

**Lac des Mille Lacs First Nation  
Financial Statements**  
*March 31, 2018*

# **Lac des Mille Lacs First Nation Contents**

*For the year ended March 31, 2018*

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## **Management's Responsibility**

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To the Members and Chief and Council of Lac des Mille Lacs First Nation:

The accompanying consolidated financial statements of Lac des Mille Lacs First Nation are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Lac des Mille Lacs First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management, and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

July 30, 2018

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Band Administrator

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## Independent Auditors' Report

To the Members and Chief and Council of Lac des Mille Lacs First Nation:

We have audited the accompanying consolidated financial statements of Lac des Mille Lacs First Nation, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and accumulated surplus, consolidated change in net financial assets (net debt) and consolidated 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.

### *Auditors' 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 auditors' 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 Lac des Mille Lacs First Nation as at March 31, 2018 and the results of its operations, change in net financial assets (net debt) and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**MNP LLP**

Chartered Professional Accountants

Kenora, Ontario

July 30, 2018

Licensed Public Accountants

**Lac des Mille Lacs First Nation**  
**Statement of Financial Position**  
*As at March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Financial assets</b>		
Cash and cash equivalents	626,852	39,083
GIC's (Note 3)	14,700,000	300,000
Accounts receivable (Note 4)	518,060	205,730
Inventory for resale (Note 5)	6,706	6,706
Portfolio investments (Note 6)	450,524	4,320
Investment in Limited Partnerships (Note 7)	1,430,443	1,468,855
Funds held in trust (Note 8)	139,202	151,425
<b>Total financial assets</b>	<b>17,871,787</b>	2,176,119
<b>Liabilities</b>		
Accounts payable and accruals (Note 9)	1,677,880	144,496
Deferred revenue (Note 10)	723,390	737,667
Due to Kakina Economic Development Group LP	101	-
Long-term debt (Note 11)	-	3,952,018
Term loan due on demand (Note 12)	-	300,000
<b>Total liabilities</b>	<b>2,401,371</b>	5,134,181
<b>Net financial assets (net debt)</b>	<b>15,470,416</b>	(2,958,062)
<b>Contingencies (Note 14)</b>		
<b>Commitments (Note 15)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Schedule 1)	9,638,122	6,151,088
Prepaid expenses	22,299	43,995
<b>Total non-financial assets</b>	<b>9,660,421</b>	6,195,083
<b>Accumulated surplus</b>	<b>25,130,837</b>	3,237,021

**Approved on behalf of the Council**

_____	Chief	Councillor
_____	Councillor	Councillor
_____	Councillor	

**Lac des Mille Lacs First Nation**  
**Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2018*

	<i>Schedules</i>	<i>2018 Budget</i>	<i>2018</i>	<i>2017</i>
<b>Revenue</b>				
Indigenous and Northern Affairs Canada (Note 13)	3,461,758	3,390,838	895,612	
Flood Claim Settlement	77,447,233	77,447,231	-	
Ontario First Nations Limited Partnership	850,240	850,240	835,324	
Ministry of Agriculture, Foods and Rural Affairs (Note 13)	521,324	521,324	-	
Dallan Forestry Limited Partnership	-	511,588	676,503	
Paawidigong First Nations Forum	257,393	259,393	186,168	
First Nations and Inuit Health (Note 13)	195,830	195,830	103,890	
Resort revenue	129,800	143,984	97,904	
Ministry of Indigenous Relations and Reconciliation (Note 13)	132,000	132,000	179,920	
Other revenue	172,749	123,681	78,003	
INAC trust fund interest	500	80,595	333	
Bimose Tribal Council Inc.	63,909	73,709	82,682	
Ministry of Health and Long-Term Care (Note 13)	55,300	55,300	-	
Independent Electric System Operator	78,805	55,164	23,642	
Cigarette quota	49,225	50,740	49,221	
Shooniyaa Wa-Biitong	34,250	34,250	37,071	
Osisko Resource Sharing	-	32,295	31,846	
Complex revenue	30,000	20,000	29,732	
Grand Council Treaty #3	5,700	14,766	39,554	
Sponsorships	-	12,000	67,064	
Interest income	10,000	7,372	11,705	
Ministry of Northern Development and Mines (Note 13)	5,434	5,434	-	
Ministry of Natural Resources (Note 13)	5,000	5,000	-	
Kakina Economic Development Group LP	-	-	3,998	
Nuclear Waste Management	-	2,500	179,106	
Northern Ontario Heritage Fund Corporation	-	-	31,356	
Ticket sales	-	-	15,226	
Administration fees	-	-	14,700	
Revenue deferred from prior year (Note 10)	680,907	737,667	879,278	
Revenue deferred to subsequent year (Note 10)	-	(723,390)	(737,667)	
	<b>84,187,357</b>	<b>84,039,511</b>	<b>3,812,171</b>	

*Continued on next page*

**Lac des Mille Lacs First Nation**  
**Statement of Operations and Accumulated Surplus**  
*For the year ended March 31, 2018*

	<i>Schedules</i>	<i>2018 Budget</i>	<i>2018</i>	<i>2017</i>
<i>(Continued from previous page)</i>		<b>84,187,357</b>	<b>84,039,511</b>	3,812,171
<b>Expenses</b>				
Administration	4	1,001,400	1,117,755	1,084,737
Capital	5	3,743,463	571,815	729,533
Special Events	6	39,375	31,067	226,038
Economic Development	7	641,779	471,451	361,962
Education	8	791,540	466,280	571,114
Health	9	667,705	458,112	275,382
Membership Distributions	10	761,100	735,570	720,200
Ontario First Nations Limited Partnership	11	335,300	296,598	341,204
Savanne River Resort	12	250,000	338,111	272,008
Flood Claim Settlement	13	42,814,330	57,241,336	-
<b>Total Expenses (Schedule 2)</b>		<b>51,045,992</b>	<b>61,728,095</b>	4,582,178
<b>Surplus (deficit) before other items</b>		<b>33,141,365</b>	<b>22,311,416</b>	(770,007)
<b>Other income (expense)</b>				
Loss on write down of capital assets		-	(417,600)	-
<b>Surplus (deficit)</b>		<b>33,141,365</b>	<b>21,893,816</b>	(770,007)
<b>Accumulated surplus, beginning of year</b>		<b>3,237,021</b>	<b>3,237,021</b>	4,007,028
<b>Accumulated surplus, end of year</b>		<b>36,358,399</b>	<b>25,130,837</b>	3,237,021

