

RECONCILIATION OF

INDIGENOUS AND NORTHERN AFFAIRS CANADA (INAC)

FUNDING CONFIRMATION REPORT REVENUE WITH

STATEMENT OF OPERATIONS/INCOME STATEMENT REVENUE

2017/2018 FISCAL YEAR

Recipient Name	Recipient #
Lake Babine Nation	607
INAC Revenue per Consolidated Statement of Operations / Income Statement	\$10,714,994
Explanations:	Adjustments:
less: Prior Year Deferred Revenue	Add / (Subtract) \$
add: Current Year Deferred Revenue	
Net Adjustments	\$0
INAC Funding Confirmation Report - Net Funding Arrangement Budget (see Note 1)	\$10,714,994

Note 1: Includes INAC Current Payable At Year End (PAYE)

Excludes BCTC Treaty Loans

Excludes Recoveries for the prior year

Includes Reimbursements for the prior year

LAKE BABINE NATION

FINANCIAL STATEMENTS

MARCH 31, 2018

LAKE BABINE NATION
FINANCIAL STATEMENTS

MARCH 31, 2018

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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FINANCIAL STATEMENTS

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MARCH 31, 2018

The accompanying financial statements of Lake Babine Nation are the responsibility of management and have been approved by Chief and Council.

The financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and as such include amounts that are the best estimates and judgments of management.

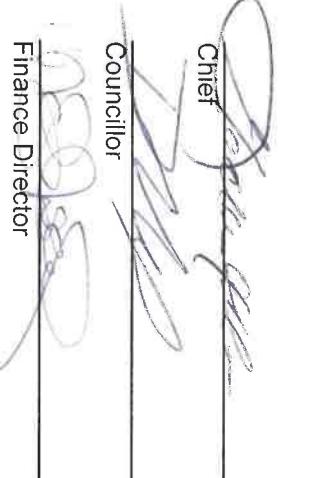
Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

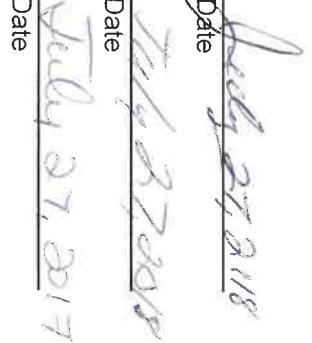
The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, DMC Chartered Professional Accountants Inc., conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of Lake Babine Nation and meet when required.

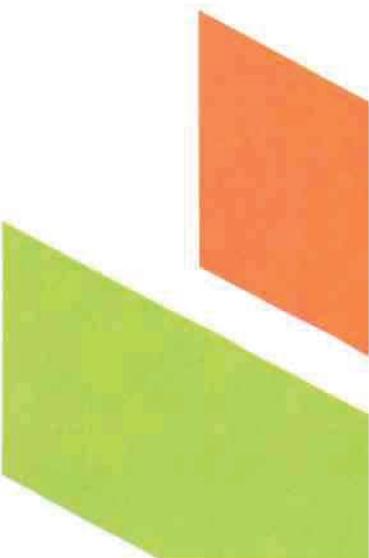
On behalf of Lake Babine Nation:


Chief


Councillor


Finance Director

Date July 27, 2018
Date July 27, 2018
Date July 27, 2017



Independent Auditor's Report

To the Members of
Lake Babine Nation

We have audited the accompanying financial statements of Lake Babine Nation, which comprise the statement of financial position as at March 31, 2018, and the statements of revenue, expenditures and accumulated surplus, change in net debt, cash flows and the related schedules for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the First Nation's preparation and fair presentation of the 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 First Nation'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 financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We were unable to obtain reviewed financial statements supporting the Nation's investment in Burns Lake Native Development Corporation (BLNDC), Talok Fisheries LP, Talok Fisheries Ltd., Lake Babine Forestry Services Ltd., and Lake Babine Forestry Services LP. As a result, we are not able to determine whether any adjustments might be necessary to the the investments, other income or ending surplus on Schedule 875 Equity in First Nations Investments.

