revenue (Note 14)	3,666,405	435,490
Long-term debt (Note 15)	20,407,057	20,006,123
Solid waste closure and post-closure liabilities (Note 16)	1,496,343	1,515,158
	<u>56,500,701</u>	<u>51,163,026</u>

### Net financial assets

	<u>41,220,219</u>	<u>42,267,919</u>
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### Non-financial assets

Tangible capital assets (Note 18)	90,818,668	92,024,530
Prepaid expenses	196,189	95,236
Inventories held for use	19,445	21,520
	<u>91,034,302</u>	<u>92,141,286</u>

### Accumulated surplus

	<u>\$132,254,521</u>	<u>\$134,409,205</u>
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Contingent liabilities (Note 19)

Contractual obligations (Note 20)

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 22) Budget 2017	2017	2016
<b>Revenue</b>			
Federal government transfers (Note 21)	\$ 6,623,448	\$ 7,377,795	\$ 6,952,183
Provincial government transfers (Note 21)	4,237,826	4,665,906	3,910,336
Rental income	4,406,594	4,258,551	4,122,971
Net investment income	3,189,932	8,025,601	7,732,704
Income (loss) from government business enterprises (Note 10)	-	(351,065)	(89,276)
Casino Rama ground rent	5,000,000	5,077,891	5,013,577
User fees	7,584,360	7,297,171	7,211,690
Sales from business enterprises	11,825,172	11,180,380	11,291,965
Casino Rama fees	7,446,000	7,905,650	7,809,136
Other	3,061,332	3,439,425	3,213,408
	<u>53,374,664</u>	<u>58,877,305</u>	<u>57,168,694</u>
<b>Expenses</b>			
General government	6,816,193	9,572,910	9,262,017
Health and social services	6,091,795	6,301,687	6,122,213
Education services	6,389,623	6,374,974	6,245,240
Economic development and business operations	11,489,790	11,625,073	11,510,349
Housing and social housing services	1,002,410	922,819	816,749
Lands and trust	9,945,355	8,797,143	9,026,027
Recreation and culture	514,506	678,089	538,029
Special projects	250,469	355,488	174,433
Operations and maintenance	6,104,321	6,725,098	6,749,460
Fire and police	7,031,812	7,649,850	7,337,854
Water and waste water	1,479,128	2,028,858	2,027,692
	<u>57,115,402</u>	<u>61,031,989</u>	<u>59,810,063</u>
<b>Annual deficit</b>	(3,740,738)	(2,154,684)	(2,641,369)
<b>Accumulated surplus, beginning of year</b>	134,409,205	134,409,205	137,050,574
<b>Accumulated surplus, end of year</b>	<u>\$130,668,467</u>	<u>\$132,254,521</u>	<u>\$134,409,205</u>

Segment Disclosure (Note 25)

**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>2017</b>	<b>2017</b>	<b>2016</b>
<b>Annual deficit</b>	<b>\$ (3,740,738)</b>	<b>\$ (2,154,684)</b>	<b>\$ (2,641,369)</b>
Acquisition of tangible capital assets	(1,136,505)	(3,019,692)	(4,195,998)
Amortization of tangible capital assets	-	4,123,560	3,972,029
Loss on disposal of tangible capital assets	-	79,939	147,289
Proceeds on disposal of tangible capital assets	-	22,055	56,071
	<u>(4,877,243)</u>	<u>(948,822)</u>	<u>(2,661,978)</u>
Use/consumption of prepaid expenses	-	(100,953)	45,830
Use/consumption of inventories held for use	-	2,075	(1,189)
	<u>-</u>	<u>(98,878)</u>	<u>44,641</u>
<b>Decrease in net financial assets</b>	<b>(4,877,243)</b>	<b>(1,047,700)</b>	<b>(2,617,337)</b>
<b>Net financial assets, beginning of year</b>	<b>42,267,919</b>	<b>42,267,919</b>	<b>44,885,256</b>
<b>Net financial assets, end of year</b>	<b>\$ 37,390,676</b>	<b>\$ 41,220,219</b>	<b>\$ 42,267,919</b>