**Lac des Mille Lacs First Nation**  
**Statement of Change in Net Financial Assets (Net Debt)**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Surplus (deficit)</b>	<b>33,141,365</b>	<b>21,893,816</b>	<b>(770,007)</b>
Purchases of tangible capital assets	-	(4,206,524)	(303,107)
Amortization of tangible capital assets	-	301,890	224,283
Loss on write-down of tangible assets	-	417,600	-
	-	(3,487,034)	(78,824)
Acquisition of prepaid expenses	-	(22,303)	(43,999)
Use of prepaid expenses	-	43,999	12,107
	-	21,696	(31,892)
<b>Increase in net financial assets (net debt)</b>	<b>33,141,365</b>	<b>18,428,478</b>	<b>(880,723)</b>
<b>Net debt, beginning of year</b>	<b>(2,958,062)</b>	<b>(2,958,062)</b>	<b>(2,077,339)</b>
<b>Net financial assets (net debt), end of year</b>	<b>30,183,303</b>	<b>15,470,416</b>	<b>(2,958,062)</b>

**Lac des Mille Lacs First Nation**  
**Statement of Cash Flows**  
*For the year ended March 31, 2018*

	<b>2018</b>	<b>2017</b>
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus (deficit)	21,893,816	(770,007)
Non-cash items		
Amortization	301,890	224,283
Loss on write-down of tangible assets	417,600	-
	<b>22,613,306</b>	(545,724)
Changes in working capital accounts		
Accounts receivable	(312,330)	308,175
Prepaid expenses	21,696	(31,892)
Inventory for resale	-	22
Accounts payable and accruals	1,533,385	(18,816)
Deferred revenue	(14,276)	(141,611)
	<b>23,841,781</b>	(429,846)
<b>Financing activities</b>		
Change in amounts due to Kakina Economic Development Group LP	101	-
Advance of term loan due on demand	-	300,000
Repayment of term loan due on demand	(300,000)	-
Repayment of long-term debt	(3,952,020)	(257,166)
	<b>(4,251,919)</b>	42,834
<b>Capital activities</b>		
Purchases of tangible capital assets	(4,206,524)	(303,107)
<b>Investing activities</b>		
Purchase of GIC's with maturities greater than one year	(1,200,000)	-
Portfolio investments	(446,204)	(4,219)
Investment in Limited Partnerships	-	(206,503)
Proceeds from Limited Partnerships	38,412	-
Funds Held in Trust	12,223	(32,071)
	<b>(1,595,569)</b>	(242,793)
<b>Increase (decrease) in cash resources</b>	<b>13,787,769</b>	(932,912)
<b>Cash resources, beginning of year</b>	<b>339,083</b>	1,271,995
<b>Cash resources, end of year</b>	<b>14,126,852</b>	339,083
<b>Cash resources are composed of:</b>		
Cash and cash equivalents	626,852	39,083
GIC's with maturities less than one year	13,500,000	300,000
	<b>14,126,852</b>	339,083
<b>Supplementary cash flow information</b>		
Interest paid	161,064	83,340
Interest earned	87,967	12,037

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**1. Operations**

The Lac des Mille Lacs First Nation (the "First Nation") is located in the Province of Ontario, and provides various services to its members. Lac des Mille Lacs First Nation includes the First Nation's members, government and all related entities that are accountable to the First Nation and are either owned or controlled by the First Nation.

**2. Significant accounting policies**

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and include the following significant accounting policies:

***Reporting entity***

The First Nation reporting entity includes the First Nation government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation.

The financial statements consolidate the financial statements of all enterprises comprising the First Nation reporting entity. The First Nation has consolidated the assets, liabilities, revenue and expenses of the following enterprises:

Lac des Mille Lacs First Nation  
Savanne River Resort  
1913563 Ontario Inc.  
Nezaadiikaang General Contracting G.P. Inc.

All inter-entity balances have been eliminated on consolidation. However, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

***Basis of presentation***

Sources of financing and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

***Cash resources***

Cash resources includes balances with banks and short-term investments with maturities of one year or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

***Portfolio investments***

Temporary investments are valued at the lower of cost and market value.

***Funds held in Ottawa Trust Fund***

Funds held in trust on behalf of First Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position. Trust moneys consist of:

- Capital trust moneys derived from non-renewable resource transactions on the sale of land or other First Nation capital assets.
- Revenue trust moneys generated primarily through land leasing transactions or interest earned on deposits held in trust.

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**2. Significant accounting policies** *(Continued from previous page)*

**Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Inventory held for resale is classified as a financial asset when all of the following criteria are met:

- Prior to March 31, 2018, the First Nation has committed to sell the asset;
- The asset is in a condition to be sold;
- The asset is publicly seen to be for sale;
- There is an active market for the asset;
- A plan exists for selling the asset; and
- A sale to a party external to the First Nation can reasonably be expected within one year.

**Tangible capital assets**

Tangible capital assets are initially recorded at cost based on historical cost accounting records for buildings, equipment, computer equipment, vehicles and roads. Contributed tangible assets are recorded at their fair value at the date of contribution.

**Amortization**

Tangible capital assets are amortized annually using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Automobiles	10 years
First Nation Detached Buildings	40 years
Computers	4 years
Cultural Complex	40 years
Equipment	10 years
Furniture and Equipment	10 years
Landscaping and Outdoor Structures	40 years
Leasehold Improvements	10 years
Roads - On Reserve	40 years
Roundhouse	40 years
Resort Buildings	25 years
Resort Boats and Motors	6 years
Resort Docks	20 years
Resort Parking Lot	20 years
Solar Power Grid	25 years
Lot Development	Asset under construction
Marine Cables	Asset under construction

At March 31, 2018 the First Nation had under construction lot development and marine cable infrastructure, and at March 31, 2018 \$152,112 (2017 - \$26,417) and \$2,132,664 (2017 - \$nil) respectively in costs had been capitalized to "construction in progress" on Schedule 1. As these assets were not available for use at March 31, 2018, no amortization was recorded for the year.

**Long-lived assets**

Long-lived assets consist of tangible capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the assets' carrying amount. Impairment is measured as the amount by which the assets' carrying value exceeds its fair value. Any impairment is included in surplus for the year.

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**2. Significant accounting policies** *(Continued from previous page)*

***Net financial assets (net debt)***

The First Nation's consolidated financial statements are presented so as to highlight net financial assets (net debt) as the measurement of financial position. The net financial assets (net debt) of the First Nation is determined by its financial assets less its liabilities. Net financial assets (net debt) is comprised of two components, non-financial assets and accumulated surplus.

***Revenue recognition***

***Funding***

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

***Government Transfers***

The First Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

***Restricted revenue***

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purposes specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

***Sales revenue***

Revenue is recognized when a price is agreed upon, goods and services are provided to customers, and collectability is reasonably assured. If collectability is not considered reasonably assured at the time of sale, the First Nation does not recognize revenue until collection occurs.

***Use of estimates***

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period.