Qualified opinion

Except as noted in the above paragraph, in our opinion, the financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2018 and the results of its operations, the changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*PMC Chartered Professional
Accountants Inc.*

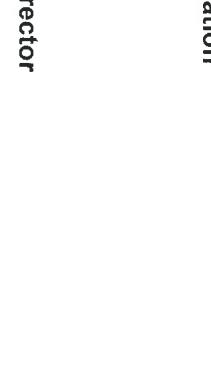
Prince George, British Columbia

July 27, 2018

LAKE BABINE NATION

STATEMENT OF FINANCIAL POSITION

MARCH 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash (Note 2)	\$ 1,586,146	\$ 1,239,324
Short term deposits (Note 2)	2,138,896	3,243,466
Restricted cash (Note 2)	867,513	120,010
Accounts receivable (Note 3)	1,781,043	1,948,305
Due from government agencies (Note 4)	179,662	270,902
Loans receivable (Note 5)	92,399	87,937
Inventory held for sale (Note 6)	21,808	22,232
Long term receivable (Note 7)	162,000	162,000
Investment in First Nation Entities (Notes 8, 9)	4,208,762	4,726,150
Federal trust funds (Note 10)	1,441,273	1,404,318
	12,479,502	13,224,644
LIABILITIES		
Bank indebtedness (Note 11)	68,246	36,402
Accounts payable and accrued liabilities (Note 12)	2,427,320	1,649,755
Due to government agencies (Note 13)	-	76,970
Deferred revenue (Note 14)	431,696	1,986,643
Long-term debt (Note 15)	13,178,180	11,829,705
	16,105,442	15,579,475
NET DEBT	(3,625,940)	(2,354,831)
NON-FINANCIAL ASSETS		
Tangible Capital Assets (Note 16)	26,429,741	24,200,926
Prepaid expenses	204,776	151,919
	26,634,517	24,352,845
ACCUMULATED SURPLUS (Note 17)	\$ 23,008,577	\$ 21,998,014
Contingent Liabilities (Note 18)		
Economic Dependence (Note 19)		
Approved on behalf of the Lake Babine Nation		
		
		
		
_____, Chief		
_____, Councillor		
_____, Finance Director		

See accompanying notes to these financial statements.

LAKE BABINE NATION

STATEMENT OF CHANGE IN NET DEBT
FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
DEFICIENCY OF REVENUE OVER EXPENDITURES		
Acquisition of tangible capital assets	(3,382,306)	(1,551,511)
Amortization of tangible capital assets	1,136,280	1,228,310
Gain on disposal of tangible capital assets	(9,980)	-
Proceeds on disposal of tangible capital assets	27,193	-
	(2,228,813)	(323,201)
Acquisition of prepaid asset	(112,909)	(142,452)
Use of prepaid asset	60,050	33,417
	(52,859)	(109,035)
Loan proceeds repayable		
Transfer of tangible capital assets to balance sheet	(585,867)	(673,200)
	3,382,306	1,551,511
	2,796,439	878,311
Decrease in net financial assets	(1,271,109)	(536,267)
NET DEBT AT BEGINNING OF YEAR	(2,354,831)	(1,818,564)
NET DEBT AT END OF YEAR	\$ (3,625,940)	\$ (2,354,831)

See accompanying notes to these financial statements.