## Chippewas of Rama First Nation

### Consolidated Statement of Cash Flows

For the year ended March 31	2017	(Note 24) 2016
<b>Operating transactions</b>		
Annual deficit	\$ (2,154,684)	\$ (2,641,369)
Items not involving cash:		
Amortization of tangible capital assets	4,123,560	3,972,029
Solid waste closure and post-closure liabilities	(18,815)	282,592
Loss on disposal of tangible capital assets	79,939	147,289
Loss from government business enterprises	351,065	89,277
Impairment allowance - portfolio investments	(3,700,000)	-
Impairment allowance - due from controlled entities	1,318,082	1,250,000
Impairment allowance - investment in government business enterprises	867,652	-
Changes in non-cash operating balances:		
Accounts receivable	(460,328)	200,051
Due from government	(3,499,126)	145,403
Inventories for resale	145,554	9,083
Prepaid expenses	(100,953)	45,830
Inventories held for use	2,075	(1,189)
Accounts payable and accrued liabilities	279,750	996,922
Due to government	207,888	21,343
Deferred revenue	3,230,915	(41,590)
Cash provided by operating transactions	<u>672,574</u>	<u>4,475,671</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(3,019,692)	(4,195,998)
Proceeds on disposal of tangible capital assets	22,055	56,071
Cash applied to capital transactions	<u>(2,997,637)</u>	<u>(4,139,927)</u>
<b>Investing transactions</b>		
Decrease in portfolio investments	1,456,319	2,004,559
Increase in due from controlled entities	(295,629)	(404,430)
Transfer to Social Housing replacement reserve fund	102,282	1,601
Change in trust funds held by federal government	(4,873)	(3,504)
Loans receivable	(138,115)	20,001
Cash provided by investing transactions	<u>1,119,984</u>	<u>1,618,227</u>
<b>Financing transaction</b>		
Proceeds from issuance of long-term debt	1,299,963	64,240
Repayment of long-term debt	(899,029)	(4,875,138)
Deferred payouts - minors	1,237,003	(818,840)
Cash provided by (applied to) financing transactions	<u>1,637,937</u>	<u>(5,629,738)</u>
<b>Increase (decrease) in cash</b>	<b>432,858</b>	<b>(3,675,767)</b>
<b>Cash, beginning of year</b>	<u><b>2,438,140</b></u>	<u><b>6,113,907</b></u>
<b>Cash, end of year (Note 2)</b>	<u><b>\$ 2,870,998</b></u>	<u><b>\$ 2,438,140</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, 2017**

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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 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**

The 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%

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:

SEM Resort Limited Partnership	- 33.33%
Mnjikaning Holdings Limited Partnership	- 100%
Rama Parking Inc.	- 100%
Casino Rama Inc.	- 100%
112449 Alberta Ltd.	- 100%
My Lucky Spot - Entertainment Centre Ltd.	- 80%

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

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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

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.

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## **Chippewas of Rama First Nation**

### **Notes to Consolidated Financial Statements**

**March 31, 2017**

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

**g) Tangible Capital Assets (continued)**

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.

**h) Inventories Held for Use**

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

**i) 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.

**j) Government Transfers**

Government transfers are recognized as revenue in the 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.

**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.

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, 2017**

#### 2. Cash and cash equivalents

	2017	2016
Unrestricted:		
Operating	\$ 2,704,417	\$ 2,316,503
Social Housing	166,581	121,637
Total cash	<b>\$ 2,870,998</b>	<b>\$ 2,438,140</b>

#### 3. Restricted Cash

	2017	2016
Restricted - Social Housing Reserves	<b>\$ 628,080</b>	<b>\$ 730,362</b>

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, 2016	2017 Additions	2017 Withdrawals	Balance March 31, 2017
Revenue	\$ 117,291	\$ 4,873	\$ -	\$ 122,164
Capital	48,114	-	-	48,114
	<b>\$ 165,405</b>	<b>\$ 4,873</b>	<b>\$ -</b>	<b>\$ 170,278</b>

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, 2017**

#### 5. Accounts Receivable

	2017	(Note 24) 2016
Due from members:		
Social Housing	\$ 212,871	\$ 206,140
Rent and other	919,024	845,360
Due from others:		
Services	3,752,565	3,309,906
	<u>4,884,460</u>	<u>4,361,406</u>
Less impairment allowance	(825,208)	(762,482)
Total accounts receivable	<u>\$ 4,059,252</u>	<u>\$ 3,598,924</u>