Accounts receivable is stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization is based on the estimated useful lives of tangible capital assets.

Accounts payable and accruals are based on historical charges for unbilled goods and services at year-end.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

***Deferred revenue***

Deferred revenue consists of unspent contributions for programs which are not complete at year end. The unspent revenue is carried forward to be matched against expenses to be incurred in the subsequent year.

***Segments***

The First Nation conducts its business through ten reportable segments: Administration, Capital, Culture, Economic Development, Education, Health, Membership Distributions, Ontario First Nations Limited Partnership, Savanne River Resort and Flood Claim Settlement. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**2. Significant accounting policies** *(Continued from previous page)*

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

**Asset classification**

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets, and prepaid expenses.

**Investments in First Nation Business Partnerships**

First Nation Business Partnerships that are neither controlled by the First Nation nor dependent on the First Nation for their continued operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

**Financial instruments**

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has not made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Where published price quotations are not available, if there are sufficient and reliable observable market inputs, including exercise price and term of the instrument, market interest rate, and current market price, expected dividends and volatility of any underlying securities, a valuation technique is used. If market inputs are insufficient or unreliable, the warrants are valued at intrinsic value, which is equal to the higher of the closing bid price of the underlying security, less the exercise price of the warrant, or nil. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The First Nation has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus (deficit). Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years and recent collection experience for the loan in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**3. GIC's**

GIC's are valued at the lower of cost and market value.

	<b>2018</b>	<b>2017</b>
<b>With maturities less than one year:</b>		
Portfolio investments with an interest rate of 1.25% maturing on January 23, 2019 with a market value at March 31, 2018 - \$200,000 (March 31, 2017 - \$NIL)	<b>200,000</b>	-
Portfolio investments with an interest rate of 1.25% maturing on January 23, 2019 with a market value at March 31, 2018 - \$300,000 (March 31, 2017 - \$NIL)	<b>300,000</b>	-
Portfolio investments with an interest rate of 1.45% maturing on February 15, 2019 with a market value at March 31, 2018 - \$13,000,000 (March 31, 2017 - \$NIL)	<b>13,000,000</b>	-
	<b>13,500,000</b>	-
<b>With maturities greater than one year:</b>		
Portfolio investments with an interest rate of 2.20% maturing on July 30, 2019 with a market value at March 31, 2018 - \$200,000 (March 31, 2017 - \$300,000)	<b>200,000</b>	300,000
Portfolio investments with an interest rate of 2.30% maturing on February 15, 2023 with a market value at March 31, 2018 - \$1,000,000 (March 31, 2017 - \$NIL)	<b>1,000,000</b>	-
	<b>1,200,000</b>	300,000
	<b>14,700,000</b>	300,000

**4. Accounts receivable**

	<b>2018</b>	<b>2017</b>
Accounts receivable		
PSB, GST and HST rebates	<b>373,154</b>	145,966
	<b>144,906</b>	59,764
	<b>518,060</b>	205,730

**5. Inventory**

	<b>2018</b>	<b>2017</b>
Inventory for resale	<b>6,706</b>	6,706

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**6. Portfolio Investments**

	2018	2017
<b>Dallan Holdings Inc.</b>		
100 Class A common shares (33.33% interest)	100	100
<b>Kakina Economic Development Group</b>		
Kakina Economic Development Group GP Inc. - 100 shares (10% interest)	100	100
Kakina Economic Development Group LP - Partnership Units 99,999 (10% interest)	1	1
Kakina Economic Development Group LP - Income earned less distributed	-	3,998
	<b>101</b>	4,099
<b>Nezaadiikaang Economic Development</b>		
Nezaadiikaang General Contracting G.P. Inc. - 100 shares (100% interest)	100	-
Nezaadiikaang Economic Development LP - Partnership Units for Lac des Mille Lac First Nation - 99 (99% interest)	99	99
Nezaadiikaang Economic Development LP - Partnership Units for Nezaadiikaang General Contracting G.P. Inc. - 1 (1% interest)	1	1
	<b>200</b>	100
<b>Sovereign Wealth</b>		
Sovereign Wealth GP Inc. - 1 Common share	1	-
Sovereign Wealth LP - Partnership Units for Lac des Mille Lac First Nation - 1 (0.64% interest)	1	-
	<b>2</b>	-
<b>2472881 Ontario Inc. (Wataynikaneyap)</b>		
10 shares (4.5% interest)	10	10
<b>1913563 Ontario Inc.</b>		
1 Share (100% interest)	1	1
<b>9738479 Canada Corp (Sun Energy Canada)</b>		
1.25 Class A common shares	<b>250,000</b>	-
<b>Bold Ventures Inc.</b>		
4,000,000 Common shares	180,000	-
4,000,000 Common share purchase warrants entitling holder to purchase of one common share per warrant at a price of \$0.05 per share	20,000	-
	<b>200,000</b>	-
<b>2574723 Ontario Ltd.</b>		
100 Class A common shares	100	-
<b>First Nation, LP</b>		
Partnership Units - 100 (4.5% interest)	10	10
	<b>450,524</b>	4,320

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**7. Investments in Limited Partnerships**

	<b>2018</b>	<b>2017</b>
<b>Dallan Holdings, LP</b>		
Partnership Units - 9,999 (33.33% interest)	3,333	3,333
Income earned less distributed	<b>510,687</b>	611,780
	<b>514,020</b>	615,113
<b>Dallan Fort William, LP</b>		
Partnership Units - 3,333 (33.33% interest)	3,333	3,333
Capital Loan	<b>396,667</b>	596,667
Income earned less distributed	<b>516,423</b>	253,742
	<b>916,423</b>	853,742
	<b>1,430,443</b>	1,468,855

*(Continued on next page)*

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**7. Investments in Limited Partnerships** *(Continued from previous page)*

The following table presents condensed financial information for the active limited partnerships accounted for using the modified equity basis:

<b>As at December 31</b>	<b>Dallan Holdings, LP</b>	<b>Dallan Fort William, LP</b>	<b>2018 (unaudited)</b>	<b>2017 (unaudited)</b>
Current assets	73,388	2,262,516	2,335,904	2,093,225
Investment in limited partnerships	2,422,021	-	2,422,021	2,650,668
Property and equipment	4,544,526	1,503,072	6,047,598	7,295,989
Goodwill	-	1	1	1
<b>Total assets</b>	<b>7,039,935</b>	<b>3,765,589</b>	<b>10,805,524</b>	<b>12,039,883</b>
Current liabilities	3,188,910	421,403	3,610,313	3,317,366
Obligations under capital lease	1,517,867	212,505	1,730,372	3,228,295
<b>Total liabilities</b>	<b>4,706,777</b>	<b>633,908</b>	<b>5,340,685</b>	<b>6,545,661</b>
Partners' capital	2,333,158	3,131,681	5,464,839	5,494,222
<b>Total liabilities and partners' capital</b>	<b>7,039,935</b>	<b>3,765,589</b>	<b>10,805,524</b>	<b>12,039,883</b>
Revenue	1,812,308	7,124,764	8,937,072	7,381,098
Expenses	1,812,152	6,221,058	8,033,210	6,259,689
<b>Net income</b>	<b>156</b>	<b>903,706</b>	<b>903,862</b>	<b>1,121,409</b>

The Dallan Limited Partnerships' main business activities includes sawmill yard maintenance services and equipment rentals.

