

Lac Seul First Nation
Consolidated Financial Statements
March 31, 2019

Lac Seul First Nation Contents

For the year ended March 31, 2019

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Management's Responsibility

To the Members of Lac Seul First Nation:

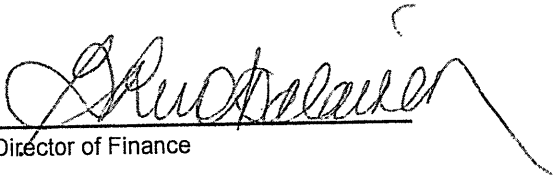
The accompanying consolidated financial statements of Lac Seul First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council of Lac Seul First Nation.

Management is responsible for the preparation and fair 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 policies 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 Seul First Nation Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Chief and 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 the Chief and Council on behalf of the Members 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 Chief and Council and management to discuss their audit findings.



Director of Finance

Independent Auditor's Report

To the Members of Lac Seul First Nation:

Opinion

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

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

Basis for Opinion

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the First Nation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Winnipeg, Manitoba

January 31, 2020

MNP LLP
Licensed Public Accountants

Lac Seul First Nation
Consolidated Statement of Financial Position
As at March 31, 2019

2019 2018

Financial assets

Cash resources	9,215,124	5,225,149
Accounts receivable (Note 4)	2,848,042	2,113,861
Restricted cash (Note 5)	1,795,921	1,200,188
Portfolio investments (Note 6)	4,051,242	4,182,959
Flood claim settlement portfolio investments (Note 7)	7,103,284	31,272,936
Investments restricted in the Lac Seul First Nation Trust (Note 8)	20,595,891	-
	45,609,504	43,995,093

Liabilities

Accounts payable and accruals (Note 9)	2,503,887	2,966,022
Deferred revenue (Note 10)	4,892,846	2,290,031
Long-term debt (Note 11)	10,978,490	15,662,030
	18,375,223	20,918,083

Net financial assets

27,234,281 23,077,010

Contingencies (Note 12)


Non-financial assets

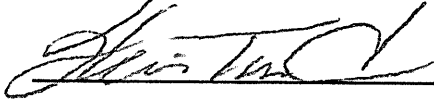
Tangible capital assets (Note 13) (Schedule 1)	54,458,694	54,352,584
Prepaid expenses	10,475	51,100
	54,469,169	54,403,684

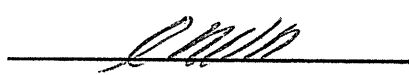
Accumulated surplus (Note 14)

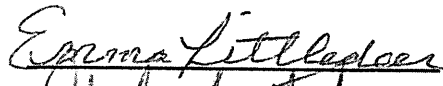
81,703,450 77,480,694


Approved on behalf of Chief and Council


 Chief

 Councillor

 Councillor

 Councillor

 Councillor

 Councillor

Lac Seul First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2019

	<i>Schedules</i>	<i>2019 Budget</i>	<i>2019</i>	<i>2018</i>
Revenue				
Indigenous Services Canada (Note 15)		7,473,044	14,214,280	8,315,999
Other revenue		45,064,087	13,751,223	15,510,592
Province of Ontario		7,467,590	5,122,918	4,651,503
First Nations and Inuit Health (Note 16)		2,269,132	3,426,216	2,326,943
Ontario First Nations Limited Partnership		1,762,277	2,275,889	1,796,361
Canada Mortgage and Housing Corporation		676,353	616,780	606,302
Revenue deferred in prior year (Note 10)		1,225,900	2,290,031	1,879,951
Revenue deferred to subsequent year (Note 10)		-	(4,892,846)	(2,290,031)
		65,938,383	36,804,491	32,797,620
Segment expenses				
Band Management	4	6,608,469	7,005,749	6,210,441
Social Services	5	4,346,574	4,211,784	3,460,517
Capital	6	1,363,955	1,208,034	1,273,650
Lac Seul Education Authority	7	5,570,694	4,708,291	4,726,882
Economic Development	8	1,110,406	77,238	71,491
Operations and Maintenance	9	1,119,044	1,990,861	1,965,930
Health Services	10	2,209,791	3,365,131	2,472,398
Operating Programs	11	9,961,220	3,129,328	3,768,376
Ke-nawind Housing Development Authority	12	1,327,146	1,155,582	1,423,268
Obishikokaang Resources Corporation	13	4,411,199	3,012,632	4,961,382
Ontario First Nations Limited Partnership	14	424,070	283,167	436,042
2361701 Ontario Inc	15	-	2,500	2,214
Waaninaawagaang Developments LP	16	-	1,466,682	2,667,044
Lac Seul CMHC Housing Authority	17	1,053,197	1,017,914	697,330
Lac Seul First Nation Trust	18	25,202,622	44,855	-
Total segment expenses (Schedule 2)		64,708,387	32,679,748	34,136,965
Annual surplus (deficit) before other income		1,229,996	4,124,743	(1,339,345)
Other income				
Flood claim settlement		-	-	37,220,015
Gain on disposal of tangible capital assets		-	98,013	-
		-	98,013	37,220,015
Annual surplus		1,229,996	4,222,756	35,880,670
Accumulated surplus, beginning of year		77,480,694	77,480,694	41,600,024
Accumulated surplus, end of year		78,710,690	81,703,450	77,480,694