#### 6. Due from Government

	2017	2016
Federal government		
Indigenous and Northern Affairs Canada	\$ 1,487,097	\$ 15,635
Canada Mortgage and Housing Corporation	20,282	19,479
OTC	143,867	180,360
HST	478,850	82,836
Other	414,152	273,315
Provincial government	1,558,630	32,127
	<u>\$ 4,102,878</u>	<u>\$ 603,752</u>

#### 7. Loans Receivable

	2017	2016
Community Financial Assistance Program loans	\$ 374,999	\$ 278,813
Mortgages to members, bearing interest at 7%, 12 mortgages, various monthly payments of \$5,194 in total, due from 2018 to 2038	566,817	544,704
	<u>941,816</u>	<u>823,517</u>
Less impairment allowance	(82,905)	(102,721)
	<u>\$ 858,911</u>	<u>\$ 720,796</u>

## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

March 31, 2017

#### 8. Portfolio Investments

	2017	2016
<b>First Nation Fund</b>		
Investments held by Manulife, market value of \$NIL (2016 - \$12,907,596)	\$ -	\$ 15,593,337
Investments held by Scotiabank, market value of \$29,599,890 (2016 - \$14,612,342) (Note 15 & 19)	28,688,245	14,263,186
Accrued interest receivable	85,708	70,499
	28,773,953	29,927,022
Less impairment allowance	-	(3,700,000)
	28,773,953	26,227,022
<b>Restricted Assets of Waasa Gdi Naabmin (Looking Far Ahead) Trust</b>		
Investments held by Scotiabank, market value of \$40,009,775 (2016 - \$42,845,799) (Note 15)	39,998,020	40,364,921
Accrued interest receivable	958	182,182
	39,998,978	40,547,103
<b>Other Investments</b>		
Medcan Health, 30,000 class B common shares	300	300
Guaranteed Investment Certificates held as collateral (Note 15)	3,606,838	3,532,307
Diversified Canadian Growth Deposit Notes, due 2021 (Note 15)	3,200,000	3,200,000
Other investments	170,344	-
	6,977,482	6,732,607
<b>Total portfolio investments</b>	<b>\$ 75,750,413</b>	<b>\$ 73,506,732</b>

Included in the Scotiabank portfolio investment of \$28,688,245 (2016 - \$14,263,186) is \$9,955,152 (2016 - \$9,785,554) in fixed income securities. These bear interest rates ranging from 0.25% to 6.67% and maturity dates ranging from 2018 to 2046.

Included in the Scotiabank portfolio investment of \$39,998,020 (2016 - 40,364,921) is \$17,499,495 (2016 - \$22,267,175) in fixed income securities. The 2017 amount is in bond pooled funds.

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

**March 31, 2017**

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**9. Due from Controlled Entities**

	<b>2017</b>	(Note 24) <b>2016</b>
SEM Resort Limited Partnership, bearing interest at 10%	<b>\$ 2,000,000</b>	\$ 2,000,000
SEM Resort Limited Partnership, accrued interest	<b>600,000</b>	600,000
SEM Resort Limited Partnership, bearing interest at 10%, repayable in six equal monthly installments of \$90,160, in default	<b>500,000</b>	500,000
SEM Resort Limited Partnership	<b>68,082</b>	72,703
Casino Rama Inc.	<b>2,500</b>	2,250
Rama Parking Inc.	<b>960,791</b>	960,791
My Lucky Spot - Entertainment Centre Ltd.	<b>1,200,000</b>	900,000
	<b>5,331,373</b>	5,035,744
Less impairment allowance	<b>(3,168,082)</b>	(1,850,000)
	<b>\$ 2,163,291</b>	\$ 3,185,744

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, 2017**

### 10. Investments in Government Business Enterprises

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

	2017	2016
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
SEM Resort Limited Partnership, 33.33%, at cost	3,000,000	3,000,000
	<u>9,400,002</u>	<u>9,400,002</u>
Cumulative income (loss) from government business enterprises	<u>(1,885,841)</u>	<u>(1,534,776)</u>
	7,514,161	7,865,226
Less impairment allowance	<u>(867,652)</u>	<u>-</u>
	<u>\$ 6,646,509</u>	<u>\$ 7,865,226</u>

The following table presents condensed supplementary financial information for these commercial enterprises as at March 31, 2017.