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

**8. Funds Held in Trust**

Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Indigenous and Northern Affairs Canada, with the consent of the First Nation's Council.

	<b>2018</b>	<b>2017</b>
<b>INAC Capital Trust</b>		
Balance, beginning of year	7,629	7,629
Balance, end of year	<b>7,629</b>	7,629
<b>INAC Revenue Trust</b>		
Balance, beginning of year	10,646	10,313
Interest	80,595	333
Balance, end of year	<b>91,241</b>	10,646
<b>Osisko - Hammond Reef Trust</b>		
Balance, beginning of year	133,150	101,412
Investment income	-	31,738
Proceeds on disposal of investments	(92,818)	-
Total Osisko - Hammond Reef Trust	<b>40,332</b>	133,150
Total funds held in trust	<b>139,202</b>	151,425

**9. Accounts payable and accruals**

	<b>2018</b>	<b>2017</b>
Trade payables	201,147	69,883
Vacation accrual	48,629	37,989
Audit accrual	20,300	20,300
Source deductions payable	7,804	16,324
Flood Settlement member distributions	1,400,000	-
	<b>1,677,880</b>	144,496

**10. Deferred revenue**

	Balance March 31, 2017	Revenue 2018	Revenue Recognized 2018	Balance March 31, 2018
<b>Federal Government</b>				
Administration	21,760	330,372	337,132	<b>15,000</b>
Capital	552,827	1,163,631	1,444,326	<b>272,132</b>
<b>Other</b>				
Health	23,182	583,523	512,624	<b>94,081</b>
Ontario First Nations Limited Partnership	-	739,047	739,047	-
Education	-	481,257	224,469	<b>256,788</b>
Culture	-	20,000	20,000	-
Economic Development	139,898	907,272	961,781	<b>85,389</b>
	<b>737,667</b>	<b>4,225,102</b>	<b>4,239,379</b>	<b>723,390</b>

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

**11. Long-term debt**

	<b>2018</b>	<b>2017</b>
RBC loan, repaid September 2017.	-	1,416,600
RBC loan for the investment in NA Mill Yards, repaid September 2017.	-	273,335
INAC 2010 promissory note related to flood claim negotiations, repaid June 2017.	-	132,255
INAC 2011 promissory note related to flood claim negotiations, repaid June 2017.	-	257,000
INAC 2012 promissory note related to flood claim negotiations, repaid June 2017.	-	825,978
INAC 2013 promissory note related to flood claim negotiations, repaid June 2017.	-	496,839
INAC 2014 promissory note related to flood claim negotiations, repaid June 2017.	-	229,511
INAC 2015 promissory note related to flood claim negotiations, repaid June 2017.	-	195,855
INAC 2016 promissory note related to flood claim negotiations, repaid June 2017.	-	124,645
	<hr/>	<hr/>
	-	3,952,018

**12. Term loan due on demand**

	<b>2018</b>	<b>2017</b>
RBC term loan due on demand, repaid June 2017.	-	300,000

**13. Government transfers**

<b>Federal government transfers:</b>	<b>Operating</b>	<b>Capital</b>	<b>2018</b>	<b>2017</b>
Indigenous and Northern Affairs Canada	3,390,838	-	3,390,838	895,612
First Nations and Inuit Health	195,830	-	195,830	103,890
<b>Total Federal</b>	<b>3,586,668</b>	<b>-</b>	<b>3,586,668</b>	<b>999,502</b>
 <b>Provincial government transfers:</b>				
Ministry of Agriculture, Foods and Rural Affairs	521,324	-	521,324	-
Ministry of Indigenous Relations and Reconciliation	132,000	-	132,000	179,920
Ministry of Health and Long-Term Care	55,300	-	55,300	-
Ministry of Northern Development and Mines	5,434	-	5,434	-
Ministry of Natural Resources	5,000	-	5,000	-
<b>Total Provincial</b>	<b>719,058</b>	<b>-</b>	<b>719,058</b>	<b>179,920</b>
	<hr/>	<hr/>	<hr/>	<hr/>
	4,305,726	-	4,305,726	1,179,422

**Lac des Mille Lacs First Nation**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2018*

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**14. Contingencies**

The First Nation may be exposed to a maximum liability in the amount of \$630,000 with respect to undistributed member payments for the Flood Claim Settlement. At March 31, 2018, 9 individuals were still awaiting INAC's documentation on obtaining status. Upon receiving status, these individuals will be entitled to a payment of \$70,000 each as they applied for status prior to the settlement of the First Nation's flooding claim..

The First Nation has signed funding agreements with Indigenous and Northern Affairs Canada and other governmental bodies for funding of programs which state that the funding party may require surpluses to be returned. The total of such surpluses were indeterminable and the amount could be material. Payment or recoveries of prior year surpluses will be recorded in the year recovered or paid.

**15. Commitments**

The First Nation signed an agreement to act as a guarantor for Dallan Forestry, LP, Dallan Holdings, LP, Dallan Ignace, LP, Dallan Atikokan, LP, and Dallan Fort William, LP (Dallan) with respect to all debts owing by Dallan to Royal Bank of Canada (RBC) to a maximum of \$500,000. As at December 31, 2017, the balance owing by Dallan to RBC totaled \$3,437,540. The guarantee was provided without recourse.

**16. Economic dependence**

The First Nation received 52% (2017 - 24%) of its recurring revenue from Indigenous and Northern Affairs Canada (INAC) as a result of Treaties entered into with the Government of Canada. These Treaties are administered by INAC under the terms and conditions of the Indian Act. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties. The First Nation received 92% of its total revenue in the current year as a result of the Flood Claim Settlement with the Canadian Government. These revenues are not expected to recur and have been excluded from the recurring revenues indicated above.

**17. Ontario First Nations Limited Partnership**

Commencing with the 2012 fiscal year and in each fiscal year thereafter during the initial and renewal terms of the agreement between the Province of Ontario and Ontario First Nations Limited Partnership (OFNLP), the Province of Ontario shall pay to OFNLP 12 monthly payments equal to one-twelfth of 1.7% of the aggregate provincial gross gaming revenues. OFNLP then distributes to the First Nation its share of these revenues according to a formula used for that purpose. The use of these funds, according to agreements, is restricted to community development, health, education, cultural development, economic development, and permitted interim investments.