Lac Seul First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2019

	<i>2019 Budget</i>	<i>2019</i>	<i>2018</i>
Annual surplus	1,229,996	4,222,756	35,880,670
Purchases of tangible capital assets	-	(4,940,266)	(2,970,821)
Amortization of tangible capital assets	3,800,000	4,064,743	3,858,165
Gain on sale of tangible capital assets	-	(98,013)	-
Proceeds of disposal of tangible capital assets	-	867,426	-
Change in prepaid expenses	-	40,625	93,727
Change in inventory	-	-	5,841
Change in net financial assets	5,029,996	4,157,271	36,867,582
Net financial assets (deficit), beginning of year	23,077,010	23,077,010	(13,790,572)
Net financial assets, end of year	28,107,006	27,234,281	23,077,010

Lac Seul First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2019

	2019	2018
Cash provided by (used for) the following activities		
Operating activities		
Annual surplus	4,222,756	35,880,670
Non-cash items		
Amortization	4,064,743	3,858,165
Gain on disposal of capital assets	(98,013)	-
	8,189,486	39,738,835
Changes in working capital accounts		
Accounts receivable	(734,181)	1,237,375
Prepaid expenses	40,625	93,727
Inventory	-	5,841
Accounts payable and accruals	(462,135)	(802,150)
Deferred revenue	2,602,815	410,080
	9,636,610	40,683,708
Financing activities		
Advances of long-term debt	293,785	5,883,374
Repayment of long-term debt	(4,977,325)	(11,460,228)
	(4,683,540)	(5,576,854)
Capital activities		
Purchases of tangible capital assets	(4,940,266)	(2,970,821)
Proceeds of disposal of tangible capital assets	867,426	-
	(4,072,840)	(2,970,821)
Investing activities		
Change in restricted cash	(595,733)	(3,447)
Cash proceeds from portfolio investments	23,705,478	-
Purchases of investments	(20,000,000)	(31,637,137)
	3,109,745	(31,640,584)
Increase in cash resources	3,989,975	495,449
Cash resources, beginning of year	5,225,149	4,729,700
Cash resources, end of year	9,215,124	5,225,149

1. Operations

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

2. Change in accounting policy

Effective April 1, 2018, the First Nation adopted the recommendations relating to the following sections, as set out in the Canadian Public Sector Accounting Standards:

- PS 3430 Restructuring Transactions

Pursuant to the recommendations, the change was applied retroactively. There was no material impact on the consolidated financial statements of adopting the new Sections.

3. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian Public Sector Accounting Standards and including the following significant accounting policies:

Reporting entity consolidated

The Lac Seul 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 activities of all entities and departments comprising the First Nation reporting entity, except for First Nation business entities. Trusts administered on behalf of third parties by Lac Seul First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Lac Seul First Nation
- Ke-nawind Housing Development Authority (which oversees Social and Band housing)
- Lac Seul CMHC Housing Authority (which manages operating activities for houses financed by CMHC)
- Obishikokaang Resources Corporation
- Waaninaawagaang Developments Limited Partnership
- 2361701 Ontario Inc. (the General Partner in Waaninaawagaang Developments Limited Partnership)
- 2245350 Ontario Inc. (incorporated for the purpose of owning particular assets on behalf of Lac Seul First Nation)
- Lac Seul Holdings Inc. (which owns land used as a cemetery)
- Lac Seul Ear Falls GP Ltd. (which owns .01% of Lac Seul GS Limited Partnership)
- Lac Seul Training Centre of Excellence (formerly 1871032 Ontario Inc.)
- Lac Seul Mining & Exploration General Partner (formerly 1433808 Ontario Inc.)
- Lac Seul Limited Partnership (venturer in Lac Seul Domco Catering and Housekeeping Joint Venture)
- Lac Seul First Nation Trust

All inter-entity balances and transaction have been eliminated on consolidation.

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

Basis of presentation

Sources of revenue 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 include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purpose is included in restricted cash.

Portfolio investments

Long-term investments in entities that are not controlled by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Funds held in trust

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 with an offsetting amount in accumulated surplus. Trust monies consist of:

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

Net financial assets

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Deferred revenue

Deferred revenue represents funding received or receivable under the terms of their respective funding arrangements for specified purposes and for which the related expenses have not been incurred. Unspent funding or expenses made which are not in accordance with the terms of the funding arrangements may constitute a debt to the funding authority upon review of the funding agreement. Note 10 contains a summary of deferred revenue by project.

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 expense.

Tangible capital assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods and delivering services.

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.

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

Amortization

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

	Rate
Social housing	20 years
Infrastructure	25 years
Band housing	20 years
Roads and bridges	25 years
Equipment and vehicles	5 years
Buildings	25 years
Land improvements	25 years

Construction in progress

Construction in progress represents the total cost of assets being constructed that are not available for use. When the construction phase has been completed and the assets are available for use they are amortized according to the rates indicated above.

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, exceeds the value of future economic benefits associated with the asset. Impairment is measured as the amount by which the asset's carrying value exceeds the residual value of the asset's service potential to the First Nation. Any impairment is included in the consolidated statement of operations during the year in which the asset becomes impaired.

Intangible assets

The First Nation owns various intangible assets inherited by right of the Crown, such as Crown lands, forests, water, and mineral resources. These items are not recognized in the First Nation's consolidated financial statements in accordance with PS 1200 *Financial Statement Presentation*.

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

Revenue recognition

Government transfer revenue, including, but not limited to, Indigenous Services Canada, First Nations and Inuit Health, Province of Ontario and Canada Mortgage and Housing Corporation funding, is recognized as the funding becomes receivable under the terms of applicable funding agreements. Funding received under the funding arrangements that relate to a subsequent fiscal period is reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with related department expenses in the year of their occurrence. Funding that is restricted for particular purposes is deferred and recognized when the eligible expenses have been incurred.

Rent and resident fees are recorded in the year they are earned. At the end of each year, management evaluates the extent of the collectability of its rent revenue and records a bad debt expense and an allowance for doubtful accounts for amounts designated as unlikely to be collected.