	SEM Group	My Lucky Spot - Entertainment Centre Ltd.	Other	2017 Total	2016 Total
Cash	\$ 2,500,816	\$ 230,549	\$ 56,987	\$ 2,788,352	\$ 3,103,519
Accounts receivable	2,716,881	75,739	-	2,792,620	3,203,316
Inventory	217,095	25,905	-	243,000	261,593
Prepaid expenses	164,996	88,597	5,112	258,705	190,866
Tangible capital assets	10,518,168	2,151,401	980,828	13,650,397	13,912,046
Other assets	8,664,755	3,641,250	1	12,306,006	11,196,850
Total assets	<u>\$ 24,782,711</u>	<u>\$ 6,213,441</u>	<u>\$ 1,042,928</u>	<u>\$ 32,039,080</u>	<u>\$ 31,868,190</u>
Accounts payable	\$ 3,427,408	\$ 277,812	\$ 2,528	\$ 3,707,748	\$ 3,222,997
Long-term debt	-	2,816,339	960,791	3,777,130	3,847,497
Other liabilities	5,965,405	7,500,000	2,501	13,467,906	13,211,789
Total liabilities	9,392,813	10,594,151	965,820	20,952,784	20,282,283
Equity	15,389,898	(4,380,710)	77,108	11,086,296	11,585,907
Total liabilities and equity	<u>\$ 24,782,711</u>	<u>\$ 6,213,441</u>	<u>\$ 1,042,928</u>	<u>\$ 32,039,080</u>	<u>\$ 31,868,190</u>
Revenue	\$ 12,162,974	\$ 2,833,704	\$ 24,216	\$ 15,020,894	\$ 12,872,992
Expenses	11,912,974	3,577,683	30,098	15,520,755	14,320,974
Net income (loss)	<u>\$ 250,000</u>	<u>\$ (743,979)</u>	<u>\$ (5,882)</u>	<u>\$ (499,861)</u>	<u>\$ (1,447,982)</u>
Chippewas of Rama First Nation's share of net income (loss)	<u>\$ 250,000</u>	<u>\$ (595,183)</u>	<u>\$ (5,882)</u>	<u>\$ (351,065)</u>	<u>\$ (89,276)</u>



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## **Chippewas of Rama First Nation**

### **Notes to Consolidated Financial Statements**

**March 31, 2017**

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#### **10. 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%.

Subsequent to year end, the First Nation has sold its investment in the SEM Group of companies for proceeds of \$3,600,000. The impact of this sale is not expected to have a significant effect on the ongoing operations of the First Nation.

##### **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, 2016 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 Casino Rama Inc. and Rama Parking Inc. Rama Parking Inc. represents the majority of this category and holds parking lots.

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

#### 11. Accounts Payable and Accrued Liabilities

	2017	2016
Trade payables	\$ 890,793	\$ 611,873
Accrued salaries and benefits payable	3,125,786	2,964,171
Other accrued liabilities	1,734,455	1,895,240
	<b>\$ 5,751,034</b>	<b>\$ 5,471,284</b>

#### 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

	2017	2016
Federal government, non interest bearing, due within one year	\$ 357,049	\$ 264,284
Provincial government, non interest bearing, due within one year	146,902	31,779
	<b>\$ 503,951</b>	<b>\$ 296,063</b>

#### 14. Deferred Revenue

	Balance March 31, 2016	2017 Funding Received	2017 Revenue Recognized	Balance March 31, 2017
Government:				
Federal - other	\$ -	\$ 1,745,318	\$ -	\$ 1,745,318
Provincial - other	-	1,428,571	-	1,428,571
	-	3,173,889	-	3,173,889
Other:				
Unearned fees	420,598	298,070	290,523	428,145
Other	14,892	55,486	6,007	64,371
	435,490	353,556	296,530	492,516
	<b>\$ 435,490</b>	<b>\$ 3,527,445</b>	<b>\$ 296,530</b>	<b>\$ 3,666,405</b>

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

**March 31, 2017**

**15. Long-term Debt**

	<u>2017</u>	<u>2016</u>
Non-revolving demand promissory note, interest at prime plus 1% payable monthly, due 2022	\$ 746,667	\$ -
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due September 2021	6,400,000	6,400,000
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due March 2018	2,508,993	2,672,300
Non-revolving demand promissory note, interest at prime plus 0.25% payable monthly, due March 2018	4,085,000	4,300,000
Mortgages payable - Social Housing, 1.08% to 2.35%, payable monthly in blended payments of \$42,494 secured by the First Nation and ministerial guarantee, due 2018 to 2023	6,666,397	6,633,823
	<u>\$ 20,407,057</u>	<u>\$ 20,006,123</u>