**18. Comparative figures**

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

**Lac des Mille Lacs First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

	<i>Automobiles</i>	<i>First Nation Detached Buildings</i>	<i>Computers</i>	<i>Cultural Complex</i>	<i>Equipment</i>	<i>Furniture and Equipment</i>	<i>Subtotal</i>
<b>Cost</b>							
Balance, beginning of year	165,504	177,468	64,103	2,306,943	157,345	45,029	2,916,392
Acquisition of tangible capital assets	116,648	63,630	18,848	14,958	144,036	19,177	377,297
Construction-in-progress	-	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-	-
Balance, end of year	282,152	241,098	82,951	2,321,901	301,381	64,206	3,293,689
<b>Accumulated amortization</b>							
Balance, beginning of year	53,615	15,475	56,488	215,402	66,660	15,518	423,158
Annual amortization	28,215	6,027	9,372	58,048	23,972	6,421	132,055
Accumulated amortization on disposals	-	-	-	-	-	-	-
Balance, end of year	81,830	21,502	65,860	273,450	90,632	21,939	555,213
<b>Net book value of tangible capital assets</b>	<b>200,322</b>	<b>219,596</b>	<b>17,091</b>	<b>2,048,451</b>	<b>210,749</b>	<b>42,267</b>	<b>2,738,476</b>
Net book value of tangible capital assets - 2017	111,889	161,993	7,615	2,091,541	90,685	29,511	2,493,234

**Lac des Mille Lacs First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

	<b>Subtotal</b>	<i>Landscaping and outdoor structures</i>	<i>Leasehold improvements</i>	<i>Roads - on reserve</i>	<i>Roundhouse</i>	<i>Resort Land</i>	<b>Subtotal</b>
<b>Cost</b>							
Balance, beginning of year	2,916,392	1,132,631	77,812	1,395,977	742,328	160,000	6,425,140
Acquisition of tangible capital assets	377,297	25,420	-	146,845	-	-	549,562
Construction-in-progress	-	-	-	-	-	-	-
Write down of tangible capital assets	-	-	-	-	-	-	-
<b>Balance, end of year</b>	<b>3,293,689</b>	<b>1,158,051</b>	<b>77,812</b>	<b>1,542,822</b>	<b>742,328</b>	<b>160,000</b>	<b>6,974,702</b>
<b>Accumulated amortization</b>							
Balance, beginning of year	423,158	122,874	41,310	233,329	92,791	-	913,462
Annual amortization	132,055	28,951	7,781	38,571	18,558	-	225,916
Accumulated amortization on disposals	-	-	-	-	-	-	-
<b>Balance, end of year</b>	<b>555,213</b>	<b>151,825</b>	<b>49,091</b>	<b>271,900</b>	<b>111,349</b>	<b>-</b>	<b>1,139,378</b>
<b>Net book value of tangible capital assets</b>	<b>2,738,476</b>	<b>1,006,226</b>	<b>28,721</b>	<b>1,270,922</b>	<b>630,979</b>	<b>160,000</b>	<b>5,835,324</b>
Net book value of tangible capital assets - 2017	2,493,234	1,009,757	36,502	1,162,648	649,537	160,000	5,511,678

**Lac des Mille Lacs First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

	<i><b>Subtotal</b></i>	<i><b>Resort Buildings</b></i>	<i><b>Resort Boats and Motors</b></i>	<i><b>Resort Docks</b></i>	<i><b>Resort Parking lot</b></i>	<i><b>Solar Power Grid</b></i>	<i><b>Subtotal</b></i>
<hr/>							
<b>Cost</b>							
Balance, beginning of year	<b>6,425,140</b>	<b>640,000</b>	<b>55,850</b>	<b>39,141</b>	<b>1,471</b>	<b>23,460</b>	<b>7,185,062</b>
Acquisition of tangible capital assets	<b>549,562</b>	<b>594,385</b>	<b>23,279</b>	<b>-</b>	<b>-</b>	<b>780,939</b>	<b>1,948,165</b>
Construction-in-progress	-	-	-	-	-	-	-
Write down of tangible capital assets	-	<b>(520,000)</b>	-	-	-	-	<b>(520,000)</b>
Balance, end of year	<b>6,974,702</b>	<b>714,385</b>	<b>79,129</b>	<b>39,141</b>	<b>1,471</b>	<b>804,399</b>	<b>8,613,227</b>
<hr/>							
<b>Accumulated amortization</b>							
Balance, beginning of year	<b>913,462</b>	<b>102,400</b>	<b>36,407</b>	<b>7,828</b>	<b>294</b>	-	<b>1,060,391</b>
Annual amortization	<b>225,916</b>	<b>28,575</b>	<b>13,192</b>	<b>1,957</b>	<b>74</b>	<b>32,176</b>	<b>301,890</b>
Accumulated amortization on disposals	-	<b>(102,400)</b>	-	-	-	-	<b>(102,400)</b>
Balance, end of year	<b>1,139,378</b>	<b>28,575</b>	<b>49,599</b>	<b>9,785</b>	<b>368</b>	<b>32,176</b>	<b>1,259,881</b>
<hr/>							
<b>Net book value of tangible capital assets</b>	<b>5,835,324</b>	<b>685,810</b>	<b>29,530</b>	<b>29,356</b>	<b>1,103</b>	<b>772,223</b>	<b>7,353,346</b>
Net book value of tangible capital assets - 2017	5,511,678	537,600	19,443	31,313	1,177	23,460	6,124,671

**Lac des Mille Lacs First Nation**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2018*

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	<i>Subtotal</i>	<i>Lot Development</i>	<i>Marine cables under construction</i>	<i>2018</i>	<i>2017</i>
<b>Cost</b>					
Balance, beginning of year	7,185,062	26,417	-	7,211,479	6,908,372
Acquisition of tangible capital assets	1,948,165	-	-	1,948,165	303,107
Construction-in-progress	-	125,695	2,132,664	2,258,359	-
Write down of tangible capital assets	(520,000)	-	-	(520,000)	-
 Balance, end of year	 8,613,227	 152,112	 2,132,664	 10,898,003	 7,211,479
<b>Accumulated amortization</b>					
Balance, beginning of year	1,060,391	-	-	1,060,391	836,108
Annual amortization	301,890	-	-	301,890	224,283
Accumulated amortization on disposals	(102,400)	-	-	(102,400)	-
 Balance, end of year	 1,259,881	 -	 -	 1,259,881	 1,060,391
<b>Net book value of tangible capital assets</b>	<b>7,353,346</b>	<b>152,112</b>	<b>2,132,664</b>	<b>9,638,122</b>	<b>6,151,088</b>
 Net book value of tangible capital assets - 2017	 6,124,671	 26,417	 -	 6,151,088	