Investment and interest revenue is recognized on an accrual basis in the year that it is earned.

All other types of revenue are recognized by the First Nation when the services are provided or the goods are shipped and collectability is reasonably assured.

Measurement uncertainty

The preparation of 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 are 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. Deferred revenue is recorded based on management's analysis of the extent to which eligibility requirements have been met on government transfer revenue.

These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in the consolidated statement of operations in the year in which they become known.

Financial instruments

Financial instruments include cash resources, accounts receivable, restricted cash, portfolio investments, flood claim settlement portfolio investments, investments restricted in the Lac Seul First Nation Trust, accounts payable and accruals, and long-term debt. Unless otherwise stated, it is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise stated, the book value of the First Nation's financial assets and liabilities approximates their fair value due to the short-term maturities of the instruments. The fair value of the First Nation's long-term debt is approximated by its carrying value as the terms and conditions of similar instruments are not materially different from those associated with the First Nation's long-term debt.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2019.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

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

Segments

The First Nation conducts its business through fifteen reportable segments as identified below. 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. 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. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Band Management - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes. The planning, managing and delivery of large scale infrastructure and capital projects to the community.

Social Service - activities include satisfying the economic, social or health related needs of members of the community who require assistance.

Capital - activities include the planning, managing and delivery of infrastructure and capital projects to the community.

Lac Seul Education Authority - activities include overseeing many aspects of educational opportunities for its members at all levels of learning both within the community and externally.

Economic Development - activities include the planning, managing and delivery of various business projects.

Operations and Maintenance - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.

Health Services - delivers health services to the First Nation.

Operating Programs - activities include managing and delivery of other First Nation operating programs.

Ke-nawind Housing Development Authority - activities include the provision of residential housing opportunities for community members.

Obishikokaang Resources Corporation - activities include managing forestry operations.

Ontario First Nations Limited Partnership - includes the funding received from Ontario First Nations Limited Partnership and its distribution to other programs.

2361701 Ontario Inc. - General Partner of Tim Horton's franchise operations.

Waninaawagaang Developments Limited Partnership - Tim Horton's operations.

Lac Seul CMHC Housing Authority - activities include the management and maintenance of CMHC houses for community members.

Lac Seul First Nation Trust - the purpose of the Trust is to establish a long-term investment strategy to support the priorities of the First Nation, pursuant to the Lac Seul Flood Claim Settlement agreement, in which the First Nation was authorized to receive certain compensation from the Government of Canada.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 3 the Significant accounting policies.

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

4. Accounts receivable

	2019	2018
Indigenous Services Canada	1,322,081	108,863
Canada Mortgage and Housing Corporation	51,445	50,562
Province of Ontario	589,965	781,763
Band members	6,266	12,006
Trade	878,285	1,056,251
Rent receivable	-	173,594
Allowance for doubtful accounts	-	(69,178)
	2,848,042	2,113,861

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

5. Restricted cash

	2019	2018
Ottawa Trust Funds		
Revenue account	87,055	83,122
Capital account	86,234	86,234
	173,289	169,356
Other		
CMHC replacement reserve	294,609	294,609
CMHC operating reserve	97,475	97,547
Funds held in trust by construction contractor	1,230,548	264,427
Funds held in trust by legal counsel to pursue a settlement on a flood claim	-	374,249
	1,622,632	1,030,832
	1,795,921	1,200,188

Ottawa Trust Fund

The Ottawa Trust Fund arises 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 and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is similarly governed by Sections 63 to 69 of the Indian Act. Revenue from the Ottawa Trust Fund is recognized in the year in which it is earned, when it is measurable and when collection is reasonably assured. Capital and Revenue trust monies are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with consent of the First Nation's Chief and Council. Interest revenue earned in the Revenue account amounted to \$3,933 (2018 - \$3,519). Interest revenue earned in the Capital account amounted to \$0 (2018 - \$0).

CMHC replacement reserve

As required as part of the First Nation's Canada Mortgage and Housing Corporation ("CMHC") Housing program, a separate bank account has been established for replacement of capital equipment and for major repairs to the houses. Under the terms of the agreements with CMHC, the replacement reserve must either be held in a separate bank account or invested in accounts or instruments secured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time. At March 31, 2019, the replacement reserve bank account was under funded by \$476,263 (2018 - \$370,696).

CMHC operating reserve

In accordance with the terms of the agreements with Canada Mortgage and Housing Corporation ("CMHC"), the First Nation established an operating surplus reserve. The operating surplus reserve is a component of accumulated surplus and is increased by interest revenue and increased or decreased by the annual surplus (deficit) from operations. The operating surplus reserve must be held or invested only in accounts or instruments guaranteed by Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. The operating reserve account was under funded by \$946,364 (2018 - \$864,857).

Funds held in trust by construction manager

The First Nation has chequing accounts that require a co-signature from a representative from Keewatin-Aski Ltd. As at March 31, 2019, funds held in this account have been restricted for the purpose of constructing a Water Treatment Plant.

