

Lac La Ronge Indian Band
Consolidated Financial Statements
March 31, 2017

Lac La Ronge Indian Band

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For the year ended March 31, 2017

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Management's Responsibility

To the Members of Lac La Ronge Indian Band:

The accompanying consolidated financial statements of Lac La Ronge Indian Band 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 financial statements.

The Lac La Ronge Indian Band Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils 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 Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed to audit the consolidated financial statements and report directly to the Members; 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.

September 24, 2017

(signature on file)

Gladys Christiansen, Executive Director

Independent Auditors' Report

To the Members of Lac La Ronge Indian Band:

We have audited the accompanying consolidated financial statements of Lac La Ronge Indian Band, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, cash flows, and supporting schedules 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 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 La Ronge Indian Band as at March 31, 2017 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Prince Albert, Saskatchewan

September 24, 2017

MNP LLP

Chartered Professional Accountants

Lac La Ronge Indian Band

Consolidated Statement of Financial Position

As at March 31, 2017

	2017	2016
Financial assets		
Current		
Cash resources (Note 3)	7,734,379	8,911,076
Temporary investments	48,943	48,651
Accounts receivable (Note 4)	7,098,697	5,784,131
Inventory for resale (Note 5)	2,247,520	2,176,488
Restricted cash (Note 6)	5,661,176	2,201,669
Home ownership program loans receivable (Note 7)	204,820	435,134
	22,995,535	19,557,149
Investments in Nation business partnerships and corporate business entities (Note 8)	83,109,762	81,422,939
Restricted cash (Note 6)	5,752,382	5,726,624
Ottawa Trust funds (Note 9)	449,330	524,838
	112,307,009	107,231,550
Liabilities		
Current		
Accounts payable and accruals	3,880,289	4,261,852
Deferred revenue (Note 11)	8,076,171	5,231,775
Current portion of long-term debt (Note 12)	2,497,901	2,350,658
	14,454,361	11,844,285
Long-term debt (Note 12)	21,673,879	19,671,633
	36,128,240	31,515,918
Net financial assets	76,178,769	75,715,632
Contingencies (Note 13)		
Non-financial assets		
Tangible capital assets (Note 14) (Schedule 1)	107,456,019	103,950,497
Prepaid expenses	195,871	199,145
	107,651,890	104,149,642
Accumulated surplus (Note 15)	183,830,659	179,865,274
Approved on behalf of the Council		
<u>(signature on file)</u>	Chief	<u>(signature on file)</u>
		Councilor

The accompanying notes are an integral part of these financial statements

Lac La Ronge Indian Band

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2017

	Schedules	2017 Budget (Note 20)	2017	2016
Revenue				
Federal government funding (Note 17)				
Indigenous and Northern Affairs Canada		49,740,290	56,363,312	50,241,708
Health Canada		10,800,768	11,912,575	11,597,946
Canada Mortgage and Housing Corporation		1,234,603	3,000,041	1,966,469
		61,775,661	71,275,928	63,806,123
Prince Albert Grand Council		7,395,093	6,915,621	4,110,013
Retail sales, net (Note 23)		-	5,934,174	5,620,203
Earnings from investment in Nation business partnerships (Note 8)		2,008,225	4,182,248	1,578,245
Miscellaneous		3,269,876	3,399,052	2,464,303
Rental income		1,793,251	3,384,777	3,333,605
First Nations Trust (SIGA gaming allocation)		3,165,000	3,245,350	4,577,988
Grants and donations		2,062,118	2,724,753	2,527,133
Saskatchewan Indian Institute of Technologies		1,313,000	1,311,957	1,007,884
Northern Lights School Division		1,110,000	1,096,710	1,120,918
Other retail revenue		-	817,860	212,104
Fundraising revenue		145,000	658,956	801,107
Lease income		-	439,911	597,173
Province of Saskatchewan		206,260	300,216	337,178
Fuel and tobacco rebates (external sources)		284,828	197,855	169,673
Earnings (loss) from investment in Nation business entities (Note 8)		-	4,575	(855)
		84,528,312	105,889,943	92,262,795
Program expenses				
Band Governance	3	20,023,941	20,988,247	20,176,811
Education	4	22,645,784	24,207,968	23,362,801
Infrastructure & Facilities	5	16,324,974	23,301,792	21,669,825
Health	6	13,327,995	15,101,204	14,351,025
Social Assistance	7	12,026,450	11,969,287	12,007,469
Retail Operations	8	-	6,361,604	5,925,073
		84,349,144	101,930,102	97,493,004
Surplus (deficit) before other items		179,168	3,959,841	(5,230,209)
Other items				
Gain (loss) on disposal of tangible capital assets		-	5,544	55,018
Surplus (deficit)		179,168	3,965,385	(5,175,191)
Accumulated surplus, beginning of year		179,865,274	179,865,274	185,040,465
Accumulated surplus, end of year (Note 15)		180,044,442	183,830,659	179,865,274

The accompanying notes are an integral part of these financial statements

Lac La Ronge Indian Band
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2017

	2017 Budget (Note 20)	2017	2016
Annual surplus (deficit)	179,168	3,965,385	(5,175,191)
Purchases of tangible capital assets	(2,122,276)	(13,701,600)	(7,441,086)
Amortization of tangible capital assets	-	10,103,550	10,711,958
(Gain) loss on sale of tangible capital assets	-	(5,544)	(55,018)
Proceeds of disposal of tangible capital assets	-	98,072	99,136
Acquisition of prepaid expenses	-	-	(2,160)
Use of prepaid expenses	-	3,274	-
Increase (decrease) in net financial assets	(1,943,108)	463,137	(1,862,361)
Net financial assets, beginning of year	75,715,632	75,715,632	77,577,993
Net financial assets, end of year	73,772,524	76,178,769	75,715,632

The accompanying notes are an integral part of these financial statements

Lac La Ronge Indian Band
Consolidated Statement of Cash Flows
For the year ended March 31, 2017

	2017	2016
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	3,965,385	(5,175,191)
Non-cash items		
Amortization	10,103,550	10,711,958
(Gain) loss on sale of tangible capital assets	(5,544)	(55,018)
Earnings from investment in Nation business partnerships	(4,182,248)	(1,578,245)
Earnings from investment in Nation business entities	(4,575)	855
	9,876,568	3,904,359
Changes in working capital accounts		
Accounts receivable	(1,314,566)	1,108,644
Prepaid expenses	3,274	(2,160)
Restricted cash (current)	(3,459,507)	(1,016,599)
Restricted cash (non-current)	(25,758)	(92,124)
Inventory held for resale	(71,032)	24,385
Home ownership program loans receivable	230,314	17,211
Accounts payable and accruals	(381,563)	(1,426,293)
Deferred revenue	2,844,396	2,301,490
	7,702,126	4,818,913
Financing activities		
Advances of long-term debt	4,972,751	2,403,972
Repayment of long-term debt	(2,823,262)	(2,195,552)
	2,149,489	208,420
Capital activities		
Purchases of tangible capital assets	(13,701,600)	(7,441,086)
Proceeds of disposal of tangible capital assets	98,072	99,136
	(13,603,528)	(7,341,950)
Investing activities		
Change in Ottawa Trust funds	75,508	(262,567)
Withdrawal from investments in Nation business partnerships	2,500,000	2,500,000
Purchase of temporary investments	(292)	(385)
	2,575,216	2,237,048
Decrease in cash resources	(1,176,697)	(77,569)
Cash resources, beginning of year	8,911,076	8,988,645
Cash resources, end of year	7,734,379	8,911,076
Supplementary cash flow information		
Interest paid	403,801	385,835

The accompanying notes are an integral part of these financial statements

Lac La Ronge Indian Band

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

1. Operations

The Lac La Ronge Indian Band (the "Nation") is located in the province of Saskatchewan, and provides various services to its members. Lac La Ronge Indian Band includes the Nation's members, government and all related entities that are accountable to the Nation and are controlled by the Nation.

