

**Lac La Ronge Indian Band**  
**Consolidated Financial Statements**  
*March 31, 2019*



# Lac La Ronge Indian Band

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*For the year ended March 31, 2019*

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## Management's Responsibility

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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 the appointment of the Nation's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council 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.

January 13, 2020

(Signature on file)

Gladys Christiansen, Executive Director

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## **Independent Auditor's Report**

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To the Members of Lac La Ronge Indian Band:

### **Opinion**

We have audited the consolidated financial statements of Lac La Ronge Indian Band (the "Nation"), which comprise the consolidated statement of financial position as at March 31, 2019, and the consolidated statements of operations, accumulated surplus, changes in net financial assets, cash flows and the related schedules 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 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 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 Chief and Council 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 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.

Chief and Council are responsible for overseeing the 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.

## Independent Auditor's Report

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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 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 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 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 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.

Prince Albert, Saskatchewan

January 20, 2020

*MNP LLP*

Chartered Professional Accountants

**Lac La Ronge Indian Band**  
**Consolidated Statement of Financial Position**  
*As at March 31, 2019*

	2019	2018
<b>Financial assets</b>		
<b>Current</b>		
Cash resources (Note 4)	15,145,498	11,802,312
Temporary cash investments	49,554	49,188
Accounts receivable (Note 5)	24,067,710	6,768,361
Inventory for resale (Note 6)	2,574,214	1,897,595
Restricted cash (Note 7)	16,505,098	11,533,855
Home ownership program loans receivable (Note 8)	260,705	74,873
	<b>58,602,779</b>	32,126,184
Investments in Nation business partnerships and corporate business entities (Note 9)	90,589,214	86,097,644
Restricted cash (Note 7)	3,678,198	3,551,150
Funds held in Trust (Note 10)	1,530,658	1,907,024
	<b>154,400,849</b>	123,682,002
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accruals	12,057,195	6,260,916
Deferred revenue (Note 12)	27,212,550	13,997,871
Current portion of long-term debt (Note 13)	7,140,061	2,928,422
	<b>46,409,806</b>	23,187,209
Long-term debt (Note 13)	20,166,206	19,393,537
	<b>66,576,012</b>	42,580,746
<b>Net financial assets</b>	<b>87,824,837</b>	81,101,256
<b>Contingencies (Note 14)</b>		
<b>Non-financial assets</b>		
Tangible capital assets (Note 15) (Schedule 1)	125,130,649	111,088,118
Prepaid expenses	405,288	242,801
	<b>125,535,937</b>	111,330,919
<b>Accumulated surplus (Note 16)</b>	<b>213,360,774</b>	192,432,175
<b>Approved on behalf of the Council</b>		
<u>(Signature on file)</u> Chief	<u>(Signature on file)</u> Councilor	

# Lac La Ronge Indian Band

## Consolidated Statement of Operations and Accumulated Surplus

*For the year ended March 31, 2019*

	<i>Schedules</i>	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>				
Federal government funding (Note 18)				
Indigenous Services Canada		<b>64,297,006</b>	<b>72,025,861</b>	59,713,586
Health Canada		<b>14,420,198</b>	<b>16,596,006</b>	12,573,094
Canada Mortgage and Housing Corporation		<b>2,058,862</b>	<b>2,329,266</b>	2,256,469
		<b>80,776,066</b>	<b>90,951,133</b>	74,543,149
Prince Albert Grand Council		<b>6,795,011</b>	<b>7,472,089</b>	8,482,640
Earnings from investment in Nation business partnerships (Note 9)		<b>2,500,000</b>	<b>6,993,393</b>	5,488,922
Miscellaneous		<b>6,106,625</b>	<b>6,106,462</b>	5,334,375
Retail sales, net (Note 24)		-	<b>6,195,409</b>	5,475,777
First Nations Trust (SIGA gaming allocation)		<b>3,477,066</b>	<b>3,373,977</b>	3,393,903
Rental income		<b>3,259,145</b>	<b>3,187,416</b>	3,150,072
Grants and donations		<b>650,000</b>	<b>2,061,025</b>	2,201,895
Northern Lights School Division		<b>1,852,526</b>	<b>1,496,420</b>	1,178,364
Saskatchewan Indian Institute of Technologies		<b>1,443,053</b>	<b>1,283,843</b>	633,727
Other retail revenue		-	<b>705,916</b>	577,529
Fundraising revenue		<b>162,000</b>	<b>615,067</b>	511,216
Lease income		-	<b>552,009</b>	357,765
Province of Saskatchewan		<b>83,782</b>	<b>183,011</b>	192,448
Cameco Revenue Trust		-	-	1,701,616
Loss from investment in Nation business entities (Note 9)		-	<b>(1,823)</b>	(1,040)
		<b>107,105,274</b>	<b>131,175,347</b>	113,222,358
<b>Program expenses</b>				
Band Governance	3	<b>23,084,837</b>	<b>23,268,584</b>	21,672,049
Education	4	<b>30,832,058</b>	<b>32,114,277</b>	27,096,350
Infrastructure & Facilities	5	<b>24,420,756</b>	<b>21,105,559</b>	22,048,032
Health	6	<b>16,199,360</b>	<b>16,633,267</b>	15,894,647
Social Assistance	7	<b>12,190,570</b>	<b>11,370,536</b>	11,968,943
Retail Operations	8	-	<b>5,618,920</b>	5,900,394
		<b>106,727,581</b>	<b>110,111,143</b>	104,580,415
<b>Surplus before other items</b>		<b>377,693</b>	<b>21,064,204</b>	8,641,943
<b>Other items</b>				
Loss on disposal of tangible capital assets		-	<b>(135,605)</b>	(40,426)
<b>Surplus</b>		<b>377,693</b>	<b>20,928,599</b>	8,601,517
<b>Accumulated surplus, beginning of year</b>		<b>192,432,175</b>	<b>192,432,175</b>	183,830,658
<b>Accumulated surplus, end of year (Note 16)</b>		<b>192,809,868</b>	<b>213,360,774</b>	192,432,175