**Lac des Mille Lacs First Nation**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Consolidated expenses by object</b>			
Administrative expenses	12,050	-	14,700
Amortization of tangible capital assets	-	301,890	224,283
Bank charges and short-term interest	50,000	56,426	18,798
Cultural and community development	478,011	450,002	489,460
Education	262,705	126,283	193,966
Honouraria, salaries and benefits	1,506,385	1,294,609	1,190,930
Interest on long-term debt	143,500	161,064	83,340
Membership distributions	43,295,600	35,640,100	716,900
Minor's trust	-	7,049,000	-
Settlement trust	-	15,000,000	-
Office and utilities	1,017,580	655,370	790,289
Professional fees	4,001,265	787,363	616,165
Training and travel	278,896	205,988	243,347
	<b>51,045,992</b>	<b>61,728,095</b>	<b>4,582,178</b>

**Lac des Mille Lacs First Nation**  
**Schedule 3 - Summary of Consolidated Schedules of Revenue and Expenses by Segment**  
*For the year ended March 31, 2018*

	Schedule #	INAC Revenue	Other Revenue (Expense)	Deferred Revenue	Total Revenue	Total Expenses	Adjustments /Transfers From (To)	Current Surplus (Deficit)
Administration	4	149,805	195,567	6,760	352,132	1,117,755	124,203	(641,420)
Capital	5	2,391,028	577,324	280,695	3,249,047	571,815	225,249	2,902,481
Special Events	6	-	20,000	-	20,000	31,067	10,766	(301)
Economic Development	7	142,000	765,272	54,509	961,781	471,451	9,702	500,032
Education	8	643,505	94,540	(256,788)	481,257	466,280	(72)	14,905
Health	9	64,500	519,023	(70,899)	512,624	458,112	58,027	112,539
Membership Distributions	10	-	-	-	-	735,570	1,455,770	720,200
Ontario First Nations Limited Partnership	11	-	851,012	-	851,012	296,598	(554,414)	-
Savanne River Resort	12	-	(263,616)	-	(263,616)	338,111	126,539	(475,188)
Flood Claim Settlement	13	-	77,457,674	-	77,457,674	57,241,336	(1,455,770)	18,760,568
<b>Total</b>		<b>3,390,838</b>	<b>80,216,796</b>	<b>14,277</b>	<b>83,621,911</b>	<b>61,728,095</b>	<b>-</b>	<b>21,893,816</b>

**Lac des Mille Lacs First Nation**  
**Administration**  
**Schedule 4 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	187,427	149,805	187,487
INAC trust fund interest	500	80,595	333
Cigarette quota	49,225	50,740	49,221
Ministry of Indigenous Relations and Reconciliation	42,000	42,000	89,920
Sponsorships	-	11,000	-
Interest income	10,000	6,600	11,551
Bimose Tribal Council Inc.	-	1,800	4,500
Grand Council Treaty #3	-	1,532	39,554
Other revenue	1,000	1,300	2,227
Administration fees	-	-	14,700
Revenue deferred from prior year (Note 10)	-	21,760	15,000
Revenue deferred to subsequent year (Note 10)	-	(15,000)	(21,760)
	<b>290,152</b>	<b>352,132</b>	<b>392,733</b>
<b>Expenses</b>			
Advertising	2,000	454	180
Amortization	-	55,268	31,127
Audit fees	41,700	61,265	51,852
Bank charges and interest	10,000	13,755	11,815
Consulting	32,500	30,187	38,073
Contracted services	12,000	12,708	600
Election	37,000	36,855	-
Emergency assistance	1,000	5,644	5,611
Food and beverage	10,000	18,025	1,404
Honouraria - other	5,500	6,500	4,350
Honourarium	265,000	244,267	266,100
Insurance	10,500	13,310	12,421
Legal fees	44,000	90,805	93,448
Meetings	6,200	18,886	16,045
Miscellaneous	2,000	2,168	3,010
Office supplies	11,300	15,400	15,716
Postage	8,500	6,387	6,173
Professional fees	81,500	65,134	107,413
Rent	32,000	17,268	25,150
Repairs and maintenance	10,000	13,360	11,214
Salaries and benefits	273,500	223,726	252,277
Subcontracts	27,300	27,300	26,250
Supplies	500	5,947	8,913
Telephone	2,000	1,666	2,530
Tradition and culture	31,500	61,942	15,092
Training	100	-	162
Travel	43,300	69,307	77,402
Utilities	500	221	409
	<b>1,001,400</b>	<b>1,117,755</b>	<b>1,084,737</b>
<b>Deficit before transfers</b>	<b>(711,248)</b>	<b>(765,623)</b>	<b>(692,004)</b>
<b>Transfers between segments</b>	<b>126,518</b>	<b>124,203</b>	<b>201,150</b>
<b>Deficit</b>	<b>(584,730)</b>	<b>(641,420)</b>	<b>(490,854)</b>

**Lac des Mille Lacs First Nation**  
**Capital**  
**Schedule 5 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	2,389,326	2,391,028	198,595
Ministry of Agriculture, Foods and Rural Affairs	521,324	521,324	-
Resolute Forest	35,000	35,000	35,000
Complex Revenue	30,000	20,000	29,732
Sponsorships	-	1,000	-
Revenue deferred from prior year (Note 10)	552,827	552,827	859,278
Revenue deferred to subsequent year (Note 10)	-	(272,132)	(552,827)
	<b>3,528,477</b>	<b>3,249,047</b>	<b>569,778</b>
<b>Expenses</b>			
Administration	7,500	-	14,700
Amortization	-	188,749	143,948
Consulting	49,533	-	-
Contracted services	979,754	43,105	20,252
Entertainment	-	521	-
Food and beverage	1,000	4,396	2,380
Fuel and oil	500	193	670
Honouraria - other	-	625	-
Insurance	26,000	27,780	23,738
Interest on long-term debt	40,000	34,613	65,970
Legal fees	-	-	21,799
Living allowance	-	-	257
Meetings	10,000	1,030	2,402
Miscellaneous	400	-	-
Office supplies	-	-	44
Professional fees	2,315,513	113,175	59,811
Registration fees	-	935	350
Rent	1,000	1,765	364
Repairs and maintenance	198,595	58,437	251,354
Salaries and benefits	55,600	61,225	62,104
Supplies	7,500	6,597	4,991
Travel	22,068	3,247	18,125
Utilities	28,500	25,422	36,274
	<b>3,743,463</b>	<b>571,815</b>	<b>729,533</b>
<b>Surplus (deficit) before transfers</b>	<b>(214,986)</b>	<b>2,677,232</b>	<b>(159,755)</b>
<b>Transfers between segments</b>	<b>195,000</b>	<b>225,249</b>	<b>15,805</b>
<b>Surplus (deficit)</b>	<b>(19,986)</b>	<b>2,902,481</b>	<b>(143,950)</b>