2. Significant accounting policies

These 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 financial statements consolidate the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation business entities.

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

La Ronge Reserve, including:

- Administration (La Ronge, Sucker River, Hall Lake) - Public Works (Housing and CMHC)
- Education
- Keethanow Gas Bar
- Keethanow Supermarket
- Hall Lake Gas Bar
- Keethanow Holdings
- Elder Catherine Charles Long Term Care Home
- Lac La Ronge Indian Band Health Services Inc.
- Keethanow Lumber and Furniture
- Sucker River Gas Bar
- Keethanow Bingo North Inc.
- Keethanow Corner Grocery
-

Little Red River Reserve, including:

- Administration
- Little Red Gas & Tire Inc.
- Red Water Distributors (2016 only)
- Public Works (Housing)
- Little Red Sand and Gravel Ltd.

Grandmother's Bay Reserve, including:

- Administration
- Education
- Public Works (Housing)

Stanley Mission Reserve, including

- Administration
- Education
- Amachewespiyawin Gas Bar
- Public Works (Housing)
- Stanley Mission Health Services Inc.
- Stanley Mission Economic Development Corporation

Lac La Ronge Indian Band

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

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

The Nation has proportionately consolidated the assets, liabilities, revenues and expenses of the following government partnerships:

- Four Nations Police Management Board (25%)

(Created to manage an agreement with the Government of Canada and Province of Saskatchewan on Police Management Board operations for four Nations - 2017 will be the final year).

- Lac La Ronge Regional Waste Management Corporation (40%)

(Created to operate waste management services in the geographical location of La Ronge, partners are Town of La Ronge and the Northern Village of Air Ronge).

- Lac La Ronge Regional Water Corporation (54%)

(Created to operate water distribution services in the geographical location of La Ronge, partners are Town of La Ronge and the Northern Village of Air Ronge).

- Woodland Cree Enterprises Incorporated (33.33%)

(Created to provide financial assistance to members of the Lac La Ronge Indian Band, Peter Ballantyne Cree Nation and Montreal Lake Cree Nation, pursuing post secondary education and training).

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.

Lac La Ronge Indian Band business entities controlled by the Nation's Council but not dependent on the Nation for their continuing operations, are included in the financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the Nation. Thus, the 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. Entities accounted for by the modified equity basis are disclosed in Note 8.

Other economic interests

The Nation does not either share in the control or the profit or loss of the following entities. As a result, the financial statements of the following entities have not been consolidated or proportionately consolidated with the financial statements of the Lac La Ronge Indian Band.

The Nation is a member of the Prince Albert Grand Council (PAGC Management Co. Ltd. or "PAGC"). The PAGC is an organization of twelve Nations. The PAGC is mandated to enhance the services provided to the member Nations.

The Nation is a member of the Lac La Ronge Indian Band Child & Family Services Agency Inc. (the "Agency"). The Agency is an organization providing child and family protection and prevention services on reserve to the Lac La Ronge Indian Band and off reserve on behalf of the Province of Saskatchewan.

The Nation is a member of the Woodlands and Waterways Regional Development Corporation ("Woodlands and Waterways"). The Woodlands and Waterways operates a tourism centre in the area of La Ronge, and represents the Town of La Ronge, Northern Village of Air Ronge, and the Nation.

The Nation is affiliated with the Little Red River Education Authority Inc. ("LRR Education"). LRR Education operates an on-reserve elementary and secondary school on the Little Red River Reserve. Members of the Nation and Montreal Lake Cree Nation from the Little Red Reserves govern the LRR Education through an independent Board. The LRR Education authority is funded by Indigenous and Northern Affairs Canada through a separate funding agreement.

The Nation is a member of the Northern Inter-Tribal Health Authority ("NITHA"). NITHA provides third level health services to partner organizations. NITHA is mandated to improve quality health and well-being, with community members empowered to be responsible for their health.

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

Revenue recognition

Non-government funding

Non-government funding 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 balance sheet in the year of receipt.

Government transfers

The 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 Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other revenue

Investment and interest income are recognized when earned. Rent and other revenue is recognized when the related services are provided.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records. 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:

	Method	Rate
Buildings	straight-line	20-25 years
Housing	straight-line	20-25 years
Equipment	straight-line	3-10 years
Infrastructure	straight-line	15-50 years

Cash resources

Cash resources includes balances with banks and short-term investments with maturities of three months or less where the intent is to not reinvest the short-term investment. Cash subject to external restrictions that prevent its use except for a specific purpose is included in restricted cash.

Inventory for resale

Inventory is valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Temporary investments

Temporary investments are valued at the lower of cost and market value, which for the Nation's temporary investments, market value approximates the cost due to the short-term nature of the investments.

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

Long-lived assets

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

The 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.

Funds held in Ottawa Trust Fund

Ottawa Trust Funds consist of funds held in trust on behalf of Nation members by the Government of Canada. Trust moneys consist of:

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

Revenue related to the receipt of funds held in the Ottawa Trust Fund is recognized when it is received. These monies are reported on by the Government of Canada.

Measurement uncertainty

The preparation of 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 financial statements, and the reported amounts of revenue and expenditures during the reporting period. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known.

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

Provisions are made for slow moving and obsolete inventory.

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

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Nation is responsible for.

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, 2017.

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.

No provision for contaminated sites has been reported in these consolidated financial statements.

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

Segments

The Nation conducts its business through seven reportable segments: band governance, education, infrastructure & facilities, retail operations, social assistance, health, and investments. These operating segments are established by senior management to facilitate the achievement of the Nation's long-term objectives, to aid in resource allocation decisions, and to assess operational performance.

For each reported segment, revenues and expenditures 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. Inter-segment transfers are recorded at their exchange amount.

Recent accounting pronouncements

Financial instruments

In June 2011, the Public Sector Accounting Board (PSAB) issued PS 3450 *Financial Instruments* to establish standards for recognition, measurement, presentation and disclosure of financial assets, financial liabilities and non-financial derivatives. As a result of issuance of PS 3450, there have been numerous consequential amendments made to other Sections. PS 3450 is effective for fiscal years beginning on or after April 1, 2018. Earlier adoption is permitted.