## Lac La Ronge Indian Band

### Consolidated Statement of Changes in Net Financial Assets

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Annual surplus</b>	<b>377,693</b>	<b>20,928,599</b>	<b>8,601,517</b>
Purchases of tangible capital assets	<b>(2,372,994)</b>	<b>(23,310,939)</b>	<b>(13,403,388)</b>
Amortization of tangible capital assets	<b>4,831,602</b>	<b>8,821,528</b>	<b>9,458,812</b>
Loss on disposal of tangible capital assets	<b>-</b>	<b>135,605</b>	<b>40,426</b>
Proceeds of disposal of tangible capital assets	<b>-</b>	<b>311,275</b>	<b>272,051</b>
Acquisition of prepaid expenses	<b>-</b>	<b>(405,288)</b>	<b>(242,801)</b>
Use of prepaid expenses	<b>-</b>	<b>242,801</b>	<b>195,871</b>
<b>Increase in net financial assets</b>	<b>2,836,301</b>	<b>6,723,581</b>	<b>4,922,488</b>
<b>Net financial assets, beginning of year</b>	<b>81,101,256</b>	<b>81,101,256</b>	<b>76,178,768</b>
<b>Net financial assets, end of year</b>	<b>83,937,557</b>	<b>87,824,837</b>	<b>81,101,256</b>



**Lac La Ronge Indian Band**  
**Consolidated Statement of Cash Flows**  
*For the year ended March 31, 2019*

	2019	2018
<b>Cash provided by (used for) the following activities</b>		
<b>Operating activities</b>		
Surplus	20,928,599	8,601,517
Non-cash items		
Amortization	8,821,528	9,458,812
Loss on disposal of tangible capital assets	135,605	40,426
Earnings from investment in Nation business partnerships	(6,993,393)	(5,488,922)
Loss from investment in Nation business entities	1,823	1,040
	<b>22,894,162</b>	<b>12,612,873</b>
Changes in working capital accounts		
Accounts receivable	(3,798,818)	330,336
Prepaid expenses	(162,487)	(46,930)
Inventory held for resale	(676,619)	349,925
Home ownership program loans receivable	(185,832)	129,947
Accounts payable and accruals	3,796,279	2,380,626
Deferred revenue	1,714,148	5,921,699
	<b>23,580,833</b>	<b>21,678,476</b>
<b>Financing activities</b>		
Advances of long-term debt	7,321,202	816,600
Repayment of long-term debt	(2,336,894)	(2,666,420)
	<b>4,984,308</b>	<b>(1,849,820)</b>
<b>Capital activities</b>		
Purchases of tangible capital assets	(23,310,939)	(13,403,388)
Proceeds of disposal of tangible capital assets	311,275	272,051
	<b>(22,999,664)</b>	<b>(13,131,337)</b>
<b>Investing activities</b>		
Change in Ottawa Trust funds	157,707	243,922
Change in IBA Trust funds	218,659	(1,701,616)
Withdrawal from investments in Nation business partnerships	2,500,000	2,500,000
Change in restricted cash (current)	(4,971,243)	(5,872,679)
Change in restricted cash (non-current)	(127,048)	2,201,232
Reinvestment of temporary investments	(366)	(245)
	<b>(2,222,291)</b>	<b>(2,629,386)</b>
<b>Increase in cash resources</b>	<b>3,343,186</b>	<b>4,067,933</b>
<b>Cash resources, beginning of year</b>	<b>11,802,312</b>	<b>7,734,379</b>
<b>Cash resources, end of year</b>	<b>15,145,498</b>	<b>11,802,312</b>

The accompanying notes are an integral part of these financial statements

**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 and all related entities that are accountable to the Nation and are controlled by the Nation.

**2. Change in accounting policies**

Effective April 1, 2019, the Nation adopted the recommendations relating to the following Section, as set out in the CPA Canadian Public Sector Accounting Handbook:

- PS 3430 *Restructuring Transactions*

Pursuant to the recommendations, the changes were applied prospectively, and prior periods have not been restated. There was no material impact on the consolidated financial statements of adopting the new Section.

**3. 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  | - Lac La Ronge Indian Band Health Services Inc. |
| - Keethanow Gas Bar                                  | - Keethanow Lumber and Furniture                |
| - Keethanow Supermarket                              | - Sucker River Gas Bar                          |
| - Hall Lake Gas Bar                                  | - Keethanow Bingo North Inc.                    |
| - Keethanow Holdings                                 | - Keethanow Corner Grocery                      |
| - Elder Catherine Charles Long Term Care Home        |   |

**Little Red River Reserve**, including:

- |                              |                                   |
|------------------------------|-----------------------------------|
| - Administration             | - Public Works (Housing)          |
| - Little Red Gas & Tire Inc. | - Little Red Sand and Gravel Ltd. |

**Grandmother's Bay Reserve**, including:

- |                  |   |
|------------------|---|
| - Administration | - Public Works (Housing)                      |
| - Education      | - Grandmother's Bay Grocery Co-operative Ltd. |

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

**Stanley Mission Reserve**, including

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

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

- 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 9.

**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"). PAGC is an organization of twelve Nations. 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 Services 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.

**3. 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, retail and other revenues are 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.

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

**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 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 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 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.

**3. 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.

**4. Cash resources**

	<b>2019</b>	2018
Grandmother's Bay general operations	<b>95,982</b>	28,685
La Ronge general operations	<b>5,701,830</b>	1,904,912
Little Red general operations	<b>172,739</b>	(63,655)
Stanley Mission general operations	<b>3,373,916</b>	2,084,068
La Ronge and Stanley Mission health operations	<b>2,366,480</b>	4,495,722
Retail operations	<b>2,431,751</b>	1,781,611
Government partnerships	<b>1,002,800</b>	1,570,969
	<b>15,145,498</b>	11,802,312

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 (2018– \$2,000,000) of cash held in both its general operations and retail operations to be used specifically for future economic development investment.

During the year the La Ronge Reserve department of Health designated \$1,107,904 (2018 – \$3,257,829) of cash to be used specifically for future capital projects.

	<b>2019</b>	2018
Stanley Mission - economic development investment	<b>2,000,000</b>	2,000,000
La Ronge - health future capital projects	<b>1,107,904</b>	3,257,829
	<b>3,107,904</b>	5,257,829

**5. Accounts receivable**

	2019	2018
Indigenous Services Canada	14,385,510	231,220
Health Canada	1,224,304	91,594
CMHC subsidy assistance receivable	115,559	128,705
Rent receivable	3,310,366	3,133,117
Other accounts receivable	6,086,166	4,576,182
Retail operations trade receivables	2,281,442	1,743,339
	<b>27,403,347</b>	<b>9,904,157</b>
Allowance for doubtful accounts	<b>(3,335,637)</b>	<b>(3,135,796)</b>
	<b>24,067,710</b>	<b>6,768,361</b>