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

Year	Amount
2018	\$ 16,030,704
2019	1,102,085
2020	377,102
2021	1,425,580
2022	852,383
Thereafter	619,203
	<u>\$ 20,407,057</u>

	<u>2017</u>	<u>2016</u>
Interest expense for the year on long-term debt	\$ 506,304	\$ 601,762

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

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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, 2018, 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, 2019. 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 up to 100% of new capital equipment and leasehold improvements related to the Tim Hortons. 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 consolidation 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, 2017.

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

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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 \$1,496,343 (2016 - \$1,515,158) and reflects a discount rate of 3.5% (2016 - 3.5%). The estimated total expenditures for landfill closure costs are approximately \$537,000 with annual post-closure care costs of approximately \$60,000.

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 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 \$1,303,738 (2016 - \$1,240,061) 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.

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

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#### 19. Contingent Liabilities

- a) The First Nation has guaranteed the mortgages of certain members in the amount of approximately \$4,596,691 (2016 - \$4,244,321). The outstanding balance of the mortgages amounted to \$2,063,598 (2016 - \$1,975,455) 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 \$14,032,128 (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 \$3,582,245 (2016 - \$4,253,927).

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#### 20. Contractual Obligations

	2018	2019	2020	2021	2022 and thereafter	Total
Operating leases	\$ 113,354	\$ 86,727	\$ 64,719	\$ 30,310	\$ -	\$ 295,110
Construction contracts	1,163,960	-	-	-	-	1,163,960
	<u>\$1,277,314</u>	<u>\$ 86,727</u>	<u>\$ 64,719</u>	<u>\$ 30,310</u>	<u>\$ -</u>	<u>\$1,459,070</u>

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

**March 31, 2017**

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**21. Government Transfers**

	<u>2017</u>	<u>2016</u>
<b>Federal government transfers</b>		
Operating:		
Indigenous and Northern Affairs Canada:		
Block contribution	\$ 4,280,555	\$ 4,240,653
Fixed contribution	871,129	143,000
Set contribution	371,135	582,777
Health Canada	915,783	967,560
Canada Mortgage and Housing Corporation	243,790	239,461
Other	695,403	778,732
	<u>7,377,795</u>	<u>6,952,183</u>
<b>Provincial government transfers</b>		
Operating	<u>4,665,906</u>	<u>3,910,336</u>
<b>Total government transfers</b>	<u>\$ 12,043,701</u>	<u>\$ 10,862,519</u>

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## Chippewas of Rama First Nation

### Notes to Consolidated Financial Statements

**March 31, 2017**

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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>2017</u>
Financial Plan (Budget) surplus (deficit) for the year	
Chippewas of Rama First Nation	\$ (700,277)
Chippewas of Rama Social Housing	38,973
Ojibway Bay Marina Ltd.	51,245
455457 Ontario Inc. (o/a Ramcor Developments)	326,019
1176290 Ontario Limited (o/a Biindigen Gift Shop)	(29,940)
1291580 Ontario Inc. (o/a Rama Country Market and Gas Bar)	103,706
Waasa Gdi Naabmin (Looking Far Ahead) Trust	<u>(4,666,969)</u>
Total Financial Plan (Budget) deficit for the year	(4,877,243)
Add: Capital expenditures	<u>1,136,505</u>
 Budget deficit per statement of operations	 <u>\$ (3,740,738)</u>

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#### 23. Subsequent Events

Subsequent to year end, a new lease was signed regarding the Casino Rama Complex Lands with Ontario Lottery and Gaming Corporation, regarding the rent of these lands and various buildings. As a result, amendments were made to the Post-2011 Contract Relating to Casino Rama with Ontario Lottery and Gaming Corporation. These changes are not expected to have a significant financial effect on the ongoing operations of the First Nation.