PS 3450 is applied prospectively in the fiscal year of initial adoption; therefore, financial statements of prior periods, including comparative information, are not restated. The Band has not yet determined the effect of these new standards on its consolidated financial statements.

Related Party Disclosures

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 *Related Party Disclosures*.

This new Section defines related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationships underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

Inter-entity Transactions

The Public Section Accounting Board (PSAB) issued in March 2015 CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, containing a new standard, PS 3420 *Inter-entity Transactions*.

The new Section establishes standard on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

The main features of the new Section are:

- Under a policy of cost allocation, revenue and expenses are recognised on a gross basis.
- Transactions are measured at the carrying amount, except in specific circumstances.
- A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amounts dictated by policy, accountability structure or budget practice.
- The transfer of and asset of liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.
- Inter-entity transactions are considered in conjunction with PS 2200 *Related Party Disclosures*.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

Assets, Contingent Assets, and Contractual Rights

In June 2015, new PS 3210 *Assets*, PS 3320 *Contingent Assets*, and PS 3380 *Contractual Rights* were included in the CPA Canada Public Sector Accounting Handbook (PSA HB).

PS 3210 *Assets* provides additional guidance to clarify the definition of assets set out in PS 1000 *Financial Statement Concepts*.

PS 3320 *Contingent Assets* establishes disclosure standards on contingent assets. Under previous standards contingent assets could not be disclosed.

PS 3380 *Contractual Rights* establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of the standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.

These standards are effective for fiscal years beginning on or after April 1, 2017.

3. Cash resources

	2017	2016
Grandmother's Bay general operations	(19,922)	(168,030)
La Ronge general operations	(990,257)	(1,260,334)
Little Red general operations	51,730	(68,267)
Stanley Mission general operations	1,118,671	1,783,364
La Ronge and Stanley Mission health operations	4,335,431	5,349,997
Retail operations	3,131,514	3,222,461
Government partnerships	107,212	51,885
	7,734,379	8,911,076

In the above table, general operations includes band governance, education, and infrastructure and facilities operations.

During the year the Stanley Mission Reserve designated \$2,000,000 (2016– \$2,000,000) of cash held in its retail operations to be used specifically for future economic development investment.

During the year the La Ronge Reserve department of Health designated \$3,270,294 (2016 – \$3,240,874) of cash to be used specifically for future capital projects.

	2017	2016
Stanley Mission - economic development investment	2,000,000	2,000,000
La Ronge - health future capital projects	3,270,294	3,240,874
	5,270,294	5,240,874

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

4. Accounts receivable

	2017	2016
Indigenous and Northern Affairs Canada	2,086,559	2,347,764
Health Canada	1,016,009	135,225
CMHC subsidy assistance receivable	146,104	143,443
Rent receivable	3,622,202	3,282,393
Other accounts receivable	2,219,303	2,316,299
Retail operations trade receivables	1,166,550	735,235
	10,256,727	8,960,359
Allowance for doubtful accounts	(3,158,030)	(3,176,228)
	7,098,697	5,784,131

Amounts reported as receivable from Indigenous and Northern Affairs Canada for the current year were transferred to current restricted cash shortly after year-end upon receipt, and funded deferred capital projects.

5. Inventory for resale

	2017	2016
Amachewespimawin Gas Bar	173,758	163,555
Hall Lake Gas Bar	149,447	145,089
Keethanow Bingo North Inc.	13,892	13,231
Keethanow Corner Grocery	54,370	63,456
Keethanow Gas Bar	161,708	120,034
Keethanow Lumber and Furniture	1,297,895	1,288,880
Keethanow Supermarket	325,133	313,999
Sucker River Gas Bar	51,238	68,244
Little Red Gas & Tire	20,079	-
	2,247,520	2,176,488

6. Restricted cash

	2017	2016
Current restricted cash		
La Ronge Reserve - INAC major capital projects	4,842,968	1,149,989
Stanley Mission Reserve - INAC major capital projects	135,515	251,525
Grandmother's Bay Reserve - INAC major capital projects	-	13,791
Little Red River Reserve - INAC major capital projects	176,324	322,983
La Ronge Reserve - Bingo fundraising	414,458	388,853
Fire Evacuation	-	74,528
Other	91,911	-
	5,661,176	2,201,669
Non-current restricted cash		
2% Subsidy (Pre 1997) CMHC Program Replacement Reserve	-	366,639
Fixed Subsidy (Post 1997) CMHC Program Replacement Reserve	2,398,087	2,186,451
CMHC Program Operating Reserve	3,354,295	3,173,534
	5,752,382	5,726,624
	11,413,558	7,928,293

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

7. Home ownership program loans receivable

The Nation conducts a private home purchase program in partnership with the Bank of Montreal ("BMO") and Indigenous and Northern Affairs Canada ("INAC") to allow Nation members to access capital to purchase a home located on reserve land. Participants either borrow capital from BMO or directly from the Nation through the program. The loans through the program have been issued at a rate of 3.00% (2016 - 6.00%).

Since all loans are in default due to late payment, the full amount has been reported as current. The loans have no security.

8. Investments in First Nation business partnerships and corporate business entities

The First Nation has investments in the following entities:

	<i>Investment balance, beginning of year</i>	<i>Withdrawals</i>	<i>Share of earnings (loss)</i>	<i>2017 Investment balance, end of year</i>
Wholly-owned Businesses:				
KDC Management Corp. - 100%	5,285	-	4,575	9,860
Portfolio investment, at cost:				
La Ronge Wild Rice Corporation - 23.2%	99,287	-	-	99,287
First Nation business partnerships				
Kitsaki Development Limited Partnership - 99.9%	39,823,278	(2,500,000)	1,816,923	39,140,201
Kitsaki Management Limited Partnership - 99.9%	41,495,089	-	2,365,325	43,860,414
	81,422,939	(2,500,000)	4,186,823	83,109,762
	<i>Investment balance, beginning of year</i>	<i>Withdrawals</i>	<i>Share of earnings (loss)</i>	<i>2016 Investment balance, end of year</i>
Wholly-owned Businesses:				
KDC Management Corp. - 100%	6,140	-	(855)	5,285
Portfolio investment, at cost:				
La Ronge Wild Rice Corporation - 23.2%	99,287	-	-	99,287
First Nation business partnerships				
Kitsaki Development Limited Partnership - 99.9%	42,037,839	(2,500,000)	285,439	39,823,278
Kitsaki Management Limited Partnership - 99.9%	40,202,283	-	1,292,806	41,495,089
	82,345,549	(2,500,000)	1,577,390	81,422,939

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

8. Investments in Nation business partnerships and corporate business entities *(Continued from previous page)*

Summary financial information for the Kitsaki Group owned by the Nation, which is accounted for using the modified equity method, is as follows:

	<i>Kitsaki Group As at March 31, 2017</i>
Assets	
Liquid assets	72,835,698
Accounts receivable	8,084,192
Inventory	869,697
Investments and other assets	8,471,156
Property, plant and equipment	9,626,800
Total assets	99,887,543
Liabilities	
Accounts payable and accruals	6,129,220
Total liabilities	6,129,220
Non-controlling interest	10,710,454
Net assets	83,047,869
Total revenue	64,213,934
Total expenses	58,644,756
	5,569,178
Allocated to non-controlling interest	(1,386,930)
Comprehensive income	4,182,248

9. Ottawa Trust funds

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

	2017	2016
Capital Trust		
Balance, beginning of year	210,816	45,968
Gravel royalties	49,603	164,848
Less: Transfers to Nation	68,000	-
Balance, end of year	192,419	210,816
Revenue Trust		
Balance, beginning of year	314,022	216,303
Interest	7,979	9,395
Land leases	439,910	432,324
	761,911	658,022
Less: Transfers to Nation	505,000	344,000
Balance, end of year	256,911	314,022
	449,330	524,838

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

9. Ottawa Trust funds *(Continued from previous page)*

BCR 2016/17-19 - Transfer to Nation of \$68,000 - expenditures included in repairs and maintenance and supplies in Schedule 8.

BCR 2016/17-20 - Transfer to Nation of \$175,000 - expenditures included in loan payments and capital purchases in Schedule 1.

BCR 2016/17-5 - Transfer to Nation of \$100,000 - expenditure included in loan payments.

BCR 2016/17-50 - Transfer to Nation of \$180,000 - expenditures included in Band Support in Schedule 3.

BCR 2016/17-45 - Transfer to Nation of \$50,000 - expenditure included in loan payments.

10. Available credit

The Nation has an operating loan amounting to \$nil (2016 - \$nil) included in cash resources, authorized to a maximum of \$2,000,000 for the total of the La Ronge Reserve, Stanley Mission Reserve, Little Red River Reserve, Hall Lake Reserve, and Grandmother's Bay Reserve. This operating loan is due on demand and interest is payable monthly at prime. This loan is secured by all assets of the Lac La Ronge Indian Band.

The Nation's proprietorships have operating loans with authorized maximum's of \$165,000 (2016 - \$215,000). These operating loans are due on demand and interest is payable monthly at prime. The Nation's proprietorships also have \$240,000 (2016 - \$165,000) of letters of credit issued to various suppliers. Fees are 0.8%, minimum of \$1,000, plus out of pocket costs.

The Nation uses corporate credit cards to facilitate operations which combined have a maximum credit of \$110,000 (2016 - \$95,000).

During the year, the Nation attained a revolving term facility for the purchase and-or repair of vehicles with a maximum of advances to not exceed \$1,500,000. As of March 31, 2017, \$695,563 had been drawn on the revolving term facility.

All above bank indebtedness are secured by additional Band Council Resolutions requesting credit and assigning government funding to be deposited to the Canadian Imperial Bank of Commerce.

11. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Net changes</i>	<i>Balance, end of year</i>
GMB - INAC major capital projects	13,791	352,709	366,500
LRR - INAC major capital projects	420,398	(180,500)	239,898
LA - INAC major capital projects	3,394,355	808,781	4,203,136
STM - INAC major capital projects	251,320	2,120,894	2,372,214
NLCDC grants	332,251	(320,051)	12,200
Ammo and twine settlement	97,289	-	97,289
Elders home	256,080	8,859	264,939
Other	466,291	53,704	519,995
	5,231,775	2,844,396	8,076,171

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

12. Long-term debt

	2017	2016
Canadian Imperial Bank of Commerce ("CIBC") demand loan, repayable in annual payments of \$242,667, plus accrued interest at prime. Matures in 2030.	3,397,333	880,985
Canada Mortgage and Housing Corporation ("CMHC") mortgage, 1.17%, repayable in monthly installments of \$19,230 blended principal and interest. Loan is guaranteed by the Government of Canada. Matures in 2031 and renews in 2022.	2,924,166	3,120,466
CMHC mortgage, 2.02%, repayable in monthly installments of \$16,101 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2018.	1,967,975	2,120,023
CMHC mortgage, 2.11%, repayable in monthly installments of \$14,098 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2019.	1,748,997	1,880,015
CMHC mortgage, 1.85%, repayable in monthly installments of \$12,815 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2019.	1,705,497	1,826,701
CMHC mortgage, 3.00%, repayable in monthly installments of \$1,207 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2027 and renews in 2023.	1,519,778	-
CMHC mortgage, 1.04%, repayable in monthly installments of \$9,903 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2031 and renews in 2021.	1,504,868	1,607,545
CMHC mortgage, 1.80%, repayable in monthly installments of \$13,448 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2026 and renews in 2017.	1,408,194	1,543,379
CIBC demand loan, interest at prime, repayable in monthly installments to be determined upon completion of project, blended principal and interest. Loan is authorized to \$2,156,884. Matures ten years after completion of project.	1,313,190	1,430,000
CMHC mortgage, 1.71%, repayable in monthly installments of \$9,704 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2027 and renews in 2017.	1,118,753	1,215,288
CMHC mortgage, 1.64%, repayable in monthly installments of \$5,630 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2032 and renews in 2017.	893,122	945,707
CMHC mortgage, 1.08%, repayable in monthly installments of \$6,634 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2026 and renews in 2016.	640,229	712,526

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

	2017	2016
CMHC mortgage, 2.35%, repayable in monthly installments of \$4,630 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2018.	552,578	594,703
CMHC mortgage, 1.53%, repayable in monthly installments of \$3,766 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2018.	447,798	485,861
CMHC mortgage, 1.64%, repayable in monthly installments of \$1,877 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2032 and renews in 2017.	297,678	315,207
CIBC demand loan, repayable in principal only monthly installments of \$4,583, plus interest at prime rate. A general security agreement has pledged as collateral. Matures in October 2021.	252,083	-
CIBC demand loan, repayable in monthly installments of \$4,167 plus accrued interest at 2.7%. Due in 2022.	250,000	-
CIBC demand loan, repayable in quarterly installments of \$12,500 plus accrued interest at 2.7%. Due in 2021.	225,000	-
CIBC demand loan, repayable in monthly installments of \$4,150, plus accrued interest at 2.7%. Matures in 2020.	195,833	245,834
CIBC demand loan, repayable in monthly installments of \$3,200 plus accrued interest at 2.7%. Due in 2022.	192,000	-
CIBC demand loan, payable in annual installments of \$40,000 with interest paid monthly at bank prime rate, secured by general security agreement. Due in April 2020.	160,000	200,000
CIBC mortgage, 6.14%, repayable in monthly installments of \$5,302 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2019.	156,451	208,527
CIBC demand loan, interest at prime, repayable in monthly installments of \$3,000, plus monthly interest. Matures in 2023.	153,550	203,350
CMHC mortgage, 1.67%, repayable in monthly installments of \$1,221 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2018.	135,887	148,168
CIBC demand loan, repayable in principal only quarterly installments of \$7,500, plus interest at prime rate. A general security agreement has pledged as collateral. Matures in July 2021.	135,000	-
CIBC demand loan, repayable in principal only monthly installments of \$8,333, plus interest at prime rate. A general security agreement has pledged as collateral. Matures in July 2018.	133,333	233,333
CIBC term loan, interest at prime, repayable in monthly installments of \$2,585, plus monthly interest. Matures in 2021.	104,001	141,000