**Lac des Mille Lacs First Nation**  
**Special Events**  
**Schedule 6 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Ontario Arts Council	27,000	15,000	26,351
Bimose Tribal Council Inc.	-	5,000	-
Sponsorships	-	-	67,064
Ticket sales	-	-	15,226
Revenue deferred from prior year (Note 10)	-	-	5,000
	<b>27,000</b>	<b>20,000</b>	<b>113,641</b>
<b>Expenses</b>			
Advertising	-	-	12,309
Bank charges and interest	-	-	108
Food and beverage	1,475	2,843	99,384
Furniture and equipment	400	-	127
Honouraria - other	17,400	17,025	15,825
Legal fees	-	300	-
Marketing	-	-	9,119
Office supplies	-	12	194
Postage	400	-	103
Professional fees	-	-	2,149
Rent	4,500	1,761	67,144
Salaries and benefits	4,600	-	4,304
Sponsorships and donations	-	-	6,053
Supplies	10,500	8,312	6,080
Tradition and culture	-	-	359
Training	100	-	129
Travel	-	814	2,651
	<b>39,375</b>	<b>31,067</b>	<b>226,038</b>
<b>Deficit before transfers</b>	<b>(12,375)</b>	<b>(11,067)</b>	<b>(112,397)</b>
<b>Transfers between segments</b>	<b>12,375</b>	<b>10,766</b>	<b>113,058</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>(301)</b>	<b>661</b>

**Lac des Mille Lacs First Nation**  
**Economic Development**  
**Schedule 7 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	177,000	142,000	77,000
Dallan Forestry Limited Partnership	-	511,588	676,503
Ministry of Indigenous Relations and Reconciliation	90,000	90,000	90,000
Independent Electric System Operator	78,805	55,164	23,642
Bimose Tribal Council Inc.	33,909	33,909	38,060
Osisko Resource Sharing	-	32,295	31,846
Other revenue	58,855	31,882	-
Ministry of Northern Development and Mines	5,434	5,434	-
Ministry of Natural Resources	5,000	5,000	-
Nuclear Waste Management	-	-	179,106
Kakina Economic Development Group LP	-	-	3,998
Revenue deferred from prior year	104,898	139,898	-
Revenue deferred to subsequent year	-	(85,389)	(139,898)
	<b>553,901</b>	<b>961,781</b>	<b>980,257</b>
<b>Expenses</b>			
Administration	1,550	-	-
Advertising	4,400	-	1,800
Consulting	17,000	17,100	24,810
Food and beverage	6,000	-	-
Honouraria - other	15,500	5,677	5,500
Honourarium	22,000	22,083	-
Interest on long-term debt	-	14,990	14,070
Legal fees	7,200	4,548	-
Licenses, permits and fees	-	-	1,000
Meetings	45,427	12,058	2,429
Office supplies	14,700	2,758	4,251
Postage	9,875	1,619	3,030
Professional fees	133,475	91,590	67,295
Registration fees	2,313	2,243	455
Salaries and benefits	267,353	257,618	185,569
Sponsorships and donations	15,000	2,890	15,000
Telephone	4,800	2,920	2,598
Training	15,365	11,537	16,298
Travel	59,821	21,820	17,857
	<b>641,779</b>	<b>471,451</b>	<b>361,962</b>
<b>Surplus before transfers</b>	<b>(87,878)</b>	<b>490,330</b>	<b>618,295</b>
<b>Transfers between segments</b>	<b>13,670</b>	<b>9,702</b>	<b>11,571</b>
<b>Surplus (deficit)</b>	<b>(74,208)</b>	<b>500,032</b>	<b>629,866</b>

**Lac des Mille Lacs First Nation**  
**Education**  
**Schedule 8 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	643,505	643,505	432,530
Shooniyyaa Wa-Biitong	34,250	34,250	37,071
Bimose Tribal Council Inc.	30,000	27,000	40,122
Other revenue	44,694	20,056	13,200
Grand Council Treaty #3	5,700	13,234	-
Northern Ontario Heritage Fund Corporation	-	-	31,356
Revenue deferred to subsequent year ( <i>Note 10</i> )	-	(256,788)	-
	<b>758,149</b>	<b>481,257</b>	<b>554,279</b>
<b>Expenses</b>			
Administration	3,000	-	-
Bank charges and interest	-	-	8
Consulting	40,000	8,700	-
Contracted services	12,960	6,413	11,875
Education, tuition, books and fees	242,705	124,933	192,716
Food and beverage	12,000	4,729	7,218
Honouraria - other	27,000	3,000	5,700
Living allowance	245,243	176,615	223,658
Meetings	1,000	146	308
Miscellaneous	-	35	-
Office supplies	500	1,042	543
Postage	500	210	-
Rent	37,000	25,030	13,161
Repairs and maintenance	-	127	-
Salaries and benefits	123,602	105,279	98,577
Student expenses	-	400	-
Supplies	23,000	3,150	9,111
Tradition and culture	-	35	135
Training	17,000	-	2,300
Travel	6,030	6,436	5,804
	<b>791,540</b>	<b>466,280</b>	<b>571,114</b>
<b>Surplus (deficit) before transfers</b>	<b>(33,391)</b>	<b>14,977</b>	<b>(16,835)</b>
<b>Transfers between segments</b>	<b>33,391</b>	<b>(72)</b>	<b>20,513</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>14,905</b>	<b>3,678</b>