LAKE BABINE NATION

STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2018

	2018 Budget	2018 Actual	2017 Actual
REVENUE			
Federal government transfers (Note 20)	\$ 10,349,687	\$ 11,549,508	\$ 13,574,050
Provincial government transfers (Note 20)	1,366,438	6,470,638	5,450,281
Administration fee	933,715	18,754	-
Band Generated	1,847,988	1,283,926	1,990,055
Interest income	-	84,876	59,124
Miscellaneous	36,300	556,510	673,542
Other Aboriginal Groups	3,931,943	5,344,953	4,741,600
Transfer from deferred revenue	391,054	1,816,939	44,492
Transfer to deferred revenue	-	(271,184)	(1,909,035)
	18,857,125	26,854,920	24,624,109
EXPENDITURES			
Operations	3,317,851	3,069,369	3,075,707
LBN Education Program	5,698,632	6,782,807	6,617,126
Economic Development	418,107	1,311,214	2,329,742
Natural Resource Management	1,859,640	3,921,287	1,985,012
Social Housing Fund	2,099,944	813,745	1,076,812
Health Services Fund	2,754,689	3,832,909	3,145,586
LBN Social Development	2,824,550	2,371,886	2,165,549
Capital Projects 500	895,694	3,359,852	2,414,100
Operations & Maintenance	1,123,016	1,295,399	1,264,730
Fisheries Fund	-	877,006	996,338
Treaty Negotiation Fund	1,007,409	576,875	672,456
	21,999,532	28,212,349	25,743,158
RECOVERY			
REPLACEMENT RESERVE	-	-	(84,080)
	(11,016)		
DEFICIENCY OF REVENUE OVER EXPENDITURES BEFORE OTHER ITEMS			
	(3,408,907)	(1,357,435)	(1,214,132)

See accompanying notes to these financial statements.

LAKE BABINE NATION

STATEMENT OF REVENUE, EXPENDITURES AND ACCUMULATED SURPLUS

FOR THE YEAR ENDED MARCH 31, 2018

	2018 Actual	2017 Actual
OTHER ITEMS		
Bad debts-Housing	-	(167,278)
Loss in First Nation Entities	-	(520,953)
Extinguished Replacement Reserve Requirement	-	303,853
Gain on disposal of tangible capital assets	-	9,980
Other revenue	-	249,810
		3,860
		(428,441)
		231,790
DEFICIENCY OF REVENUE OVER EXPENDITURES	(3,408,907)	(1,785,876)
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	-	(982,342)
CAPITALIZATION OF TANGIBLE CAPITAL ASSETS	-	21,998,014
TREATY LOAN	-	22,102,045
ACCUMULATED SURPLUS AT END OF YEAR	\$ (3,408,907)	\$ 23,008,577
		\$ 21,998,014

See accompanying notes to these financial statements.

LAKE BABINE NATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2018

	2018	2017
Cash flows from OPERATING ACTIVITIES		
DEFICIENCY OF REVENUE OVER EXPENDITURES	\$ (1,785,876)	\$ (982,342)
Items not affecting cash		
Amortization	1,136,280	1,228,310
Replacement Reserve	(292,837)	(673,200)
Loan proceeds repayable	(585,867)	1,551,511
Capitalization of tangible capital assets	3,382,306	-
Gain on disposal of tangible capital assets	(9,980)	-
Change in non-cash operating working capital		
Accounts receivable	167,262	(277,919)
Due from government agencies	91,240	(160,267)
Inventory	424	(3,548)
Prepaid expenses	(52,858)	(109,034)
Accounts payable and accrued liabilities	777,564	296,087
Due to government agencies	(76,970)	(22,725)
Deferred revenue	(1,554,947)	1,864,543
Long term receivable	-	(162,000)
	2,136,863	831,442
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(3,382,306)	(1,551,511)
Proceeds on sale of tangible capital assets	27,193	-
	(3,355,113)	(1,551,511)
FINANCING ACTIVITIES		
Proceeds on long term debt	1,436,437	673,200
Repayment of long term debt	(87,961)	(185,981)
Advances from (to) short term financing (net)	31,844	25,356
Proceeds from repayment of band member receivables	(4,462)	6,591
	1,375,858	519,166
INVESTING ACTIVITIES		
Investment in First Nation Controlled Entities	517,387	(21,167)
Contributions to Ottawa Trust fund	(36,955)	(32,028)
	480,432	(53,195)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,245)	1,171,039
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,602,800	3,431,761
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,592,555	\$ 4,602,800
REPRESENTED BY		
Cash	\$ 1,586,146	\$ 1,239,324
Short term deposits	2,138,896	3,243,466
Restricted cash	867,513	120,010
	\$ 4,592,555	\$ 4,602,800

See accompanying notes to these financial statements.

DESCRIPTION OF OPERATIONS

Lake Babine Nation is a self-governed First Nation Band and operates on Lake Babine Nation traditional territory, located at Burns Lake, BC and area.