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

6. Portfolio investments

	2019	2018
RBC Dominion Securities - cash account	291	291
Guaranteed Investment Certificate	-	79,090
Rubicon Minerals Corp. - common shares	284,711	200,724
Aurcrest Gold Inc. - common shares	126,081	84,055
Advance Aurcrest Gold Inc. - common shares	75,000	75,000
First Nations Limited Partnership - 1 unit (4.55% interest)	10	10
2472881 Ontario Inc. - 1 share (4.55% interest)	10	10
Landmark Inn Limited Partnership - 3 common shares (11.54% interest)	147,000	147,000
Ontario First Nation Sovereign Wealth Limited Partnership - 1 unit (0.77% interest)	1	1
Ontario First Nation Asset Management GP Corp. - 1 share (0.01% interest)	1	1
Landmark Inn General Partner Ltd. - 30 common shares (11.11% interest)	3,000	3,000
Ontario First Nations Limited Partnership - 1 unit (1.77% interest)	1	1
Lac Seul GS Limited Partnership (25.00% interest)	3,414,626	3,593,266
Obish Construction Limited Partnership - 510 units (51.00% non-controlling interest)	510	510
	4,051,242	4,182,959

Other than the following investments: RBC Dominion Securities cash account; Rubicon Minerals Corp.; Aurcrest Gold Inc.; Advance Aurcrest Gold Inc.; which have market values equal to their cost values as at March 31, 2019, each of the portfolio investments listed above represents an investment for which there is no reasonable method to determine an approximate market value because of one or more of the following reasons: a quoted market value is not available, there is infrequent activity in the market, the market is not well established or small volumes are traded relative to the number of trading units of the investment held by the First Nation. For each of the investments where market values are not reasonably determined, no major changes in the equity or financial position of the investee, since the investments were acquired, are known.

7. Flood claim settlement portfolio investments

	2019	2018
Guaranteed Investment Certificate, matured during the year	-	31,272,936
Funds held for per capita distribution to First Nation Members	2,000,472	-
Funds held for road upgrade project	60,992	-
Guaranteed Investment Certificate, maturing April 2019, bearing interest at 1.82% per year	5,041,820	-
	7,103,284	31,272,936

The market value of the Flood claim settlement portfolio investments as at March 31, 2019 was \$7,103,284 (2018 - \$31,272,936). Subsequent to year-end, the First Nation began to carry out a decision made by the Chief and Council on December 19, 2018 regarding the flood claim settlement investments. A process was initiated to make a one-time per capita payment in the amount of \$1,250 to all eligible First Nation members. The total estimated payout is \$4,275,000. Eligible members who are 18 years of age and older were able to receive payment in the form of a cheque or direct deposit. Eligible members under the age of 18 were to have their funds placed in trust until the individual turns 18 years of age.

8. Investments restricted in the Lac Seul First Nation Trust

	2019	2018
Equity investments (Market value of \$11,073,133)	10,815,198	-
Bonds (Market value of \$9,707,806)	9,368,586	-
Money Market Funds (Market value of \$412,107)	412,107	-
	20,595,891	-

As at March 31, 2019, the market value of the investments restricted in the Lac Seul First Nation Trust was \$21,193,046 (2018 - \$0).

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

9. Accounts payable and accrued liabilities

	2019	2018
Indigenous Services Canada	339,380	339,380
Canada Revenue Agency	163,635	59,819
Trade payables	2,000,872	2,566,823
	2,503,887	2,966,022

10. Deferred revenue

	2019	2018
Indigenous Services Canada:		
Education Facilities	-	85,072
Waste Management Study	16,470	27,800
Frenchman's Head Water Feasibility Study	160,000	-
Kejick Bay Water Treatment Plant Construction	696,073	-
Education - Instructional Services	1,730,604	1,207,658
Education - Counselling	117,684	158,235
Education - Special Education	426,963	273,101
Education - Transportation	81,419	-
Education - Accommodation	129,345	86,885
Economic Development	75,000	-
Public Works - Community Buildings	-	80,000
Public Works - Education Facility Operations and Maintenance	201,128	-
Community Based Prevention	355,449	-
	3,990,135	1,918,751
First Nations and Inuit Health:		
Youth Suicide Prevention	4,986	-
National Native Alcohol and Drug Abuse Program	76,116	-
Facilities Operations and Maintenance	-	19,667
Jordan's Principle	705,548	351,613
	786,650	371,280
Other:		
Ontario Power Authority	13,647	-
Nuclear Waste Management Organization	100,000	-
Other	2,414	-
	116,061	-
	4,892,846	2,290,031

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

11. Long-term debt

	2019	2018
CMHC mortgage repayable in monthly payments of \$2,138 including interest at 2.04%, maturity date of September 1, 2023 with a renewal date of May 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance for a five-unit rental housing project.	110,285	133,451
CMHC mortgage repayable in monthly payments of \$5,217 including interest at 1.86%, maturity date of May 1, 2032 with a renewal date of August 1, 2022, secured by a Ministerial guarantee and assignment of fire insurance for a thirteen-unit rental housing project.	730,853	779,418
CMHC mortgage repayable in monthly payments of \$3,185 including interest at 1.84%, maturity date of September 1, 2032 with a renewal date of September 1, 2022, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	456,740	486,291
CMHC mortgage repayable in monthly payments of \$3,828 including interest at 2.04%, maturity date of March 1, 2034 with a renewal date of May 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance for a twelve-unit rental housing project.	593,663	627,176
CMHC mortgage repayable in monthly payments of \$5,370 including interest at 1.05%, maturity date of April 1, 2035 with a renewal date of April 1, 2020, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	953,445	1,007,589
CMHC mortgage repayable in monthly payments of \$3,240 including interest at 1.11%, maturity date of March 1, 2036 with a renewal date of April 1, 2021, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	602,327	634,354
CMHC mortgage repayable in monthly payments of \$7,158 including interest at 2.70%, maturity date of March 1, 2038 with a renewal date of November 1, 2023, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	1,277,123	1,332,114
CMHC mortgage repayable in monthly payments of \$7,237 including interest at 2.70%, maturity date of September 1, 2038 with a renewal date of November 1, 2023, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	1,317,011	1,369,089
CMHC mortgage repayable in monthly payments of \$2,953 including interest at 2.01%, maturity date of October 1, 2039 with a renewal date of October 1, 2019, secured by a Ministerial guarantee and assignment of fire insurance for a six-unit rental housing project.	597,397	620,622
CMHC mortgage repayable in monthly payments of \$2,767 including interest at 1.03%, maturity date of November 1, 2041 with a renewal date of November 1, 2021, secured by a Ministerial guarantee and assignment of fire insurance for a four-unit rental housing project.	671,318	697,487
Loan repayable in monthly payments of \$6,780 including interest at 5.10%, maturity date of August 29, 2022. Secured by vehicle with a net book value of \$293,785 (2018 - \$nil).	254,540	-
CMHC mortgage repayable in monthly payments of \$6,579 including interest at 1.03%, maturity date of November 1, 2041 with a renewal date of November 1, 2021, secured by a Ministerial guarantee and assignment of fire insurance for a ten-unit rental housing project.	1,595,756	1,657,960