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

	2017	2016
CIBC demand loan, repayable in principal only quarterly installments of \$5,000, plus interest at prime rate. A general security agreement has pledged as collateral. Matures in July 2021.	90,000	-
CIBC mortgage, 3.89%, repayable in monthly installments of \$7,654 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2018.	89,964	176,528
CIBC demand loan, interest at prime, repayable in annual principal installments of \$25,000 plus interest. Matures in 2021.	85,000	110,000
CIBC demand loan, interest at prime, repayable in monthly installments of \$2,791, plus monthly interest. Matures in 2020.	75,972	108,608
CIBC mortgage, 6.14%, repayable in monthly installments of \$1,787 blended principal and interest. Matures in 2020.	69,878	86,530
CIBC mortgage, 4.74%, repayable in monthly installments of \$11,050 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2018 and renews in 2017.	68,920	195,055
CIBC term loan, interest at prime, repayable in monthly installments of \$4,150, plus monthly interest. Matures in 2017.	53,650	71,050
Ford Credit loan, payable in monthly installments of \$981 with interest paid monthly at 5.59%, secured with assets purchased by the loan. Due in January 2020.	29,913	39,720
CIBC mortgage, 3.89%, repayable in monthly installments of \$8,540 blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2018 and renews in 2017.	25,458	124,873
Ford Credit loan due on demand, payable in monthly installments of \$809 with interest paid monthly at 4.19%, secured with assets purchased by the loan. Due September 2019.	23,048	31,546
CIBC demand loan, interest at prime, repayable in monthly principal installments of \$2,792 plus interest. Matures in 2018.	11,166	44,666
CIBC demand revolving capital loan, repayable in monthly installments of \$992 plus accrued interest at prime. Due 2018.	8,954	22,808
Ford Credit loan, payable in monthly installments of \$884 with interest paid monthly at 5.49%, secured by assets purchased with the loan. Matures in April 2018.	5,205	15,230
CIBC demand loan, payable in annual installments of \$50,000 with interest paid monthly at 3%, secured by general security agreement. Due in January 2017.	730	26,434
Ford Credit loan, payable in monthly installments of \$632 with interest paid monthly at 7.19%, secured with assets purchased by the loan. Due in April 2017.	628	7,881

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

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

	2017	2016
CMHC mortgage, repaid during the year.	-	733,208
CIBC demand loan, repaid during the year.	-	97,500
CMHC mortgage, repaid during the year.	-	42,360
CIBC mortgage, repaid during the year.	-	13,880
Ford Credit loan, repaid during the year.	-	8,173
Ford Credit loan, repaid during the year.	-	7,623
	24,171,780	22,022,291
Less: current portion	2,497,901	2,350,658
	21,673,879	19,671,633

Principal repayments on long-term debt in each of the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

2018	2,497,901
2019	2,113,299
2020	1,858,512
2021	1,696,196
2022	1,365,484

All above CIBC loans (except for mortgages which are secured by Government of Canada guarantees) are secured by a Band Council Resolution directing all present and future INAC funding to CIBC for deposit to the Nation's accounts at CIBC and a general security agreement over all property.

Prime rate as at March 31, 2017 was 2.7% (2016 - 2.7%).

Long-term debt is subject to certain covenants with respect to financial reporting. As at March 31, 2017, the Nation is not in compliance with all such covenants. However, it is not expected the covenant violation will affect the Nation's financing.

13. Contingencies

The Nation is involved in several lawsuits related to various matters. In the opinion of management, these lawsuits are without substantial merit. It is not possible at this time to make an estimate of the amount, if any, of liabilities that may result. Any future settlements or costs associated with these potential claims will be expensed in the period they become known.

As part of the Home Ownership Program, the Nation has agreed to be contingently liable to the Bank of Montreal for outstanding housing loans of members to a maximum of \$5.5 million. Any future settlements or costs associated with these potential claims will be expensed in the period they become known.

As part of the Home Ownership Program, the Nation has agreed to be contingently liable to the Royal Bank of Canada for outstanding housing loans of members to a maximum of \$2 million. Any future settlements or costs associated with these potential claims will be expensed in the period they become known.

The Nation has provided indemnities in favour of individuals acting as directors of the investment corporations held by the Nation.

Kitsaki Development Limited Partnership and Kitsaki Management Limited Partnership have paid expenses related to treaty land entitlement on behalf of the Nation. These amounts may be repayable by the Nation upon successful resolution of this matter. The total subject to recovery as at March 31, 2017 is \$4,466,545 (2016 - \$4,309,358).

14. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Infrastructure includes various projects which were not complete at March 31, 2017, with carrying values totaling \$6,006,271 (2016 - \$4,715,772). No amortization of these assets has been recorded because they are currently under construction.

The Nation's CMHC Housing Program has 138 houses with a net book value of \$269,282 which are no longer part of an operating agreement with CMHC. As a result, there is neither rent charged nor any subsidy received for these properties. The properties are available for use by members of the Lac La Ronge Indian Band, and in some cases are available for ownership if certain conditions are met. During the year, ownership of 32 houses (2016 - 5 house) were transferred to Lac La Ronge Indian Band members through the home ownership program, in recognition of long-term compliance with the CMHC rental program. An additional one house which is not part of the CMHC rental program was also transferred to Lac La Ronge Indian Band members through the home ownership program.

Tangible capital assets include certain infrastructure assets, specifically older roads and water and sewer assets disclosed at a nominal amount.

The Nation holds works of art from community members contributed to the Nation and historical treasures of a cultural value, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. Accumulated surplus

The Nation designates and tracks separately the following funds and reserves in accordance with internal management policies. These funds are designated to assist with fund management and to comply with legislation.

	2017	2016
Equity in Ottawa Trust funds		
Balance, beginning of year	524,838	262,271
Income earned	497,492	606,567
Withdrawals	(573,000)	(344,000)
	449,330	524,838
Equity in externally restricted reserves (CMHC and Health Canada)		
Balance, beginning of year	5,101,895	5,483,792
Contributions	272,928	584,463
Withdrawals	(269,907)	(966,360)
	5,104,916	5,101,895
Equity in tangible capital assets		
Balance, beginning of year	81,928,206	85,238,402
Amortization	(10,103,550)	(10,711,959)
Purchases	13,701,600	7,441,086
Disposals	(92,528)	(44,119)
Loan advances	(4,730,251)	(2,403,972)
Loan advances receivable (net)	-	213,213
Loan repayments	2,805,762	2,195,555
	83,509,239	81,928,206
Equity in business investments		
Balance, beginning of year	81,422,939	82,345,549
Income earned	4,186,823	1,577,390
Withdrawals	(2,500,000)	(2,500,000)
	83,109,762	81,422,939
Equity in unrestricted and internally restricted accumulated surplus (Note 16)		
Balance, beginning of year	10,887,396	11,710,449
Transfer from (to) equity in Ottawa Trust funds	75,508	(262,567)
Transfer from (to) equity in externally restricted reserves	(3,021)	381,897
Transfer from (to) equity in tangible capital assets	(1,581,033)	3,310,196
Transfer from (to) equity in business investments	(1,686,823)	922,610
Current year surplus (deficit)	3,965,385	(5,175,189)
	11,657,412	10,887,396
	183,830,659	179,865,274

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

15. Accumulated surplus *(Continued from previous page)*

The Ottawa Trust funds are revenues received in trust by INAC from land rents which haven't been designated for specific expenditures and are held on account by the Government of Canada in Ottawa.