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#### 24. Comparative Amounts

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

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## **Chippewas of Rama First Nation**

### **Notes to Consolidated Financial Statements**

**March 31, 2017**

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#### **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 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, 2017**

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**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 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, 2017

### 25. Segmented Information (continued)

	General Government			Health and Social Services			Education			Economic Development and Business Enterprises		
	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016
<b>Revenue</b>												
Federal government transfers	\$ 591,283	\$ 883,196	\$ 673,288	\$ 1,237,577	\$ 1,323,402	\$ 1,315,923	\$ 2,812,682	\$ 3,376,721	\$ 2,861,306	\$ 145,184	\$ 190,646	\$ 150,430
Provincial government transfers	-	4,983	129	3,915,459	3,942,358	3,682,445	18,700	84,822	20,419	-	-	-
Rental income	3,076,933	3,039,466	2,998,849	202,900	195,813	197,038	-	-	-	-	-	-
Investment income	1,000,000	3,546,929	4,444,825	-	-	-	-	-	-	-	-	-
Income (loss) from enterprises	-	-	-	-	-	-	-	-	-	-	(351,065)	(89,276)
Casino Rama	-	-	-	-	-	-	-	-	-	-	-	-
ground rent	-	-	-	-	-	-	-	-	-	-	-	-
User fees	67,776	66,069	71,098	-	-	-	-	-	-	-	-	-
Sales from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama fees	7,446,000	7,905,650	7,809,136	-	-	-	-	-	-	11,825,172	11,411,846	11,510,730
Other	683,698	810,569	1,023,931	501,824	774,051	459,382	598,500	625,572	657,092	733,936	763,546	665,272
	12,865,690	16,256,862	17,021,256	5,857,760	6,235,624	5,654,788	3,429,882	4,087,115	3,538,817	12,704,292	12,014,973	12,237,156
<b>Expenses</b>												
Salaries and wages	4,298,632	4,055,065	4,147,648	4,144,112	4,101,202	4,053,351	3,257,033	3,536,196	3,255,812	2,101,613	2,109,361	2,192,397
Materials, services and other	798,402	2,977,692	2,652,524	1,525,313	1,649,322	1,480,691	2,831,004	2,334,090	2,384,531	8,907,379	8,587,073	8,586,841
Repairs and maintenance	30,160	29,476	21,226	403,990	427,083	450,952	252,598	319,650	301,913	309,936	568,202	378,825
Contracted services, professional fees	1,089,395	1,587,393	1,316,282	55,360	54,770	44,377	18,000	8,967	8,300	72,320	71,776	43,065
Utilities, insurance	56,643	46,453	58,908	89,891	100,610	86,320	78,692	112,195	102,246	250,717	292,003	239,050
Rental	252,351	166,205	214,220	81,779	75,178	74,710	54,874	69,337	58,728	561,173	561,621	559,116
Gifts, donations, grants	152,000	184,053	200,979	79,815	67,326	70,368	178,900	54,695	193,362	-	-	-
Amortization	-	334,227	284,589	-	215,182	219,889	-	291,544	288,312	206,978	530,830	472,642
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	79,939	150,662	-	-	-	-	-	-	-	-	-
Trust capital distributions	241,800	212,585	290,441	-	-	-	-	-	-	44,820	52,275	44,569
	-	-	-	-	-	-	-	-	-	-	-	-
	6,919,383	9,673,088	9,337,479	6,380,280	6,690,673	6,480,658	6,671,101	6,726,674	6,593,204	12,454,936	12,773,141	12,516,505
<b>Net surplus (deficit)</b>	\$ 5,946,307	\$ 6,583,774	\$ 7,683,777	\$ (522,500)	\$ (455,049)	\$ (825,870)	\$ (3,241,219)	\$ (2,639,559)	\$ (3,054,387)	\$ 249,356	\$ (758,168)	\$ (279,349)

# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 25. Segmented Information (continued)