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

11. Long-term debt *(Continued from previous page)*

	2019	2018
Loan repayable in monthly payments of \$9,967 including interest at RBC prime rate plus 1.72%, maturity August 31, 2019, secured by Band Council Resolution. This loan was fully repaid upon maturity.	510,000	200,634
Advances from CMHC for a 10 unit project to be converted to CMHC loan once project is completed.	1,308,032	1,275,198
Loan repaid during the year	-	142,073
Loan repaid during the year	-	90,398
Loan repaid during the year	-	399,723
Loan repaid during the year	-	2,311,817
Loan repaid during the year	-	350,314
Loan repaid during the year	-	207,440
Loan repaid during the year	-	1,021,283
Loan repaid during the year	-	317,599
	10,978,490	15,662,030

Prime rate as at March 31, 2019 was 3.95% (2018 - 3.45%).

Principal repayments on long-term debt and demand loans in each of the next five years, assuming long-term debt and demand loans subject to refinancing are renewed with the same terms, are estimated as follows:

2020	1,020,993
2021	522,648
2022	534,493
2023	498,437
2024	461,000

12. Contingent liabilities

The First Nation is subject to funding recoveries according to their agreement with federal agencies. It has not yet been determined to what extent any funding amounts related to the year ended March 31, 2019 might be recovered.

Lac Seul First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2019

13. Tangible capital assets

Included in tangible capital assets are the following costs of construction in progress:

	2019	2018
Water Treatment Plant and Lagoon	4,093,683	735,275
CMHC financed housing construction (10-unit project)	2,053,500	1,753,500
CMHC financed housing construction (5-unit project)	975,612	975,612
Other housing construction	-	1,423,298
Land improvements	-	280,713
Road improvements	320,849	-
	7,443,644	5,168,398

14. Accumulated surplus

	2019	2018
Ottawa Trust Funds	173,289	169,356
Invested in tangible capital assets	43,480,202	38,690,554
CMHC operating reserve required amount	1,043,839	962,404
CMHC replacement reserve required amount	770,872	665,305
Funds held in trust by legal counsel	-	374,249
Funds held in trust by construction contractor	1,230,548	264,427
Flood claim settlement investments*	27,699,175	31,272,936
Unrestricted accumulated surplus	7,305,525	5,081,463
	81,703,450	77,480,694

*Includes \$20,595,891 (2018 - \$0) held in the Lac Seul First Nation Trust.

15. Indigenous Services Canada funding

The Indigenous Services Canada ("ISC") revenue of \$14,214,280 (2018 – \$8,315,999) on the consolidated statement of operations and accumulated surplus agrees to the ISC confirmation.

16. First Nations and Inuit Health funding

The First Nations and Inuit Health revenue of \$3,426,216 (2018 – \$2,326,943) on the consolidated statement of operations and accumulated surplus agrees to the First Nations and Inuit Health confirmation.

17. Economic dependence

Lac Seul First Nation receives a significant portion of its revenue from Indigenous Services Canada ("ISC") and First Nations and Inuit Health as a result of Treaties entered into with the Government of Canada. These Treaties are administered by ISC 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.

18. Pension liabilities

The First Nation remits its pension liabilities on a monthly basis and remittances were current at year end. Pension liabilities are not maintained in a separate bank account.

19. Budget information

The disclosed budget information was approved by the Chief and Council of the Lac Seul First Nation on March 23, 2018.

20. Compliance with laws and regulations

First Nations Financial Transparency and Accountability Act

The First Nation is required by the First Nations Financial Transparency and Accountability Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 29, 2019. As the audit report is dated after this date, the First Nation is not in compliance with this requirement. The possible effect of this non-compliance has not yet been determined.

Provision for site rehabilitation

The Ontario Environmental Protection Act sets out the regulatory requirements to properly disclose and maintain active and inactive landfill sites. Under this environmental law, there is a requirement for closure and post-closure care of solid waste sites including covering and landscaping and ongoing environmental monitoring, site inspection and maintenance. As directed by PS 3270, a liability must be recognized beginning when the landfill first accepts waste to the date the landfill stops accepting waste. The liability for closure and post-closure care is recognized as the site capacity is used to the extent of the proportion of site capacity used compared to the estimated total expenditure required for closure and post-closure care.

The estimated total expenditure represents the sum of discontinued future cash flows associated with closure and post-closure care considering current technology, the length of the post-closure care period and current environmental regulations. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to future asset service potential, are expensed in the current year.

At year-end, the extent to which the First Nation is bound by environmental laws of the Ontario Environmental Protection Act was not determinable, and therefore, no liability has been recorded in these consolidated financial statements.

21. Contingent assets

The First Nation has initiated particular legal claims against the Province of Ontario and the Government of Canada with respect to Treaty rights and illegal flooding. Settlement proceeds were not received prior to the issuance of these financial statements and the collection and measurability of future gains from these claims are not determinable at this time.