**6. Inventory for resale**

	2019	2018
Amachewespimawin Gas Bar	199,138	149,559
Hall Lake Gas Bar	119,691	105,663
Keethanow Bingo North Inc.	14,364	14,364
Keethanow Corner Grocery	47,673	45,834
Keethanow Gas Bar	210,082	122,320
Keethanow Lumber and Furniture	1,475,903	1,052,226
Keethanow Supermarket	363,547	288,415
Sucker River Gas Bar	49,471	53,611
Little Red Gas & Tire	36,070	37,000
Grandmother's Bay Co-operative Gas Bar	58,275	28,603
	<b>2,574,214</b>	<b>1,897,595</b>

**7. Restricted cash**

	2019	2018
<b>Current restricted cash</b>		
La Ronge Reserve - ISC major capital projects	7,474,005	3,141,487
Stanley Mission Reserve - ISC major capital projects	4,993,056	6,966,937
Grandmother's Bay Reserve - ISC major capital projects	711,548	287,586
Little Red River Reserve - ISC major capital projects	43,855	567,759
La Ronge Reserve - Health Wellness Centre	2,000,891	-
La Ronge Reserve - Bingo fundraising	152,620	152,620
Other	1,129,123	417,466
	<b>16,505,098</b>	<b>11,533,855</b>
<b>Non-current restricted cash</b>		
Fixed Subsidy (Post 1997) CMHC Program Replacement Reserve	3,087,007	2,675,840
CMHC Program Operating Reserve	591,191	875,310
	<b>3,678,198</b>	<b>3,551,150</b>

**8. Home ownership program loans receivable**

The Nation conducts a private home purchase program in partnership with the Bank of Montreal ("BMO") and Indigenous Services Canada ("ISC") 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% (2018 - 3.00%).

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

**9. Investments in First Nation business partnerships and corporate business entities**

The Nation has investments in the following entities:

	<i>Investment balance, beginning of year</i>	<i>Withdrawals</i>	<i>Share of earnings (loss)</i>	<i>2019 Investment balance, end of year</i>
<b>Wholly-owned Businesses:</b>				
KDC Management Corp. - 100%	8,820	-	(1,823)	6,997
<b>Portfolio investment, at cost:</b>				
La Ronge Wild Rice Corporation - 23.2%	99,287	-	-	99,287
<b>First Nation business partnerships</b>				
Kitsaki Development Limited Partnership - 99.9%	40,519,960	(2,500,000)	5,738,329	43,758,289
Kitsaki Management Limited Partnership - 99.9%	45,469,577	-	1,255,064	46,724,641
	<b>86,097,644</b>	<b>(2,500,000)</b>	<b>6,991,570</b>	<b>90,589,214</b>
<hr/>				
	<i>Investment balance, beginning of year</i>	<i>Withdrawals</i>	<i>Share of earnings (loss)</i>	<i>2018 Investment balance, end of year</i>
<b>Wholly-owned Businesses:</b>				
KDC Management Corp. - 100%	9,860	-	(1,040)	8,820
<b>Portfolio investment, at cost:</b>				
La Ronge Wild Rice Corporation - 23.2%	99,287	-	-	99,287
<b>First Nation business partnerships</b>				
Kitsaki Development Limited Partnership - 99.9%	39,140,201	(2,500,000)	3,879,759	40,519,960
Kitsaki Management Limited Partnership - 99.9%	43,860,414	-	1,609,163	45,469,577
	<b>83,109,762</b>	<b>(2,500,000)</b>	<b>5,487,882</b>	<b>86,097,644</b>



**9. 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, 2019</i>
<b>Assets</b>	
Liquid assets	82,784,899
Accounts receivable	7,739,864
Inventory	310,046
Investments and other assets	9,325,412
Property, plant and equipment	7,017,881
<b>Total assets</b>	<b>107,178,102</b>
<b>Liabilities</b>	
Accounts payable and accruals	4,798,304
<b>Total liabilities</b>	<b>4,798,304</b>
<b>Non-controlling interest</b>	<b>11,896,868</b>
<b>Net assets</b>	<b>90,482,930</b>
<b>Total revenue</b>	<b>45,779,464</b>
<b>Total expenses</b>	<b>37,591,850</b>
	<b>8,187,614</b>
<b>Allocated to non-controlling interest</b>	<b>1,194,221</b>
<b>Net income</b>	<b>6,993,393</b>

**10. Funds held in Trust**

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

	<b>2019</b>	<b>2018</b>
<b>Ottawa Trust Funds - Capital Trust</b>		
Balance, beginning of year	42,474	192,419
Gravel royalties	164,768	55
	<b>207,242</b>	192,474
Less: Transfers to Nation	164,768	150,000
Balance, end of year	<b>42,474</b>	42,474
<b>Ottawa Trust Funds - Revenue Trust</b>		
Balance, beginning of year	162,934	256,911
Interest	18,136	3,258
Land leases	377,156	357,765
	<b>558,226</b>	617,934
Less: Transfers to Nation	553,000	455,000
Balance, end of year	<b>5,226</b>	162,934

**10. Funds held in Trust** *(Continued from previous page)*

	<b>2019</b>	<b>2018</b>
<b>IBA Trust Funds - Community Trust</b>		
Balance, beginning of year	<b>1,701,616</b>	-
Contributions	-	1,697,500
Interest	<b>60,218</b>	5,429
Fees	<b>(17,151)</b>	(1,313)
Less: Transfers to Nation	<b>261,725</b>	-
Balance, end of year	<b>1,482,958</b>	1,701,616
	<b>1,530,658</b>	1,907,024

**Band Capital:**

BCR 2018/2019-42 - Transfer to Nation of \$164,768 - expenditures included as capital purchases in Schedule 1.

**Band Revenue:**

BCR 2017/2019-41 - Transfer to Nation of \$190,000 - expenditures included in debt repayments per Note 13.

BCR 2018/2019-68 - Transfer to Nation of \$160,000 - expenditures included in Band Support in Schedule 3.

BCR 2018/2019-88 - Transfer to Nation of \$100,000 - expenditures included in debt repayments per Note 13.

BCR 2018/2019-106 - Transfer to Nation of \$50,000 - expenditures included as capital purchases in Schedule 1.

BCR 2018/2019-105 - Transfer to Nation of \$53,000 - expenditures included in debt repayments per Note 13.

**11. Available credit**

The Nation has an operating loan amounting to \$344,102 (2018 - \$nil) included in cash resources, authorized to a maximum of \$2,200,000 (2018 - \$2,000,000 for Reserves and \$165,000 for proprietorships) for the total of the La Ronge Reserve, Stanley Mission Reserve, Little Red River Reserve, Hall Lake Reserve, and Grandmother's Bay Reserve, including certain proprietorships of the Nation. 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 also have \$643,000 (2018 - \$240,000) of letters of credit issued to various suppliers. Fees are 0.0% (2018 - 0.8%), minimum of \$250 (2018 - \$1,000), plus out of pocket costs.