	Housing and Social Housing			Lands and Trust			Recreation and Culture			Special Projects		
	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016
<b>Revenue</b>												
Federal government transfers	\$ 455,475	\$ 451,355	\$ 445,091	\$ 85,575	\$ 87,000	\$ 116,788	\$ -	\$ 12,996	\$ 21,602	\$ 34,700	\$ 34,523	\$ 34,700
Provincial government transfers	-	-	-	-	-	-	-	-	-	-	-	-
Rental income	683,083	699,142	653,488	547,899	546,484	545,984	-	-	-	31,200	239,055	15,525
Investment income	-	-	-	2,189,932	4,478,672	3,287,879	-	-	-	-	-	-
Income (loss) from enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama ground rent	-	-	-	-	-	-	-	-	-	-	-	-
User fees	-	-	-	5,000,000	5,077,891	5,013,577	-	212,775	207,039	-	9,600	-
Sales from business enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Casino Rama fees	-	-	-	-	-	-	-	-	-	-	-	-
Other	51,550	30,244	58,451	-	6,124	10,500	86,600	155,851	89,143	42,700	32,019	42,157
	1,190,108	1,180,741	1,157,030	7,823,406	10,196,171	8,974,728	333,750	381,622	317,784	118,200	315,197	92,382
<b>Expenses</b>												
Salaries and wages	114,563	125,394	113,666	206,985	194,991	197,001	348,073	343,026	366,085	107,092	172,968	82,438
Materials, services and other	219,773	107,654	32,344	426,863	408,331	438,303	155,421	310,933	148,103	116,714	178,663	74,799
Repairs and maintenance	123,500	115,352	125,221	1,000	2,855	2,412	20,400	22,202	24,723	11,200	2,308	3,550
Contracted services, professional fees	19,353	16,000	13,000	5,000	2,155	5,109	5,000	2,320	2,908	11,920	15,561	14,070
Utilities, insurance	84,697	85,189	80,606	1,000	1,493	4,868	1,500	2,390	1,084	4,000	3,484	-
Rental	1,392	1,281	524	2,800	1,398	1,398	3,500	4,506	4,305	2,100	2,096	2,096
Gifts, donations, grants	-	-	-	-	-	-	-	-	-	-	-	-
Amortization	399,173	527,052	498,809	-	-	-	-	17,263	20,073	-	992	683
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	112,182	106,325	117,867	-	-	-	-	-	-	-	-	-
Trust capital distributions	-	-	-	9,666,969	8,551,810	8,757,790	-	-	-	-	-	-
	1,074,633	1,084,247	982,037	10,310,617	9,163,033	9,406,881	533,894	702,640	567,281	253,026	376,072	177,636
	\$ 115,475	\$ 96,494	\$ 174,993	\$ (2,487,211)	\$ 1,033,138	\$ (432,153)	\$ (200,144)	\$ (321,018)	\$ (249,497)	\$ (134,826)	\$ (60,875)	\$ (85,254)
<b>Net surplus (deficit)</b>												

# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 25. Segmented Information (continued)

	Operations and Maintenance			Fire and Police			Water and Waste Water			Totals Before Adjustments		
	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016	Budget 2017	2017	2016
<b>Revenue</b>												
Federal government transfers	\$ 925,025	\$ 707,591	\$ 922,628	\$ 331,317	\$ 310,365	\$ 405,927	\$ 4,630	\$ -	\$ 4,500	\$ 6,623,448	\$ 7,377,795	\$ 6,952,183
Provincial government transfers	22,848	23,631	22,848	249,619	371,057	168,970	-	-	-	4,237,826	4,665,906	3,910,336
Rental income	408,503	363,327	306,216	-	-	-	-	-	-	4,919,318	4,844,232	4,701,575
Investment income	-	-	-	-	-	-	-	-	-	3,189,932	8,025,601	7,732,704
Income (loss) from enterprises	-	-	-	-	-	-	-	-	-	-	(351,065)	(89,276)
Casino Rama ground rent	-	-	-	-	-	-	-	-	-	-	-	-
User fees	1,628,040	1,979,715	1,832,967	5,667,754	5,712,636	5,648,491	1,390,300	1,231,178	1,272,958	5,000,000	5,077,891	5,013,577
Sales from business enterprises	-	-	-	-	-	-	-	-	-	9,010,620	9,211,973	9,032,553
Casino Rama fees	-	-	-	-	-	-	-	-	-	11,825,172	11,411,846	11,510,730
Other	1,155,655	1,152,549	1,058,348	20,096	40,257	49,178	10,520	1,905	-	7,446,000	7,905,650	7,809,136
	4,140,071	4,226,813	4,143,007	6,268,786	6,434,315	6,272,566	1,405,450	1,233,083	1,277,458	3,885,079	4,392,687	4,113,454
										56,137,395	62,562,516	60,686,972
<b>Expenses</b>												
Salaries and wages	3,036,082	1,699,736	2,078,065	6,109,844	6,403,283	6,078,050	727,974	754,930	751,724	24,452,003	23,496,152	23,316,237
Materials, services and other	1,624,237	2,923,014	2,580,675	473,078	394,430	430,462	352,898	300,632	313,400	17,431,082	20,171,834	19,122,673
Repairs and maintenance	1,457,423	1,456,286	1,444,374	291,372	266,862	264,834	217,638	219,942	206,385	3,119,217	3,430,218	3,224,415
Contracted services, professional fees	147,958	61,078	110,070	22,900	14,394	23,035	63,308	23,518	23,109	1,510,514	1,857,932	1,603,325
Utilities, insurance	321,596	359,123	348,746	152,343	160,785	148,420	174,342	204,329	187,543	1,215,421	1,368,054	1,255,791
Rental	40,967	34,266	35,265	55,158	34,494	34,857	6,765	7,187	1,826	1,062,859	957,569	987,045
Gifts, donations, grants	-	-	-	4,400	2,872	3,309	-	-	-	415,115	308,946	468,018
Amortization	-	1,075,467	1,063,178	-	513,997	510,169	-	617,007	613,695	606,151	4,123,561	3,972,029
Loss (gain) on disposal of tangible capital assets	-	-	-	-	-	(3,373)	-	-	-	-	79,939	147,289
Interest expense	-	-	20,852	-	-	-	-	-	-	398,802	371,185	473,729
Trust capital distributions	-	-	-	-	-	-	-	-	-	9,666,969	8,551,810	8,757,790
	6,628,263	7,608,970	7,679,225	7,109,095	7,791,117	7,489,763	1,542,925	2,127,545	2,097,682	59,878,133	64,717,200	63,328,341
	\$ (2,488,192)	\$ (3,382,157)	\$ (3,536,218)	\$ (840,309)	\$ (1,356,802)	\$ (1,217,187)	\$ (137,475)	\$ (894,462)	\$ (820,224)	\$ (3,740,738)	\$ (2,154,684)	\$ (2,641,369)
<b>Net surplus (deficit)</b>												