Lac Seul First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Buildings</i>	<i>Infrastructure</i>	<i>Band housing</i>	<i>Social housing</i>	<i>Roads and bridges</i>	<i>Equipment and vehicles</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	31,648,383	13,613,427	19,867,235	12,477,200	11,561,063	6,498,131	95,665,439
Acquisition of tangible capital assets	95,000	-	-	-	-	866,007	961,007
Disposal of tangible capital assets	(2,236)	-	-	-	-	(552,386)	(554,622)
Transfer upon completion of construction	-	-	1,423,298	-	-	-	1,423,298
Balance, end of year	31,741,147	13,613,427	21,290,533	12,477,200	11,561,063	6,811,752	97,495,122
Accumulated amortization							
Balance, beginning of year	11,061,995	9,261,083	13,481,473	4,759,457	3,704,562	5,295,129	47,563,699
Annual amortization	1,184,474	480,283	763,538	592,610	452,286	368,938	3,842,129
Accumulated amortization on disposals	(414)	-	-	-	-	(326,650)	(327,064)
Balance, end of year	12,246,055	9,741,366	14,245,011	5,352,067	4,156,848	5,337,417	51,078,764
Net book value of tangible capital assets	19,495,092	3,872,061	7,045,522	7,125,133	7,404,215	1,474,335	46,416,358
Net book value of tangible capital assets - 2018	20,586,388	4,352,344	6,385,762	7,717,743	7,856,501	1,203,002	48,101,740

Lac Seul First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2019

	<i>Subtotal</i>	<i>Land improvements</i>	<i>Franchise fee</i>	<i>Construction in progress</i>	<i>Land</i>	<i>2019</i>	<i>2018</i>
Cost							
Balance, beginning of year	95,665,439	898,159	680,442	5,168,398	320,000	102,732,438	99,761,617
Acquisition of tangible capital assets	961,007	-	-	3,979,257	2	4,940,266	2,970,821
Disposal of tangible capital assets	(554,622)	-	(680,442)	-	-	(1,235,064)	-
Transfer upon completion of construction	1,423,298	280,713	-	(1,704,011)	-	-	-
Balance, end of year	97,495,122	1,178,872	-	7,443,644	320,002	106,437,640	102,732,438
Accumulated amortization							
Balance, beginning of year	47,563,699	677,568	138,587	-	-	48,379,854	44,521,689
Annual amortization	3,842,129	222,614	-	-	-	4,064,743	3,858,165
Accumulated amortization on disposals	(327,064)	-	(138,587)	-	-	(465,651)	-
Balance, end of year	51,078,764	900,182	-	-	-	51,978,946	48,379,854
Net book value of tangible capital assets	46,416,358	278,690	-	7,443,644	320,002	54,458,694	54,352,584
Net book value of tangible capital assets - 2018	48,101,740	220,591	541,855	5,168,398	320,000	54,352,584	

Lac Seul First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2019

	2019	2018
Consolidated expenses by object		
Advertising	62,836	109,171
Amortization	4,064,743	3,858,165
Bank charges and interest	62,251	56,373
Community events	88,137	88,448
Honorarium	578,558	483,460
Insurance	401,289	423,694
Interest on long-term debt	254,807	394,634
Other	98,517	283,543
Professional development	236,995	181,440
Professional fees	1,307,972	2,099,152
Program costs	5,353,828	7,136,097
Purchases	493,792	1,059,689
Rent	252,712	91,901
Repairs and maintenance	1,543,541	1,188,613
Salaries and benefits	10,220,590	9,241,576
Social assistance	3,524,449	2,792,709
Supplies	615,814	552,492
Telephone and internet	290,515	418,993
Travel and meetings	604,139	637,764
Tuition	1,169,770	1,546,917
Utilities	847,593	1,067,137
Vehicle	606,900	424,997
	32,679,748	34,136,965

Lac Seul First Nation
Schedule 3 - Consolidated Schedule of Segment Operations

For the year ended March 31, 2019

	<i>Schedule #</i>	<i>Total Revenue and Other Income</i>	<i>Total Expenses</i>	<i>Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>	<i>Prior Year Surplus (Deficit)</i>
Segments Summary						
Band Management	4	2,365,905	7,005,749	2,347,682	(2,292,162)	(1,593,746)
Social Services	5	5,162,147	4,211,784	(233,721)	716,642	1,325,068
Capital	6	952,514	1,208,034	1,104,827	849,307	(939,955)
Lac Seul Education Authority	7	5,118,052	4,708,291	(93,315)	316,446	135,047
Economic Development	8	89,500	77,238	(12,262)	-	(3)
Operations and Maintenance	9	1,760,365	1,990,861	619,571	389,075	27,461
Health Services	10	4,331,558	3,365,131	(812,994)	153,433	(14,746)
Operating Programs	11	7,559,570	3,129,328	(20,133,555)	(15,703,313)	38,347,862
Ke-nawind Housing Development Authority	12	625,338	1,155,582	(84,064)	(614,308)	(813,936)
Obishikokaang Resources Corporation	13	3,384,606	3,012,632	(205,762)	166,212	(549,875)
Ontario First Nations Limited Partnership	14	2,275,889	283,167	(1,975,105)	17,617	-
2361701 Ontario Inc	15	-	2,500	-	(2,500)	(2,214)
Waaninaawagaang Developments LP	16	1,796,614	1,466,682	-	329,932	1,508
Lac Seul CMHC Housing Authority	17	855,975	1,017,914	1,068	(160,871)	(41,801)
Lac Seul First Nation Trust	18	624,471	44,855	19,477,630	20,057,246	-
Total		36,902,504	32,679,748	-	4,222,756	35,880,670