The Nation uses corporate credit cards to facilitate operations which combined have a maximum credit of \$125,000 (2018 - \$120,000).

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.

During the prior 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, 2019, \$451,206 (2018 - \$596,700) had been drawn on the revolving term facility, with loan details included in Note 13.

During the prior year, the Nation attained four term instalment loans to finance the construction of 192-lot subdivisions and a multi-use office building with a maximum of advances to not exceed \$19,500,000. As of March 31, 2019, \$7,469,302 (2018 - \$600,000) had been drawn on three (2018 - one) of the term instalment loans, with the loan details included in Note 13.

During the year, the Nation attained a term instalment loan to finance the construction of a four-plex with a maximum advance of \$785,083. As of March 31, 2019, \$419,610 had been drawn on the term instalment loan, with the loan details included in Note 13.

During the year, the Nation attained a term instalment loan to finance the payment of legal costs associated with the filing of a loss benefit claim with a maximum of advances to not exceed \$1,000,000. As of March 31, 2019, \$nil had been drawn on the term instalment loan.

**12. 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 - ISC major capital projects	287,758	423,961	711,719
LRR - ISC major capital projects	404,474	(404,474)	-
LA - ISC major capital projects	5,535,617	8,800,679	14,336,296
STM - ISC major capital projects	6,956,088	671,597	7,627,685
ISC - Immediate needs housing project	-	1,530,880	1,530,880
ISC - other	-	1,767,103	1,767,103
NLCDC grants	130,370	-	130,370
Ammo and twine settlement	97,289	(97,289)	-
Elders home	270,875	(17,837)	253,038
Other	315,400	540,059	855,459
	<b>13,997,871</b>	<b>13,214,679</b>	<b>27,212,550</b>

**13. Long-term debt**

	<b>2019</b>	<b>2018</b>
CIBC demand loan, repayable in monthly instalments to be determined upon completion of the project, plus interest at prime. Term loan is authorized to \$6,600,000.	<b>3,800,000</b>	600,000
CIBC revolving capital term loan, repayment in annual payments of \$242,667, plus interest at prime. Matures in 2030.	<b>2,911,999</b>	3,138,353
CIBC term loan, repayment in monthly instalments of \$16,667, plus interest at prime. Loan payments commence once all distributions by CIBC have been made. Term loan authorized to \$4,000,000	<b>2,689,302</b>	-
Canada Mortgage and Housing Corporation ("CMHC) mortgage, 1.17%, repayable in monthly instalments of \$19,300 blended principal and interest. Loan is guaranteed by the Government of Canada. Matures in 2031 and renews in 2021.	<b>2,524,793</b>	2,725,643
CMHC mortgage, 2.48%, repayable in monthly instalments of \$16,448, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2023.	<b>1,656,859</b>	1,812,936
CMHC mortgage, 2.11%, repayable in monthly instalments of \$14,098, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2020.	<b>1,478,746</b>	1,615,289
CMHC mortgage, 1.85%, repayable in monthly instalments of \$12,815, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2029 and renews in 2020.	<b>1,456,442</b>	1,582,115
CMHC mortgage, 1.03%, repayable in monthly instalments of \$9,356, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2031 and renews in 2022.	<b>1,324,574</b>	1,422,677

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

	<b>2019</b>	<b>2018</b>
CMHC mortgage, 1.04%, repayable in monthly instalments of \$9,903, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2030 and renews in 2020.	<b>1,296,380</b>	1,401,164
CMHC mortgage, 1.48%, repayable in monthly instalments of \$13,247, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2026 and renews in 2022.	<b>1,127,889</b>	1,269,074
CIBC demand loan, repayable in annual instalments of \$145,910, plus interest at prime. Matures in 2026.	<b>1,021,365</b>	1,167,280
CIBC demand loan, repayable in monthly instalments to be determined upon completion of the project, plus interest at prime. Term loan is authorized to \$2,600,000.	<b>980,000</b>	-
CMHC mortgage, 2.5%, repayable in monthly instalments of \$10,052, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2027 and renews in 2022.	<b>923,304</b>	1,020,606
CMHC mortgage, 1.44%, repayable in monthly instalments of \$5,546, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2032 and renews in 2022.	<b>784,169</b>	839,036
CMHC mortgage, 1.08%, repayable in monthly instalments of \$6,634, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2025 and renews in 2020.	<b>493,311</b>	567,165
CMHC mortgage, 2.68%, repayable in monthly instalments of \$4,701, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2023.	<b>465,667</b>	509,487
CIBC demand loan, payable in annual instalments of \$52,339, plus interest at prime. Loan payments commence once all distributions by CIBC have been made. Term loan authorized to \$785,083.	<b>419,610</b>	-
CMHC mortgage, 2.5%, repayable in monthly instalments of \$3,938, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2028 and renews in 2023.	<b>371,191</b>	409,173
CMHC mortgage, 1.44%, repayable in monthly instalments of \$1,849, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2032 and renews in 2022.	<b>261,363</b>	279,651
CIBC demand loan, repayable in monthly instalments of \$4,167, plus interest at prime rate. Due in 2022.	<b>150,000</b>	200,000
CIBC demand loan, repayable in monthly instalments of \$4,583, plus interest at prime rate. Due in 2022.	<b>142,083</b>	197,083
CIBC demand loan, repayable in quarterly instalments of \$12,500, plus interest at prime rate. Due in 2021.	<b>125,000</b>	187,500
CIBC demand loan, repayable in monthly instalments of \$3,200, plus interest at prime rate. Due in 2022.	<b>115,200</b>	153,600