**Lac des Mille Lacs First Nation**  
**Health**  
**Schedule 9 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Indigenous and Northern Affairs Canada	64,500	64,500	-
Paawidigong First Nations Forum	257,393	259,393	186,168
FNIH - Jordan's Principle	89,320	89,320	-
Ministry of Health and Long-Term Care	55,300	55,300	-
FNIH - Addictions	31,285	31,285	30,404
FNIH - Health information	30,331	30,331	29,448
FNIH - Community health services	27,247	27,247	26,454
FNIH - Children	12,671	12,671	-
Bimose Tribal Council Inc.	-	6,000	-
FNIH - Chronic diseases	4,976	4,976	4,976
Nuclear Waste Management	-	2,500	-
FNIH - HCD	-	-	12,608
Other revenue	-	-	1,196
Revenue deferred from prior year (Note 10)	23,182	23,182	-
Revenue deferred to subsequent year (Note 10)	-	(94,081)	(23,182)
	<b>596,205</b>	<b>512,624</b>	<b>268,072</b>
<b>Expenses</b>			
Consulting	-	600	-
Contracted services	-	840	1,800
Emergency assistance	29,653	28,383	18,003
Equipment rental	-	-	681
Food and beverage	45,043	39,566	37,776
Health	4,600	2,411	3,336
Honouraria - other	13,343	12,550	2,925
Meetings	150	46	85
Miscellaneous	127,832	2,959	20
Office rent	5,000	5,030	5,263
Office supplies	9,383	7,344	1,380
Postage	5,369	4,614	1,605
Professional fees	4,500	1,837	1,816
Registration fees	2,000	1,226	10
Rent	53,000	57,405	422
Repairs and maintenance	3,000	3,180	-
Salaries and benefits	227,787	170,157	126,360
Sponsorships and donations	-	6,620	2,000
Supplies	45,468	45,481	8,403
Telephone	4,929	3,248	1,770
Tradition and culture	19,350	14,688	19,714
Training	26,848	23,202	18,680
Travel	39,803	26,138	22,738
Workshops	647	587	595
	<b>667,705</b>	<b>458,112</b>	<b>275,382</b>
<b>Surplus (deficit) before transfers</b>	<b>(71,500)</b>	<b>54,512</b>	<b>(7,310)</b>
<b>Transfers between segments</b>	<b>71,500</b>	<b>58,027</b>	<b>7,310</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>112,539</b>	<b>-</b>

**Lac des Mille Lacs First Nation**  
**Membership Distributions**  
**Schedule 10 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018</b> <i>Budget</i>	<b>2018</b>	2017
<b>Expenses</b>			
Honouraria	22,500	22,500	-
Interest on long-term debt	3,000	2,970	3,300
Membership distributions	735,600	710,100	716,900
	761,100	735,570	720,200
<b>Deficit before transfers</b>	<b>(761,100)</b>	<b>(735,570)</b>	<b>(720,200)</b>
<b>Transfers between segments</b>	<b>1,481,270</b>	<b>1,455,770</b>	<b>-</b>
<b>Surplus (deficit)</b>	<b>720,170</b>	<b>720,200</b>	<b>(720,200)</b>

**Lac des Mille Lacs First Nation**  
**Ontario First Nations Limited Partnership**  
**Schedule 11 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Ontario First Nations Limited Partnership	850,240	850,240	835,324
Interest income	-	772	154
Other revenue	1,000	-	-
	<b>851,240</b>	<b>851,012</b>	835,478
<b>Expenses</b>			
Contracted services	-	-	1,220
Education, tuition, books and fees	20,000	950	1,250
Emergency assistance	2,500	21,382	18,128
Entertainment	3,000	-	4,550
Equipment rental	10,000	1,767	9,770
Food and beverage	42,000	44,006	52,712
Honouraria - other	81,000	67,540	75,910
Meetings	200	1,626	-
Miscellaneous	250	153	-
Office supplies	250	-	266
Postage	2,000	1,251	-
Rent	14,000	10,283	17,436
Repairs and maintenance	1,000	238	-
Salaries and benefits	60,000	62,891	58,354
Small business/entrepreneur	20,000	-	10,000
Sponsorships and donations	7,000	274	3,584
Supplies	5,000	7,347	4,898
Tradition and culture	25,100	41,693	26,480
Training	1,000	900	1,465
Travel	41,000	34,297	55,181
	<b>335,300</b>	<b>296,598</b>	341,204
<b>Surplus before transfers</b>	<b>515,940</b>	<b>554,414</b>	494,274
<b>Transfers between segments</b>	<b>(587,440)</b>	<b>(554,414)</b>	(494,274)
<b>Surplus (deficit)</b>	<b>(71,500)</b>	<b>-</b>	-

**Lac des Mille Lacs First Nation**  
**Savanne River Resort**  
**Schedule 12 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Resort revenue	129,800	143,984	97,904
Other revenue	5,200	10,000	29
	<b>135,000</b>	<b>153,984</b>	97,933
<b>Expenses</b>			
Advertising	1,000	1,049	382
Amortization	-	57,872	49,208
Bank charges and interest	5,000	7,656	7,061
Cash short (over)	100	(1,034)	(3)
Contracted services	80,000	89,425	85,500
Food and beverage	-	137	-
Fuel and oil	15,000	18,745	17,478
Honouraria - other	-	2,160	-
Insurance	11,500	11,782	9,546
Living allowance	2,100	3,227	2,894
Marketing	3,000	3,665	3,419
Materials	5,000	6,265	9,890
Meetings	-	109	-
Miscellaneous	900	1,000	-
Office supplies	100	-	74
Professional fees	3,500	3,500	-
Property tax	400	517	487
Rent	5,000	4,837	-
Repairs and maintenance	60,000	64,651	37,944
Sponsorships and donations	2,700	-	440
Supplies	10,000	12,523	8,157
Telephone	3,000	3,571	3,150
Tradition and culture	200	1,247	-
Travel	1,500	3,298	1,115
Utilities	40,000	41,909	35,266
	<b>250,000</b>	<b>338,111</b>	272,008
<b>Other income (expense)</b>			
Loss on write down of capital assets	-	(417,600)	-
<b>Deficit before transfers</b>	<b>(115,000)</b>	<b>(601,727)</b>	(174,075)
<b>Transfers between segments</b>	<b>115,000</b>	<b>126,539</b>	124,867
<b>Surplus (deficit)</b>	<b>-</b>	<b>(475,188)</b>	(49,208)

**Lac des Mille Lacs First Nation**  
**Flood Claim Settlement**  
**Schedule 13 - Consolidated Schedule of Revenue and Expenses**  
*For the year ended March 31, 2018*

	<b>2018 Budget</b>	<b>2018</b>	<b>2017</b>
<b>Revenue</b>			
Flood Claim Settlement	77,447,233	77,447,231	-
Other revenue	-	10,443	-
	<b>77,447,233</b>	<b>77,457,674</b>	-
<b>Expenses</b>			
Bank charges and interest	35,000	35,015	-
Consulting	75,000	75,000	-
Interest on long-term debt	100,500	108,491	-
Legal fees	43,830	43,830	-
Membership distributions	42,560,000	34,930,000	-
Minor's Trust	-	7,049,000	-
Settlement Trust	-	15,000,000	-
	<b>42,814,330</b>	<b>57,241,336</b>	-
<b>Surplus (deficit) before transfers</b>	<b>34,632,903</b>	<b>20,216,338</b>	-
<b>Transfers between segments</b>	<b>(1,481,270)</b>	<b>(1,455,770)</b>	-
<b>Surplus (deficit)</b>	<b>33,151,633</b>	<b>18,760,568</b>	-