# Chippewas of Rama First Nation

## Notes to Consolidated Financial Statements

March 31, 2017

### 25. Segmented Information (continued)

	Consolidation Adjustments			Consolidated Totals		
	Budget 2017	2017	2016	Budget 2017	2017	2016
<b>Revenue</b>						
Federal government transfers	\$ -	\$ -	\$ -	\$ 6,623,448	\$ 7,377,795	\$ 6,952,183
Provincial government transfers	-	-	-	4,237,826	4,665,906	3,910,336
Rental income	512,724	585,681	578,604	4,406,594	4,258,551	4,122,971
Investment income	-	-	-	3,189,932	8,025,601	7,732,704
Income (loss) from enterprises	-	-	-	-	(351,065)	(89,276)
Casino Rama ground rent	-	-	-	5,000,000	5,077,891	5,013,577
User fees	1,426,260	1,914,802	1,820,863	7,584,360	7,297,171	7,211,690
Sales from business enterprises	-	231,466	218,765	11,825,172	11,180,380	11,291,965
Casino Rama fees	-	-	-	7,446,000	7,905,650	7,809,136
Other	823,747	953,262	900,046	3,061,332	3,439,425	3,213,408
	2,762,731	3,685,211	3,518,278	53,374,664	58,877,305	57,168,694
<b>Expenses</b>						
Salaries and wages	28,649	(309,940)	(122,040)	24,423,354	23,806,092	23,438,277
Materials, services and other	679,349	1,057,915	964,586	16,751,733	19,113,919	18,158,087
Repairs and maintenance	1,375,857	2,207,732	1,960,718	1,743,360	1,222,486	1,263,697
Contracted services, professional fees	267	338	768	1,510,247	1,857,594	1,602,557
Utilities, insurance	8,109	10,332	5,493	1,207,312	1,357,722	1,250,298
Rental	653,490	697,368	691,299	409,369	260,201	295,746
Gifts, donations, grants	17,010	21,466	17,454	398,105	287,480	450,564
Amortization	-	-	-	606,151	4,123,561	3,972,029
Loss (gain) on disposal of tangible capital assets	-	-	-	-	79,939	147,289
Interest expense	-	-	-	398,802	371,185	473,729
Trust capital distributions	-	-	-	9,666,969	8,551,810	8,757,790
	2,762,731	3,685,211	3,518,278	57,115,402	61,031,989	59,810,063
<b>Net surplus (deficit)</b>	\$ -	\$ -	\$ -	\$ (3,740,738)	\$ (2,154,684)	\$ (2,641,369)