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

	<b>2019</b>	<b>2018</b>
CMHC mortgage, 1.43%, repayable in monthly instalments of \$1,207, blended principal and interest. Loan is guaranteed by Government of Canada. Matures in 2027 and renews in 2022.	<b>110,474</b>	123,278
CIBC demand loan, repayable in monthly instalments of \$4,167, plus interest at prime rate. Due in 2020.	<b>95,833</b>	145,833
CIBC demand loan, payable in annual instalments of \$22,000, plus at bank prime rate. Due in 2022.	<b>88,000</b>	110,000
CIBC demand loan, payable in annual instalments of \$40,000, plus interest at bank prime rate. Due in 2021.	<b>80,000</b>	120,000
CIBC demand loan, repayable in quarterly instalments of \$7,500, plus interest at prime rate. Due in 2022.	<b>75,000</b>	105,000
CIBC term loan, repayable in monthly instalments of \$2,961, plus interest at prime. Due in 2021.	<b>59,222</b>	92,636
CIBC demand loan, repayable in monthly instalments of \$4,150, plus interest at prime rate. Due in 2023.	<b>53,950</b>	103,750
CIBC demand loan, repayable in quarterly instalments of \$5,000, plus interest at prime rate. Due in 2022.	<b>50,000</b>	70,000
CIBC term loan, repayable in monthly instalments of \$3,000, plus interest at prime rate. Due in 2021.	<b>39,001</b>	72,000
CIBC demand loan, repayable in annual principal instalments of \$25,000, plus interest at prime rate. Due in 2021.	<b>35,000</b>	60,000
CIBC mortgage, repayable in monthly instalments of \$1,820, blended principal and interest at 2.89%. Loan is guaranteed by Government of Canada. Due in 2021.	<b>30,610</b>	51,154
CIBC mortgage, repayable in monthly instalments of \$5,732, blended principal and interest at 2.54%. Loan is guaranteed by Government of Canada. Due in 2020.	<b>29,335</b>	96,552
RBC truck loan, payable in monthly instalments of \$735, plus interest at 0%. Due in 2023.	<b>27,203</b>	-
Ford Credit loan, payable in monthly instalments of \$981, plus interest at 5.59%, secured with assets purchased by the loan. Due in 2020.	<b>8,604</b>	19,556
Ford Credit loan due on demand, payable in monthly instalments of \$809, plus interest at 4.19%, secured with assets purchased by the loan. Due in 2020.	<b>4,788</b>	14,062
CIBC demand loan, repaid during the year.	-	33,333
CIBC mortgage, repaid during the year.	-	6,973
	<b>27,306,267</b>	22,321,959
Less: current portion	<b>7,140,061</b>	2,928,422
	<b>20,166,206</b>	19,393,537

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

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

2020	7,140,061
2021	2,217,501
2022	1,972,920
2023	1,855,868
2024	1,855,015

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 ISC 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, 2019 was 3.95% (2018 - 3.45%).

Long-term debt is subject to certain covenants with respect to financial reporting timing. As at March 31, 2019 the Nation is not in compliance with all such covenants. However, it is not expected the covenant violation will affect the Nation's financing.

**14. 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 \$5,500,000. 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 \$2,000,000. 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, 2019 is \$4,868,870 (2018 - \$4,626,273).

**15. Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

Infrastructure includes various projects which were not complete at March 31, 2019, with carrying values totaling \$15,040,298 (2018 - \$10,242,828). No amortization of these assets has been recorded because they are currently under construction.

The Nation's CMHC Housing Program has 234 houses with a net book value of \$809,589 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 2 houses (2018 - 1 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.

**16. 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.

	<b>2019</b>	<b>2018</b>
Equity in Funds held in Trust		
Balance, beginning of year	<b>1,907,024</b>	449,330
Income earned - Ottawa Trusts	<b>560,060</b>	361,078
Withdrawals - Ottawa Trusts	<b>(717,768)</b>	(605,000)
Contributions - IBA Trust	<b>-</b>	1,697,500
Income earned - IBA Trust	<b>43,066</b>	4,116
Withdrawals - IBA Trust	<b>(261,724)</b>	-
	<b>1,530,658</b>	1,907,024
Equity in externally restricted reserves (CMHC and Health Canada)		
Balance, beginning of year	<b>5,412,551</b>	5,104,916
Contributions	<b>822,493</b>	420,229
Withdrawals	<b>(127,532)</b>	(112,594)
	<b>6,107,512</b>	5,412,551
Equity in tangible capital assets		
Balance, beginning of year	<b>88,766,758</b>	83,284,239
Amortization	<b>(8,821,528)</b>	(9,458,812)
Purchases	<b>23,310,939</b>	13,403,388
Disposals	<b>(446,880)</b>	(312,477)
Loan advances	<b>(7,321,202)</b>	(816,000)
Loan repayments	<b>2,336,894</b>	2,666,420
	<b>97,824,981</b>	88,766,758
Equity in business investments		
Balance, beginning of year	<b>86,097,644</b>	83,109,762
Income earned	<b>6,991,570</b>	5,487,882
Withdrawals	<b>(2,500,000)</b>	(2,500,000)
	<b>90,589,214</b>	86,097,644
Equity in unrestricted and internally restricted accumulated surplus (Note 17)		
Balance, beginning of year	<b>10,248,198</b>	11,882,411
Transfer from (to) equity in funds held in trust	<b>376,366</b>	(1,457,694)
Transfer from (to) equity in externally restricted reserves	<b>(694,961)</b>	(307,635)
Transfer from (to) equity in tangible capital assets	<b>(9,058,223)</b>	(5,482,519)
Transfer from (to) equity in business investments	<b>(4,491,570)</b>	(2,987,882)
Current year surplus	<b>20,928,599</b>	8,601,517
	<b>17,308,409</b>	10,248,198
	<b>213,360,774</b>	192,432,175



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

The Funds held in Trust are revenues received in trust by ISC from land rents which haven't been designated for specific expenditures and are held on account by the Government of Canada in Ottawa and revenue received from Cameco for an IBA and held in trust.

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 4.

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

**17. Unrestricted and internally restricted accumulated surplus**

	<b>2019</b>	<b>2018</b>
<b>General operations</b> <b>(includes band governance, education, and infrastructure and facilities)</b>		
Grandmother's Bay	245,696	54,718
La Ronge	5,651,619	2,157,638
Little Red	452,802	19,914
Stanley Mission	2,114,636	884,594
	<b>8,464,753</b>	<b>3,116,864</b>
<b>Health operations</b>		
La Ronge	1,057,681	26,507
Stanley Mission	(302,934)	(270,613)
	<b>754,747</b>	<b>(244,106)</b>
<b>Retail operations</b>		
La Ronge	226,327	(401,936)
Stanley Mission	2,811,300	2,084,042
Little Red	(54,608)	(106,221)
Grandmother's Bay	(32,519)	(37,380)
	<b>2,950,500</b>	<b>1,538,505</b>
<b>Government partnerships</b>		
La Ronge	(89,839)	579,106
<b>Internally restricted</b>		
Stanley Mission - Economic development	2,000,000	2,000,000
La Ronge - Health capital replacement	3,228,248	3,257,829
	<b>5,228,248</b>	<b>5,257,829</b>