The externally restricted reserves are replacement and operating reserves required to be funded for future capital replacements and program operations, as per agreements with CMHC and Health Canada.

The invested in capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating capital assets that will be used to provide future services.

The business investments amount represents equity in investments not readily available for operational cash flows as the investments are not likely to be liquidated within the next year.

The internally restricted reserves represents amounts designated by the Nation for specified future uses and are funded by designated cash as per note 3.

The unrestricted operating surplus represents amounts available to offset future operational revenue requirements (if deficit, future revenue required for past operational activities).

16. Unrestricted and internally restricted accumulated surplus

	2017	2016
General operations (includes band governance, education, and infrastructure and facilities)		
Grandmother's Bay	(9,753)	(201,996)
La Ronge	1,996,251	961,482
Little Red	23,544	139,846
Stanley Mission	169,950	131,688
	2,179,992	1,031,020
Health operations		
La Ronge	539,528	677,752
Stanley Mission	(6,940)	296,105
	532,588	973,857
Retail operations		
La Ronge	636,099	372,228
Stanley Mission	3,128,028	2,756,961
Little Red	(263,663)	(208,361)
	3,500,464	2,920,828
Government partnerships		
La Ronge	174,124	720,867
Little Red	(50)	(50)
	174,074	720,817
Internally restricted		
Stanley Mission - Economic development	2,000,000	2,000,000
La Ronge - Health capital replacement	3,270,294	3,240,874
	5,270,294	5,240,874

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

17. Federal government funding

	2017	2016
Indigenous and Northern Affairs Canada		
INAC per confirmation	59,465,196	53,544,400
Add: major capital deferred from prior year	3,663,282	298,227
Less: major capital deferred to future years	(6,765,166)	(3,600,919)
	56,363,312	50,241,708
Health Canada (FNIHB)		
Health Canada per confirmation	11,912,575	11,597,946
Canada Mortgage and Housing Corporation		
S95 loan subsidy	1,723,494	1,703,120
RRAP contributions	776,547	263,349
Retrofit funding	500,000	-
	3,000,041	1,966,469
	71,275,928	63,806,123

18. Economic dependence

Lac La Ronge Indian Band receives a significant portion of its revenues 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 Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these Treaties.

19. Related party transactions

During the year, the Nation conducted sales and purchases with related entities that are proprietorships, partnerships, and corporations under the control of Lac La Ronge Indian Band. All sales and purchases were undertaken at normal market prices for similar goods and services and have been reported as revenue or expenses in the financial statements at the exchange amounts and have not been eliminated between segments as per Schedules 3 to 9.

20. Budget information

The disclosed budget information was approved by the Chief and Council as follows:

Grandmother's Bay Reserve - November 2016

La Ronge Reserve - March 2016

Little Red Reserve - March 2016

Stanley Mission Reserve - August 2016

The disclosed budget information is required to be presented on the same basis as the actual results, therefore \$157,922 of budgeted loan repayments and \$2,122,276 of budget capital purchases have been removed from the budgeted expenses as presented on the Statement of Operations.

The Nation has not budgeted for its CMHC housing program, other small programs including home ownership and daycare, its proprietorships, and its government partnerships. The Nation budgeted for its investment income from business partnerships on the basis of cash withdrawals from the investment instead of the income earned using the modified equity method.

21. Commitments

The Nation has committed to the installation of natural gas to the La Ronge Reserve. The expected total costs for the project is \$4,162,621. INAC has agreed to provide 43.5% of the funding, or \$1,931,300. The remaining funding will be financed from a loan from Canadian Imperial Bank of Commerce ("CIBC"). As of March 31, 2017, \$1,313,190 (2016 - \$1,430,000) has been drawn on the loan from CIBC, which is authorized to \$2,156,884. As of March 31, 2017, \$3,330,662 has been committed for the installation and \$1,931,300 has been received from INAC. The project is expected to be completed in the fiscal year ending March 31, 2020.

The Nation has committed to the completion of a water treatment plant upgrade and other capital infrastructure projects which are expected to be fully funded by INAC.

22. Compliance with authorities

The Nation is required to make its financial statements publicly available and submit its consolidated financial statements to Aboriginal Affairs and Northern Development Canada by July 29, 2017. As the audit report is dated after July 29, 2017, the Nation is in breach of this requirement. The possible effect of this breach has not yet been determined.

These financial statements are subject to review by the Nation's funding agents. It is possible that adjustments could be made based on the results of their reviews.

Lac La Ronge Indian Band
Notes to the Consolidated Financial Statements
For the year ended March 31, 2017

23. Retail sales

	2017	2016
Gross sales		
Amachewespimawin Gas Bar	4,120,242	3,877,713
Hall Lake Gas Bar	1,897,009	1,627,599
Little Red River Gas Bar	64,970	-
Little Red Sand and Gravel Ltd.	67,599	180,228
Keethanow Bingo North Inc.	2,819,600	2,666,299
Keethanow Corner Grocery	830,020	842,680
Keethanow Gas Bar	5,409,119	4,863,898
Keethanow Lumber and Furniture	2,744,640	3,006,646
Keethanow Supermarket	3,328,466	3,627,610
Sucker River Gas Bar	773,692	788,947
	22,055,357	21,481,620
Cost of sales		
Amachewespimawin Gas Bar	(2,969,260)	(2,944,189)
Hall Lake Gas Bar	(1,447,349)	(1,127,050)
Little Red River Gas Bar	(52,476)	-
Little Red Sand and Gravel Ltd.	(33,191)	-
Keethanow Bingo North Inc.	(1,724,214)	(1,640,589)
Keethanow Corner Grocery	(668,130)	(673,794)
Keethanow Gas Bar	(4,266,182)	(3,772,752)
Keethanow Lumber and Furniture	(1,938,591)	(2,392,863)
Keethanow Supermarket	(2,434,048)	(2,725,947)
Sucker River Gas Bar	(587,742)	(584,233)
	(16,121,183)	(15,861,417)
	5,934,174	5,620,203

Lac La Ronge Indian Band
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2017