Lac Seul First Nation
Band Management
Schedule 4 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	1,302,102	2,155,027
Indigenous Services Canada	1,147,490	844,114
Province of Ontario	29,960	-
Revenue deferred to subsequent year	(113,647)	-
	2,365,905	2,999,141
Expenses		
Amortization	3,438,496	3,342,529
Bank charges and interest	22,960	11,933
Community events	39,661	15,950
Honorarium	560,308	465,060
Insurance	33,467	16,838
Other	715	245,169
Professional development	81,335	31,563
Professional fees	482,194	507,585
Program costs	104,216	161,483
Repairs and maintenance	47,983	30,820
Salaries and benefits	1,383,741	786,475
Supplies	302,762	100,905
Telephone and internet	189,083	332,857
Travel and meetings	171,585	116,739
Utilities	1,017	230
Vehicle	146,226	44,305
	7,005,749	6,210,441
Deficit before transfers	(4,639,844)	(3,211,300)
Transfers between programs	2,347,682	1,617,554
Deficit	(2,292,162)	(1,593,746)

Lac Seul First Nation
Social Services
Schedule 5 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Province of Ontario	4,630,536	4,357,981
Indigenous Services Canada	482,958	578,307
Other revenue	48,653	85,460
	5,162,147	5,021,748
Expenses		
Bank charges and interest	2,439	4,001
Insurance	10,780	-
Other	-	6,174
Professional fees	25,619	33,499
Program costs	114,183	66,776
Salaries and benefits	383,500	399,101
Social assistance	3,524,449	2,792,709
Supplies	54,653	93,509
Telephone and internet	1,242	2,487
Travel and meetings	94,919	62,261
	4,211,784	3,460,517
Surplus before transfers	950,363	1,561,231
Transfers between programs	(233,721)	(236,163)
Surplus	716,642	1,325,068

Lac Seul First Nation
Capital
Schedule 6 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	978,866	813,535
Other revenue	41,819	-
Province of Ontario	23,227	19,095
Revenue deferred in prior year	85,072	-
Revenue deferred to subsequent year	(176,470)	(85,072)
	952,514	747,558
Expenses		
Bank charges and interest	9	-
Insurance	-	68,604
Interest on long-term debt	7,435	16,398
Other	47,374	16,552
Professional development	14,963	-
Professional fees	-	1,988
Program costs	588,374	1,128,170
Repairs and maintenance	180,985	-
Salaries and benefits	357,065	40,510
Travel and meetings	985	-
Vehicle	10,844	1,428
	1,208,034	1,273,650
Deficit before transfers	(255,520)	(526,092)
Transfers between programs	1,104,827	(413,863)
Surplus (deficit)	849,307	(939,955)

Lac Seul First Nation
Lac Seul Education Authority
Schedule 7 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	4,886,813	4,187,964
Other revenue	859,388	878,726
Province of Ontario	134,400	67,200
Revenue deferred in prior year	1,725,879	1,393,282
Revenue deferred to subsequent year	(2,488,428)	(1,725,879)
	5,118,052	4,801,293
Expenses		
Community events	6,104	3,716
Honorarium	-	(1,400)
Insurance	1,123	1,198
Professional development	45,731	31,485
Program costs	661,227	769,991
Salaries and benefits	2,643,365	2,077,624
Supplies	38,897	155,788
Telephone and internet	19,303	20,145
Travel and meetings	18,078	15,420
Tuition	1,169,770	1,546,917
Vehicle	104,693	105,998
	4,708,291	4,726,882
Surplus before transfers	409,761	74,411
Transfers between programs	(93,315)	60,636
Surplus (deficit)	316,446	135,047

Lac Seul First Nation
Economic Development
Schedule 8 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	164,500	89,500
Revenue deferred to subsequent year	(75,000)	-
	89,500	89,500
Expenses		
Professional development	1,219	1,522
Program costs	250	220
Salaries and benefits	70,263	57,956
Supplies	-	7,047
Telephone and internet	-	1,020
Travel and meetings	3,106	3,726
Vehicle	2,400	-
	77,238	71,491
Surplus before transfers	12,262	18,009
Transfers between programs	(12,262)	(18,012)
Deficit	-	(3)

Lac Seul First Nation
Operations and Maintenance
Schedule 9 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	1,630,819	1,663,018
Other revenue	250,674	120,978
Revenue deferred in prior year	80,000	-
Revenue deferred to subsequent year	(201,128)	(80,000)
	1,760,365	1,703,996
Expenses		
Bank charges and interest	8,998	-
Insurance	121,847	135,834
Professional development	33,470	29,461
Repairs and maintenance	451,248	541,937
Salaries and benefits	863,541	719,705
Supplies	74,034	43,408
Telephone and internet	7,560	3,689
Travel and meetings	2,450	-
Utilities	293,809	365,024
Vehicle	133,904	126,872
	1,990,861	1,965,930
Deficit before transfers	(230,496)	(261,934)
Transfers between programs	619,571	289,395
Surplus	389,075	27,461

Lac Seul First Nation
Health Services
Schedule 10 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
First Nations and Inuit Health	3,426,216	2,326,943
Other revenue	1,165,351	488,126
Indigenous Services Canada	510,810	127,400
Revenue deferred in prior year	371,280	97,910
Revenue deferred to subsequent year	(1,142,099)	(371,280)
	4,331,558	2,669,099
Expenses		
Community events	13,973	1,846
Honorarium	1,000	11,493
Insurance	25,598	25,869
Professional development	36,927	33,300
Professional fees	23,033	24,922
Program costs	753,753	506,968
Repairs and maintenance	23,274	15,127
Salaries and benefits	2,184,393	1,632,003
Supplies	18,420	13,897
Telephone and internet	53,562	42,812
Travel and meetings	75,562	49,791
Utilities	25,673	22,172
Vehicle	129,963	92,198
	3,365,131	2,472,398
Surplus before transfers	966,427	196,701
Transfers between programs	(812,994)	(211,447)
Surplus (deficit)	153,433	(14,746)