**18. Federal government funding**

	<b>2019</b>	<b>2018</b>
<b>Indigenous Services Canada</b>		
ISC per confirmation	<b>84,815,607</b>	65,541,345
Add: major capital deferred from prior year	<b>13,183,937</b>	7,394,380
Less: major capital deferred to future years	<b>(25,973,683)</b>	(13,183,937)
Less: prior year funding clawback	<b>-</b>	(38,202)
	<b>72,025,861</b>	59,713,586
<b>Health Canada (FNIHB)</b>		
Health Canada per confirmation	<b>16,596,006</b>	12,757,058
Less: recovery of funding	<b>-</b>	(183,964)
	<b>16,596,006</b>	12,573,094
<b>Canada Mortgage and Housing Corporation</b>		
S95 loan subsidy	<b>1,538,770</b>	1,655,089
RRAP contributions	<b>441,689</b>	335,771
Retrofit funding	<b>-</b>	265,609
S95 supplemental assistance	<b>348,807</b>	-
	<b>2,329,266</b>	2,256,469
	<b>90,951,133</b>	74,543,149

**19. Economic dependence**

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

**20. 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.

**21. Budget information**

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

Grandmother's Bay Reserve - February 2018

La Ronge Reserve - March 2018

Little Red Reserve - March 2018

Stanley Mission Reserve - May 2018

The disclosed budget information is required to be presented on the same basis as the actual results, \$2,372,994 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.

**22. 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. ISC has agreed to provide \$2,096,300 of funding for the project. The remaining funding will be financed from a loan from Canadian Imperial Bank of Commerce ("CIBC"). As of March 31, 2019, \$1,021,365 (2018 - \$1,167,280) has been drawn on the loan from CIBC, which is authorized to \$2,156,884. As of March 31, 2019, \$3,330,662 has been spent on installation and \$2,096,300 (2018 - \$2,096,300) has been received from ISC. 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 ISC. A new wellness centre is expected to be fully funded except for a \$2,000,000 investment by the Nation from Health restricted funds which have been classified as restricted cash in note 7 as the cash has been provided to a project manager who is overseeing the wellness centre construction.

**23. Compliance with authorities**

The Nation is required to make its financial statements publicly available and submit its consolidated financial statements to ISC by July 29, 2019. As the audit report is dated after July 29, 2019, 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.

**24. Retail sales**

	<b>2019</b>	<b>2018</b>
<b>Gross sales</b>		
Amachewespimawin Gas Bar	4,735,756	4,254,260
Hall Lake Gas Bar	2,223,755	2,024,892
Little Red River Gas Bar	554,656	391,137
Little Red Sand and Gravel Ltd.	38,656	7,759
Keethanow Bingo North Inc.	2,486,912	2,469,292
Keethanow Corner Grocery	884,437	779,757
Keethanow Gas Bar	7,172,120	5,589,271
Keethanow Lumber and Furniture	2,871,571	2,323,418
Keethanow Supermarket	3,865,568	3,363,759
Grandmothers' Bay Co-operative Gas Bar	1,079,526	1,054,110
Sucker River Gas Bar	828,932	732,788
	<b>26,741,889</b>	<b>22,990,443</b>
<b>Cost of sales</b>		
Amachewespimawin Gas Bar	(3,443,999)	(3,063,968)
Hall Lake Gas Bar	(1,769,160)	(1,586,271)
Little Red River Gas Bar	(460,710)	(284,710)
Keethanow Bingo North Inc.	(1,488,879)	(1,543,510)
Keethanow Corner Grocery	(606,486)	(595,240)
Keethanow Gas Bar	(5,459,635)	(4,371,143)
Keethanow Lumber and Furniture	(2,607,602)	(1,937,432)
Keethanow Supermarket	(3,049,607)	(2,625,406)
Grandmothers' Bay Co-operative Gas Bar	(1,008,508)	(943,857)
Sucker River Gas Bar	(651,894)	(563,129)
	<b>(20,546,480)</b>	<b>(17,514,666)</b>
	<b>6,195,409</b>	<b>5,475,777</b>

**25. Comparative figures**

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

**Lac La Ronge Indian Band**  
**Schedule 1 - Consolidated Schedule of Tangible Capital Assets**  
*For the year ended March 31, 2019*

	<i>Buildings</i>	<i>Housing</i>	<i>Equipment</i>	<i>Infrastructure</i>	<i>Purchased land</i>	<i>2019</i>	<i>2018</i>
<b>Cost</b>							
Balance, beginning of year	99,224,817	95,756,158	22,687,155	99,003,403	61,368	316,732,901	304,423,219
Acquisition of tangible capital assets	3,857,479	3,117,987	2,129,966	14,205,507	-	23,310,939	13,403,388
Disposal of tangible capital assets	(298,978)	(239,015)	(511,408)	-	-	(1,049,401)	(1,093,706)
Balance, end of year	102,783,318	98,635,130	24,305,713	113,208,910	61,368	338,994,439	316,732,901
<b>Accumulated amortization</b>							
Balance, beginning of year	72,094,008	57,598,694	16,457,380	59,494,701	-	205,644,783	196,967,200
Annual amortization	2,774,868	2,740,828	1,524,835	1,780,997	-	8,821,528	9,458,812
Accumulated amortization on disposals	(253,830)	(239,015)	(109,676)	-	-	(602,521)	(781,229)
Balance, end of year	74,615,046	60,100,507	17,872,539	61,275,698	-	213,863,790	205,644,783
<b>Net book value of tangible capital assets</b>	<b>28,168,272</b>	<b>38,534,623</b>	<b>6,433,174</b>	<b>51,933,212</b>	<b>61,368</b>	<b>125,130,649</b>	<b>111,088,118</b>
2018 Net book value of tangible capital assets	27,130,809	38,157,464	6,229,775	39,508,702	61,368	111,088,118	

**Lac La Ronge Indian Band**  
**Schedule 2 - Consolidated Schedule of Expenses by Object**  
*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Consolidated expenses by object</b>			
Salaries and benefits	44,425,329	46,834,549	44,877,993
Social assistance	11,565,556	10,614,509	11,231,667
Amortization	4,831,602	8,821,528	9,458,812
Tuition	3,415,251	4,435,330	2,764,638
Repairs and maintenance	4,904,893	4,138,600	4,433,457
Program expense	3,963,300	4,058,658	2,670,887
Band support	4,233,781	3,969,087	3,691,044
Supplies	3,452,370	3,959,984	3,882,136
Student expenses	3,593,830	3,731,033	2,944,541
Travel, meetings and honoraria	3,466,409	3,102,268	3,496,682
Utilities	2,747,850	2,936,705	2,797,843
Contracted services	4,544,305	2,386,424	1,474,945
Renovation materials	1,730,000	1,303,312	1,825,906
Transportation	1,100,009	1,300,523	1,220,233
Professional fees	864,739	1,069,638	1,043,694
Miscellaneous	1,652,270	1,044,090	1,456,877
Office supplies and expenses	675,290	796,934	734,623
Professional development	1,146,656	768,568	845,190
Administration	1,056,794	755,574	299,357
Insurance	751,913	670,563	554,035
Rent	675,150	632,223	512,239
Interest on long-term debt	685,700	598,941	435,047
Telephone	508,710	506,703	449,493
Community donations	82,000	492,053	489,599
Community events	423,779	463,237	553,353
Bad debts	85,000	397,647	217,257
Bank charges and interest	145,095	322,462	218,867
	<b>106,727,581</b>	<b>110,111,143</b>	<b>104,580,415</b>