	<i>Buildings</i>	<i>Housing</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Purchased land</i>	<i>2017</i>	<i>2016</i>
Cost							
Balance, beginning of year	93,735,629	90,754,970	19,685,812	87,687,977	61,368	291,925,756	285,161,606
Acquisition of tangible capital assets	3,741,673	3,223,216	1,614,530	5,122,181	-	13,701,600	7,441,086
Disposal of tangible capital assets	(540,121)	(410,410)	(253,606)	-	-	(1,204,137)	(676,936)
Balance, end of year	96,937,181	93,567,776	21,046,736	92,810,158	61,368	304,423,219	291,925,756
Accumulated amortization							
Balance, beginning of year	66,825,276	52,429,292	14,512,725	54,207,966	-	187,975,259	177,896,117
Annual amortization	2,981,405	2,896,187	1,302,297	2,923,661	-	10,103,550	10,711,959
Accumulated amortization on disposals	(497,281)	(404,875)	(209,453)	-	-	(1,111,609)	(632,817)
Balance, end of year	69,309,400	54,920,604	15,605,569	57,131,627	-	196,967,200	187,975,259
Net book value of tangible capital assets	27,627,781	38,647,172	5,441,167	35,678,531	61,368	107,456,019	103,950,497
2016 Net book value of tangible capital assets	26,910,356	38,325,676	5,173,089	33,480,008	61,368	103,950,497	

Lac La Ronge Indian Band
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2017

	2017 Budget (Note 20)	2017	2016
Consolidated expenses by object			
Salaries and benefits	36,238,909	40,748,663	39,636,824
Social assistance	11,441,865	11,344,967	11,411,676
Amortization	-	10,103,550	10,711,958
Repairs and maintenance	4,820,658	4,863,795	4,120,928
Tuition	3,092,342	3,134,982	3,504,763
Band support	5,047,247	2,865,781	2,992,072
Supplies	2,678,344	3,462,529	2,936,486
Student expenses	2,627,278	2,964,858	2,860,416
Program expense	2,791,463	3,305,689	2,600,170
Utilities	2,721,450	2,595,681	2,464,269
Travel, meetings and honoraria	2,146,059	2,923,696	2,427,184
Contracted services	701,190	1,693,035	1,688,282
Professional development	1,800,844	1,632,869	1,415,992
Renovation materials	2,221,200	2,198,102	1,249,619
Transportation	1,192,926	1,278,964	1,190,763
Miscellaneous	1,129,653	1,412,781	1,146,847
Bad debts (recovery)	-	314,796	908,461
Professional fees	565,461	625,810	706,284
Office supplies and expenses	499,954	922,351	695,320
Community donations	86,000	574,128	620,451
Insurance	459,158	621,708	617,084
Telephone	448,765	451,796	462,107
Interest on long-term debt	241,731	397,010	382,601
Community events	552,548	465,033	319,203
Rent	305,901	434,897	228,626
Bank charges and interest	156,500	290,798	206,311
Administration	381,698	295,839	80,265
Consulting	-	-	10,703
Inter-department sales / allocation	-	5,994	(102,661)
	84,349,144	101,930,102	97,493,004

Lac La Ronge Indian Band
Band Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	<i>2017 Budget (Note 20)</i>	<i>2017</i>	<i>2016</i>
Revenue			
Indigenous and Northern Affairs Canada	10,709,244	10,225,252	9,306,176
First Nations Trust (SIGA gaming allocation)	3,165,000	3,245,350	4,577,988
Miscellaneous	1,068,814	1,112,240	883,544
Grants and donations	970,018	973,090	952,396
Prince Albert Grand Council	1,234,000	811,290	1,323,656
Saskatchewan Indian Institute of Technologies	800,000	801,009	455,662
Fundraising revenue	145,000	658,956	801,107
Rental income	682,159	542,633	526,961
Lease income	-	439,911	597,173
Province of Saskatchewan	106,260	200,216	215,178
Fuel and tobacco rebates (external sources)	284,828	197,855	169,673
Earnings (loss) from investment in Nation partnerships	141,300	-	-
	19,306,623	19,207,802	19,809,514

Continued on next page

Lac La Ronge Indian Band
Band Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget (Note 20)	2017	2016
Expenses			
Salaries and benefits	6,496,250	7,463,779	7,509,061
Band support	5,181,966	4,219,869	4,446,486
Program expense	2,026,874	1,652,286	1,965,500
Travel, meetings and honoraria	1,071,395	1,601,726	1,497,322
Professional development	1,259,250	1,074,541	625,076
Miscellaneous	554,556	679,872	688,963
Supplies	224,478	645,585	511,651
Amortization	-	616,398	337,388
Community events	552,548	465,033	319,203
Office supplies and expenses	341,954	390,958	314,586
Repairs and maintenance	436,532	369,081	519,159
Renovation materials	48,206	311,373	145,072
Professional fees	395,001	249,621	295,247
Rent	152,405	183,143	123,402
Bank charges and interest	146,500	182,581	81,319
Insurance	177,300	171,853	129,888
Social assistance	244,565	169,962	246,758
Telephone	171,620	158,265	163,483
Administration	213,950	144,633	49,745
Community donations	85,000	98,729	94,999
Interest on long-term debt	156,731	48,327	10,710
Transportation	15,860	42,987	38,462
Contracted services	23,000	34,497	24,153
Utilities	43,000	25,677	10,400
Student expenses	5,000	-	4,816
Bad debts (recovery)	-	(12,529)	23,962
	20,023,941	20,988,247	20,176,811
Deficit before other items	(717,318)	(1,780,445)	(367,297)
Other income (expense)			
Gain (loss) on disposal of capital assets	-	(16,545)	1,859
Deficit before transfers	(717,318)	(1,796,990)	(365,438)
Transfer between programs			
Transfer investment drawings	1,695,925	2,358,308	2,203,016
Surplus	978,607	561,318	1,837,578

Lac La Ronge Indian Band
Education

Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	<i>2017 Budget (Note 20)</i>	<i>2017</i>	<i>2016</i>
Revenue			
Indigenous and Northern Affairs Canada	15,873,006	15,990,381	16,818,609
Prince Albert Grand Council	5,975,580	5,928,913	2,701,999
Northern Lights School Division	1,110,000	1,096,710	1,120,918
Grants and donations	49,100	933,231	811,865
Saskatchewan Indian Institute of Technologies	513,000	510,948	552,222
Miscellaneous	835,530	323,973	417,735
Province of Saskatchewan	100,000	100,000	122,000
Rental income	35,000	37,494	22,104
	24,491,216	24,921,650	22,567,452
Expenses			
Salaries and benefits	13,475,345	13,892,534	13,832,236
Tuition	3,092,342	3,134,982	3,504,763
Student expenses	2,622,278	2,964,858	2,855,600
Amortization	-	1,387,765	1,375,911
Supplies	887,034	739,013	819,161
Program expense	539,358	690,382	295,858
Miscellaneous	390,417	495,685	116,654
Transportation	593,263	304,101	267,885
Travel, meetings and honoraria	300,150	276,956	235,305
Professional development	108,782	248,088	101,560
Repairs and maintenance	292,116	224,882	221,560
Administration	151,381	110,615	1,016
Telephone	73,300	84,937	85,382
Rent	73,000	74,098	86,825
Professional fees	86,400	71,343	10,417
Bank charges and interest	-	38,001	24,746
Contracted services	10,000	32,322	9,919
Utilities	18,300	29,301	29,867
Insurance	44,037	27,438	33,661
Office supplies and expenses	22,000	23,061	19,761
Consulting	-	-	10,703
Community donations	1,000	-	964
Bad debts (recovery)	-	(3,306)	40,746
Band support	(134,719)	(639,088)	(617,699)
	22,645,784	24,207,968	23,362,801
Surplus (deficit)	1,845,432	713,682	(795,349)