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

(a) Reporting entity principles of financial reporting

These financial statements report only on the activities of the Lake Babine Nation.

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

The First Nation also prepares Financial Statements that summarize the assets, liabilities and results of operations for the following entities:

1. Lake Babine Nation Operations Fund
2. Lake Babine Nation Treaty Negotiation Fund
3. Lake Babine Nation Health Services Fund
4. Lake Babine Nation Fisheries Fund
5. Lake Babine Nation Social Housing Fund

All inter-entity balances have been eliminated, but in order to present the results of operations for each specific fund, transactions amongst funds have not been eliminated on the individual schedules.

These financial statements account for the activities of Burns Lake Native Development Corporation, Talok Fisheries Ltd., Talok Fisheries LLP and Lake Babine Economic Development Society, as government business enterprises as defined in the Public Sector Accounting Handbook, using the modified equity method.

(b) Fund accounting

The First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual, or voluntary actions. The various funds have been amalgamated for the purposes of presentation in the Summary Financial Statements. Detail of the operations of each fund are set out in the supplementary schedules. The First Nation maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation including administration, education, social assistance, operation and maintenance, and other miscellaneous programs.
- The Negotiation Funding Agreements Fund which reports the activities of the BC Treaty Program.
- The Social Housing Fund which reports on the housing assets, rental income and other related activities.
- The Health Services Fund which reports the activities related to the Nation's health programs.
- The Capital Fund which reports the capital assets of the First Nation and their related activities.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Financial instruments

The entity initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions.

The entity subsequently measures all its financial assets and financial liabilities at amortized cost. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, short term deposits and trust funds.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, reserves, and long term debt.

Fair value is determined by the price that is quoted in an active market. The most recent quote price becomes its new carrying value. When a quoted price in an active market is not available for an equity instrument that is an investment, it is measured at cost.

The Nation does not currently have any financial instruments that are measured at fair value.

(d) Cash

Cash and cash equivalents include cash on hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, net of bank overdrafts.

(e) Inventories for resale

Inventories of supplies and goods available for resale are recorded at the lower of cost and net realizable value based on weighted average cost method.

(f) Loans receivable

Loans receivable are stated at the lower of cost and management's best estimate of net recoverable value. Valuation allowances, which are not required to reduce loans receivable, are based on past events, current conditions and all circumstances known at the date of the preparation of the financial statements. Interest revenue is recognized when earned. Interest revenue is not accrued when the collectability of either principle or interest is not reasonably assured.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Investments

Investments in Burns Lake Native Development Corporation are accounted for on a modified equity basis.

Investments in Lake Babine Economic Development Society are accounted for on a modified equity basis.

Investments in affiliated First Nation Entity (Woyenne Enterprises Ltd.) are recorded at cost.

Investments in Talok Fisheries Ltd. are accounted for on a modified equity basis.

Investments in Talok Fisheries Limited Partnership are accounted for on a modified equity basis.

Investments in Lake Babine Nation Forestry Services Ltd. are accounted for on a modified equity basis.

Investments in Lake Babine Nation Forestry Services Limited Partnership are accounted for on a modified equity basis.

(h) Trust funds

Trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds. The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Tangible capital assets

Tangible capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

Leases that transfer substantially all the benefits and risks of ownership to the lessee are recorded as capital leases. Accordingly, at the inception of the leases, the tangible capital asset and related lease obligations are recorded at an amount equal to the present value of future lease payments discounted at the lower of the interest rate inherent in the lease contracts and Lake Babine Nation's incremental cost of borrowing.

Amortization is provided for on a declining balance basis based on each asset class' estimated useful lives as follows:

Automotive equipment	30%
Buildings and infrastructure	4%
Computer equipment	30%
Equipment	20%
Fisheries equipment	20%
Water and sewer	5%
Roads and bridges	5%
Buildings under construction	0%

Tangible capital assets are written down when conditions indicate that they no longer contribute to Lake Babine Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(j) Impairment of long-lived asset

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as excess of the carrying value of the asset over its fair value.