**Schedule 3 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	12,482,584	10,635,345	10,741,848
Health Canada	-	28,252	-
Miscellaneous	3,228,135	4,224,716	2,909,005
First Nations Trust (SIGA gaming allocation)	3,477,066	3,373,977	3,393,903
Prince Albert Grand Council	715,162	1,089,277	1,141,203
Rental income	797,500	773,756	585,006
Grants and donations	125,000	663,041	854,896
Fundraising revenue	162,000	615,067	511,216
Lease income	-	552,009	357,765
Province of Saskatchewan	83,782	183,011	192,448
Cameco Revenue Trust	-	-	1,701,616
	<b>21,071,229</b>	<b>22,138,451</b>	<b>22,388,906</b>
<b>Expenses</b>			
Salaries and benefits	8,287,560	8,993,090	8,797,781
Band support	4,216,966	3,988,815	3,815,909
Program expense	1,967,671	2,221,032	1,329,932
Travel, meetings and honoraria	1,810,518	1,648,747	1,695,052
Amortization	550,000	982,578	606,677
Miscellaneous	531,712	560,601	626,246
Professional fees	614,905	599,043	634,370
Repairs and maintenance	500,500	578,999	504,748
Community events	423,779	463,237	553,353
Office supplies and expenses	390,590	446,054	345,117
Supplies	587,315	406,248	663,917
Professional development	332,650	344,348	364,887
Rent	497,350	337,420	237,714
Interest on long-term debt	335,700	295,927	122,632
Renovation materials	230,000	281,482	375,076
Administration	317,240	219,385	100,658
Telephone	208,150	210,270	134,133
Insurance	239,000	196,150	144,426
Contracted services	582,684	160,200	273,455
Social assistance	244,556	119,011	145,344
Bank charges and interest	77,591	110,463	87,608
Community donations	82,000	69,465	74,394
Student expenses	30,000	22,047	5,968
Utilities	26,400	21,695	31,529
Bad debts (recovery)	-	(7,723)	1,123
	<b>23,084,837</b>	<b>23,268,584</b>	<b>21,672,049</b>
<b>Surplus (deficit) before other items</b>	<b>(2,013,608)</b>	<b>(1,130,133)</b>	<b>716,857</b>
<b>Other expenses</b>			
Loss on disposal of capital assets	-	(10,116)	(50,214)
<b>Surplus (deficit) before transfers</b>	<b>(2,013,608)</b>	<b>(1,140,249)</b>	<b>666,643</b>
<b>Transfers between programs</b>			
Transfer investment drawings	1,920,000	1,814,308	2,387,794
<b>Surplus</b>	<b>(93,608)</b>	<b>674,059</b>	<b>3,054,437</b>

**Lac La Ronge Indian Band  
Education**

**Schedule 4 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	21,505,042	20,478,358	17,615,873
Health Canada	-	881,508	-
Prince Albert Grand Council	6,024,849	6,308,210	7,194,994
Northern Lights School Division	1,852,526	1,496,420	1,178,364
Saskatchewan Indian Institute of Technologies	1,443,053	1,283,843	633,727
Grants and donations	-	873,164	829,908
Miscellaneous	1,007,115	556,534	663,879
Rental income	41,000	30,438	38,631
	<b>31,873,585</b>	<b>31,908,475</b>	<b>28,155,376</b>
<b>Expenses</b>			
Salaries and benefits	18,268,995	17,369,411	15,353,086
Tuition	3,415,251	4,435,330	2,764,638
Student expenses	3,563,830	3,708,986	2,938,573
Supplies	1,252,200	1,645,744	1,368,417
Program expense	1,493,506	1,446,125	805,362
Amortization	165,977	1,328,642	1,238,969
Travel, meetings and honoraria	530,032	418,543	606,875
Repairs and maintenance	390,965	368,106	235,962
Miscellaneous	856,436	257,816	914,348
Contracted services	-	231,710	130,310
Transportation	16,200	210,803	210,387
Professional development	362,796	185,896	131,127
Rent	99,000	149,718	99,123
Telephone	80,800	87,112	84,731
Professional fees	131,334	60,680	38,773
Insurance	56,700	60,085	45,571
Utilities	23,300	57,482	23,349
Bank charges and interest	57,504	47,537	44,302
Administration	71,717	44,778	130,851
Office supplies and expenses	38,700	44,502	47,927
Band support recovery	(43,185)	(44,729)	(116,331)
	<b>30,832,058</b>	<b>32,114,277</b>	<b>27,096,350</b>
<b>Surplus (deficit) before other items</b>	<b>1,041,527</b>	<b>(205,802)</b>	<b>1,059,026</b>
<b>Other expense</b>			
Loss on disposal of capital assets	-	-	(19,000)
<b>Surplus (deficit)</b>	<b>1,041,527</b>	<b>(205,802)</b>	<b>1,040,026</b>