Lac Seul First Nation
Operating Programs
Schedule 11 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Indigenous Services Canada	4,412,024	12,161
Other revenue	3,511,024	4,058,764
Province of Ontario	304,795	207,227
Revenue deferred in prior year	27,801	388,759
Revenue deferred to subsequent year	(696,074)	(27,801)
	7,559,570	4,639,110
Expenses		
Bank charges and interest	2,307	1,039
Community events	14,089	17,662
Honorarium	14,550	4,706
Insurance	51,760	90,748
Interest on long-term debt	89,144	223,296
Other	31,075	15,039
Professional development	8,427	38,669
Professional fees	649,936	1,383,156
Program costs	828,352	344,408
Rent	-	57,000
Repairs and maintenance	289,856	95,987
Salaries and benefits	719,437	1,078,879
Supplies	55,182	52,719
Telephone and internet	8,742	8,053
Travel and meetings	24,936	54,260
Utilities	301,491	272,539
Vehicle	40,044	30,216
	3,129,328	3,768,376
Surplus before other items	4,430,242	870,734
Other income	-	37,220,015
Surplus before transfers	4,430,242	38,090,749
Transfers between programs	(20,133,555)	257,113
Surplus (deficit)	(15,703,313)	38,347,862

Lac Seul First Nation
Ke-nawind Housing Development Authority
Schedule 12 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	625,338	594,226
Expenses		
Amortization	10,636	-
Bank charges and interest	14,931	12,918
Community events	4,797	36,519
Honorarium	2,700	3,600
Insurance	84,375	607
Professional development	13,979	11,914
Professional fees	50,393	35,513
Repairs and maintenance	261,990	343,872
Salaries and benefits	426,331	596,212
Supplies	44,293	23,084
Telephone and internet	10,050	7,930
Travel and meetings	16,630	24,279
Utilities	175,651	302,842
Vehicle	38,826	23,978
	1,155,582	1,423,268
Surplus (deficit) before transfers	(530,244)	(829,042)
Transfers between programs	(84,064)	15,106
Deficit	(614,308)	(813,936)

Lac Seul First Nation
Obishikokaang Resources Corporation
Schedule 13 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	3,384,606	4,411,507
Expenses		
Amortization	23,000	-
Bank charges and interest	2,245	2,496
Community events	9,513	12,755
Insurance	5,071	14,923
Other	1,367	493
Professional development	945	3,528
Professional fees	10,735	41,695
Program costs	1,996,418	3,701,688
Rent	22,000	34,901
Repairs and maintenance	50,722	82,506
Salaries and benefits	692,110	776,906
Supplies	7,282	-
Telephone and internet	974	-
Travel and meetings	190,250	289,491
	3,012,632	4,961,382
Surplus (deficit) before transfers	371,974	(549,875)
Transfers between programs	(205,762)	-
Surplus (deficit)	166,212	(549,875)

Lac Seul First Nation
Ontario First Nations Limited Partnership
Schedule 14 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Ontario First Nations Limited Partnership	2,275,889	1,796,361
Expenses		
Program costs	283,167	436,042
Surplus before transfers	1,992,722	1,360,319
Transfers between programs	(1,975,105)	(1,360,319)
Surplus	17,617	-

Lac Seul First Nation
2361701 Ontario Inc
Schedule 15 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Expenses		
Other	-	114
Professional fees	2,500	2,100
Deficit	(2,500)	(2,214)

Lac Seul First Nation
Waaninaawagaang Developments LP
Schedule 16 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Sales	1,698,601	2,668,552
Expenses		
Advertising	62,836	109,171
Amortization	-	79,963
Bank charges and interest	8,155	21,282
Insurance	1,928	5,715
Interest on long-term debt	7,868	6,039
Professional fees	11,422	30,293
Program costs	23,887	20,349
Purchases	493,792	1,059,689
Rent	230,712	-
Repairs and maintenance	53,355	70,074
Salaries and benefits	496,844	1,076,206
Supplies	20,291	62,136
Travel and meetings	5,638	21,797
Utilities	49,954	104,330
	1,466,682	2,667,044
Surplus before other items	231,919	1,508
Gain on disposal of tangible capital assets	98,013	-
Surplus	329,932	1,508

Lac Seul First Nation
Lac Seul CMHC Housing Authority
Schedule 17 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Canada Mortgage and Housing Corporation	616,780	606,302
Other revenue	239,195	49,227
	855,975	655,529
Expenses		
Amortization	592,611	435,673
Bank charges and interest	205	2,705
Insurance	65,340	63,360
Interest on long-term debt	150,360	148,901
Professional fees	25,270	38,400
Repairs and maintenance	184,128	8,291
	1,017,914	697,330
Deficit before transfers	(161,939)	(41,801)
Transfers between programs	1,068	-
Deficit	(160,871)	(41,801)

Lac Seul First Nation
Lac Seul First Nation Trust
Schedule 18 - Consolidated Schedule of Segment Operations
For the year ended March 31, 2019

	2019	2018
Revenue		
Other revenue	624,471	-
Expenses		
Other	17,987	-
Professional fees	26,868	-
	44,855	-
Surplus before transfers	579,616	-
Transfers between programs	19,477,630	-
Surplus	20,057,246	-