Lac La Ronge Indian Band
Infrastructure & Facilities
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	<i>2017 Budget (Note 20)</i>	<i>2017</i>	<i>2016</i>
Revenue			
Indigenous and Northern Affairs Canada	10,755,040	17,706,921	11,789,924
Canada Mortgage and Housing Corporation	1,234,603	3,000,041	1,966,469
Rental income	60,000	1,690,448	1,754,140
Miscellaneous	803,100	1,394,279	716,295
Grants and donations	1,043,000	818,432	762,872
Prince Albert Grand Council	108,000	91,060	-
	14,003,743	24,701,181	16,989,700
Expenses			
Amortization	-	6,885,153	7,733,482
Salaries and benefits	5,836,291	5,582,037	5,199,526
Repairs and maintenance	3,998,021	3,911,024	3,094,555
Renovation materials	2,172,994	1,886,729	1,104,548
Utilities	1,758,500	1,523,575	1,400,693
Contracted services	571,140	1,392,569	1,576,552
Supplies	956,097	1,019,235	736,191
Transportation	167,250	575,993	540,492
Interest on long-term debt	85,000	341,828	367,921
Insurance	131,621	283,665	245,796
Travel, meetings and honoraria	243,500	250,702	202,421
Office supplies and expenses	105,500	159,890	135,218
Miscellaneous	76,500	73,515	61,188
Telephone	55,500	51,673	48,633
Professional fees	15,560	43,183	87,740
Professional development	31,000	27,272	22,098
Program expense	21,500	25,805	22,169
Administration	89,000	20,890	14,006
Bank charges and interest	10,000	8,850	8,193
Inter-department sales / allocation	-	5,998	(102,667)
Rent	-	860	1,171
Bad debts (recovery)	-	(28,654)	34,255
Band support	-	(740,000)	(864,356)
	16,324,974	23,301,792	21,669,825
Surplus (deficit) before other items	(2,321,231)	1,399,389	(4,680,125)
Other income (expense)			
Gain (loss) on disposal of capital assets	-	10,100	49,312
Surplus (deficit) before transfers	(2,321,231)	1,409,489	(4,630,813)
Transfers between programs			
Transfer investment drawings	171,000	141,692	296,984
Surplus (deficit)	(2,150,231)	1,551,181	(4,333,829)

Lac La Ronge Indian Band
Health

Schedule 6 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2017

	2017 Budget (Note 20)	2017	2016
Revenue			
Health Canada	10,800,768	11,912,575	11,597,946
Indigenous and Northern Affairs Canada	325,000	325,000	325,000
Rental income	1,016,092	1,114,202	1,030,401
Miscellaneous	561,932	566,385	445,652
Prince Albert Grand Council	77,513	84,358	84,358
	12,781,305	14,002,520	13,483,357
Expenses			
Salaries and benefits	10,431,023	10,321,692	10,006,058
Program expense	203,731	937,215	316,644
Amortization	-	928,056	1,015,068
Supplies	610,735	801,054	734,393
Travel, meetings and honoraria	531,014	682,681	357,293
Transportation	416,553	346,028	343,925
Professional development	401,812	257,815	654,577
Utilities	142,650	158,527	131,702
Contracted services	97,050	140,097	41,608
Telephone	148,345	111,630	122,573
Repairs and maintenance	93,989	105,608	97,447
Professional fees	68,500	69,361	112,358
Insurance	106,200	68,552	106,973
Rent	80,496	59,533	65,728
Miscellaneous	38,030	54,738	162,268
Office supplies and expenses	30,500	34,424	35,500
Administration	(72,633)	19,701	15,498
Bad debts (recovery)	-	4,492	31,412
	13,327,995	15,101,204	14,351,025
Deficit before other items	(546,690)	(1,098,684)	(867,668)
Other income (expense)			
Gain (loss) on disposal of capital assets	-	11,989	3,998
Deficit	(546,690)	(1,086,695)	(863,670)

Lac La Ronge Indian Band
Social Assistance
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	<i>2017 Budget (Note 20)</i>	<i>2017</i>	<i>2016</i>
Revenue			
Indigenous and Northern Affairs Canada	12,078,000	12,115,757	12,001,999
Miscellaneous	500	2,175	200
	12,078,500	12,117,932	12,002,199
Expenses			
Social assistance	11,197,300	11,175,005	11,164,917
Utilities	759,000	732,801	770,053
Miscellaneous	70,150	61,481	72,499
	12,026,450	11,969,287	12,007,469
Surplus (deficit)	52,050	148,645	(5,270)

Lac La Ronge Indian Band
Retail Operations
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	2017 Budget (Note 20)	2017	2016
Revenue			
Retail sales, net (Note 23)	-	5,934,174	5,620,203
Other retail revenue	-	817,860	212,104
Miscellaneous	-	-	877
	-	6,752,034	5,833,184
Expenses			
Salaries and benefits	-	3,488,621	3,089,943
Community donations	-	475,399	524,489
Bad debts (recovery)	-	354,793	778,086
Office supplies and expenses	-	314,017	190,255
Amortization	-	286,178	250,110
Supplies	-	257,641	135,089
Repairs and maintenance	-	253,200	188,207
Professional fees	-	192,302	200,522
Utilities	-	125,801	121,554
Rent	-	117,263	(48,500)
Travel, meetings and honoraria	-	111,631	134,843
Contracted services	-	93,550	36,050
Insurance	-	70,199	100,766
Bank charges and interest	-	61,366	92,054
Miscellaneous	-	47,490	45,275
Telephone	-	45,291	42,036
Professional development	-	25,153	12,681
Band support	-	25,000	27,642
Transportation	-	9,854	-
Interest on long-term debt	-	6,855	3,971
	-	6,361,604	5,925,073
Surplus (deficit) before other items	-	390,430	(91,889)
Other income (expense)			
Gain (loss) on disposal of capital assets	-	-	(150)
Surplus (deficit)	-	390,430	(92,039)

Lac La Ronge Indian Band
Investments

Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2017

	<i>2017 Budget (Note 20)</i>	<i>2017</i>	<i>2016</i>
Revenue			
Earnings (loss) from investment in Nation partnerships	1,866,925	4,182,248	1,578,245
Earnings (loss) from investment in Nation business entities	-	4,575	(855)
	1,866,925	4,186,823	1,577,390
Surplus before transfers	1,866,925	4,186,823	1,577,390
Transfers between programs			
Transfer investment drawings	(1,866,925)	(2,500,000)	(2,500,000)
Surplus (deficit)	-	1,686,823	(922,610)