**Lac La Ronge Indian Band  
Infrastructure & Facilities**

**Schedule 5 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	18,309,028	27,720,313	18,713,618
Canada Mortgage and Housing Corporation	2,058,862	2,329,266	2,256,469
Rental income	1,500,000	1,467,155	1,577,725
Miscellaneous	1,355,000	706,437	1,233,913
Grants and donations	525,000	524,820	517,091
Prince Albert Grand Council	-	21,252	61,350
	<b>23,747,890</b>	<b>32,769,243</b>	<b>24,360,166</b>
<b>Expenses</b>			
Salaries and benefits	6,678,456	5,760,940	5,850,834
Amortization	4,000,000	5,366,679	6,534,408
Repairs and maintenance	3,793,777	2,837,700	3,347,337
Utilities	1,752,600	1,816,521	1,625,120
Renovation materials	1,500,000	1,021,830	1,450,830
Supplies	968,691	873,641	845,074
Contracted services	2,684,610	794,360	708,811
Transportation	650,000	652,038	560,036
Administration	672,500	493,254	48,250
Interest on long-term debt	350,000	296,878	305,405
Bad debts (recovery)	85,000	293,263	45,565
Insurance	312,122	236,571	290,501
Travel, meetings and honoraria	368,000	217,968	240,927
Office supplies and expenses	211,000	141,808	158,393
Professional fees	50,000	86,663	36,534
Miscellaneous expense (recovery)	119,500	79,742	(110,115)
Telephone	77,000	60,102	48,704
Program expense	24,500	36,451	35,355
Professional development	43,000	33,244	24,004
Bank charges and interest	10,000	5,906	7,881
Band support expense (recovery)	60,000	-	(33,534)
Rent	10,000	-	27,712
	<b>24,420,756</b>	<b>21,105,559</b>	<b>22,048,032</b>
<b>Other expense</b>			
Loss on disposal of capital assets	-	(1,695)	(612)
<b>Surplus before transfers</b>	<b>(672,866)</b>	<b>11,661,989</b>	<b>2,311,522</b>
<b>Transfers between programs</b>			
Transfer investment drawings	455,000	560,691	112,206
<b>Surplus (deficit)</b>	<b>(217,866)</b>	<b>12,222,680</b>	<b>2,423,728</b>

**Schedule 6 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Health Canada	14,420,198	15,686,246	12,573,095
Indigenous Services Canada	350,000	350,757	350,000
Rental income	920,645	916,067	948,710
Miscellaneous	514,375	617,683	509,726
Prince Albert Grand Council	55,000	53,350	85,093
	<b>16,260,218</b>	<b>17,624,103</b>	<b>14,466,624</b>
<b>Expenses</b>			
Salaries and benefits	11,110,748	11,264,251	11,213,443
Contracted services	1,277,011	1,157,178	281,642
Amortization	115,625	904,266	832,977
Supplies	644,164	807,105	773,319
Travel, meetings and honoraria	757,859	766,203	875,553
Transportation	433,809	437,683	449,810
Program expense	477,623	355,051	500,237
Professional development	408,210	199,625	318,099
Utilities	155,550	164,346	175,034
Repairs and maintenance	219,651	151,653	160,857
Insurance	144,091	117,444	(23,653)
Telephone	142,760	106,614	138,794
Miscellaneous	144,622	78,687	7,914
Professional fees	68,500	50,565	99,494
Bad debts	-	30,332	-
Office supplies and expenses	35,000	30,207	45,824
Rent	68,800	13,900	25,705
Administration expense (recovery)	(4,663)	(1,843)	19,598
	<b>16,199,360</b>	<b>16,633,267</b>	<b>15,894,647</b>
<b>Surplus (deficit) before other items</b>	<b>60,858</b>	<b>990,836</b>	<b>(1,428,023)</b>
<b>Other income (expense)</b>			
Gain (loss) on disposal of capital assets	-	(94,301)	29,400
<b>Surplus (deficit) before transfers</b>	<b>60,858</b>	<b>896,535</b>	<b>(1,398,623)</b>
<b>Transfers between programs</b>			
Transfer investment drawings	125,000	125,000	-
<b>Surplus (deficit)</b>	<b>185,858</b>	<b>1,021,535</b>	<b>(1,398,623)</b>

**Lac La Ronge Indian Band  
Social Assistance**

**Schedule 7 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Indigenous Services Canada	<b>11,650,352</b>	<b>12,841,089</b>	12,292,247
Miscellaneous	<b>2,000</b>	<b>1,090</b>	17,500
	<b>11,652,352</b>	<b>12,842,179</b>	12,309,747
<b>Expenses</b>			
Social assistance	<b>11,321,000</b>	<b>10,495,498</b>	11,086,324
Utilities	<b>790,000</b>	<b>719,799</b>	791,516
Salaries and benefits	<b>79,570</b>	<b>144,172</b>	90,872
Miscellaneous	-	<b>9,367</b>	-
Travel, meetings and honoraria	-	<b>1,700</b>	231
	<b>12,190,570</b>	<b>11,370,536</b>	11,968,943
<b>Surplus (deficit)</b>	<b>(538,218)</b>	<b>1,471,643</b>	340,804

**Lac La Ronge Indian Band  
Retail Operations**

**Schedule 8 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Retail sales, net	-	<b>6,195,409</b>	5,475,777
Other retail revenue	-	<b>705,916</b>	577,529
Miscellaneous	-	<b>3</b>	351
	-	<b>6,901,328</b>	6,053,657
<b>Expenses</b>			
Salaries and benefits	-	<b>3,302,685</b>	3,571,976
Community donations	-	<b>422,588</b>	415,205
Professional fees	-	<b>272,687</b>	234,523
Amortization	-	<b>239,364</b>	245,782
Supplies	-	<b>227,247</b>	231,409
Repairs and maintenance	-	<b>202,143</b>	184,553
Bank charges and interest	-	<b>158,553</b>	79,077
Utilities	-	<b>156,863</b>	151,297
Office supplies and expenses	-	<b>134,364</b>	137,361
Rent	-	<b>131,185</b>	121,984
Bad debts	-	<b>81,775</b>	170,569
Insurance	-	<b>60,313</b>	97,190
Miscellaneous	-	<b>57,876</b>	18,483
Travel, meetings and honoraria	-	<b>49,106</b>	78,045
Contracted services	-	<b>42,976</b>	80,727
Telephone	-	<b>42,604</b>	43,131
Band support	-	<b>25,000</b>	25,000
Interest on long-term debt	-	<b>6,136</b>	7,009
Professional development	-	<b>5,455</b>	7,073
	-	<b>5,618,920</b>	5,900,394
<b>Surplus before other items</b>	-	<b>1,282,408</b>	153,263
<b>Other expense</b>			
Loss on disposal of capital assets	-	<b>(29,493)</b>	-
<b>Surplus</b>	-	<b>1,252,915</b>	153,263

**Lac La Ronge Indian Band  
Investments**

**Schedule 9 - Consolidated Schedule of Revenue and Expenses**

*For the year ended March 31, 2019*

	<b>2019 Budget (Note 21)</b>	<b>2019</b>	<b>2018</b>
<b>Revenue</b>			
Earnings from investment in Nation partnerships	<b>2,500,000</b>	<b>6,993,393</b>	5,488,922
Loss from investment in Nation business entities	-	<b>(1,823)</b>	(1,040)
<b>Surplus before transfers</b>	<b>2,500,000</b>	<b>6,991,570</b>	5,487,882
<b>Transfers between programs</b>			
Transfer investment drawings	<b>(2,500,000)</b>	<b>(2,500,000)</b>	(2,500,000)
<b>Surplus</b>	-	<b>4,491,570</b>	2,987,882