(k) Surplus recoveries and deficit funding

Under the terms of funding arrangements, remaining surpluses of certain programs may be recovered by the funding agency, and remaining deficits may be funded by the funding agency.

MARCH 31, 2018**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)****(l) Revenue recognition**

Revenue and funding are recognized as follows:

- i) Government funding is recognized as revenue when it becomes available under the terms of the applicable funding agreements. Funding received under the funding agreements relating to a subsequent period is reflected as deferred revenue in the year of receipt.
- ii) Housing revenue is recognized based on lower end of market (LEM) rent for CMHC subsidized housing and based on collected receipts for non-subsidized houses. Rents not collected are written off to bad debts.
- iii) Income from investments is recorded on the accrual basis.
- iv) Government transfers are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met and reasonable estimates of the amount can be made.

(m) Asset classification

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

(n) Net Financial Debt

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

(o) Segments

The First Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives, aid in resource allocation decisions, and to assess operational performance. For each reported segment, revenues and expenses represent both amounts that are directly attributed 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.

(p) Use of estimates

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 disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accounts specifically affected by estimates in these financial statements are allowance for doubtful accounts and accounts receivable impairment. Actual results could differ from those estimates.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

2. CASH AND CASH EQUIVALENTS

	2018	2017
Internally restricted		
Short term deposit - Premium Investment Savings Account	\$ 2,138,896	\$ 3,243,466
Capital projects	867,513	-
	<hr/> 3,006,409	<hr/> 3,243,466
Unrestricted		
Operating	620,716	735,978
Health	12,296	12,334
Social Housing	938,742	588,790
Treaty Negotiation	14,392	22,232
	<hr/> 1,586,146	<hr/> 1,359,334
Total cash and cash equivalents	<hr/> <hr/> \$ 4,592,555	<hr/> <hr/> \$ 4,602,800

3. ACCOUNTS RECEIVABLE

	2018	2017
Due from funders		
Indigenous and Northern Affairs Canada	\$ 108,292	\$ 87,150
Department of Fisheries and Oceans	33,760	336,364
Canada Mortgage and Housing Corporation	45,845	-
First Nation Funding agencies	1,353,908	1,353,817
	<hr/> 1,541,805	<hr/> 1,777,331
Due from members		
Rent receivable	4,013,209	3,760,752
Allowance for doubtful accounts - rent receivable	(3,766,236)	(3,598,937)
	<hr/> 246,973	<hr/> 161,815
Due from others		
Miscellaneous	(8,446)	7,456
Travel reimbursements	711	1,703
	<hr/> (7,735)	<hr/> 9,159
	<hr/> <hr/> \$ 1,781,043	<hr/> <hr/> \$ 1,948,305

Amounts due from Nation members (including rent receivable) shown above are unsecured and non-interest bearing.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

4. DUE FROM GOVERNMENT AGENCIES

	2018	2017
Operations fund - GST rebate	\$ 88,198	\$ 112,802
Health Services fund - GST rebate	7,454	43,889
Social Housing fund - GST rebate	1,924	3,033
Treaty Negotiation fund - GST rebate	2,205	6,439
Social Development fund - GST rebate	367	1,870
Education fund - GST rebate	6,463	22,722
Operations fund - PST rebate	73,051	80,147
	<hr/>	<hr/>
	\$ 179,662	\$ 270,902

Amounts receivable from the government are for GST and PST paid on travel for band management activities, and amounts charged on items delivered to the First Nation reserve in error.

5. LOANS RECEIVABLE

Loans receivable consists of band member loans and payroll advances, these amounts are unsecured and non-interest bearing.

	2018	2017
Payroll advances	\$ 13,848	\$ 14,392
Member loans	78,551	73,545
	<hr/>	<hr/>
	\$ 92,399	\$ 87,937

6. INVENTORY

Inventories held for resale are classified as follows:

	2018	2017
Confectionary	\$ 6,121	\$ 6,121
Fuel and oil	13,304	11,847
Cigarettes and tobacco	2,383	4,264
	<hr/>	<hr/>
	\$ 21,808	\$ 22,232

7. LONG TERM RECEIVABLE

The amount is receivable from the Province of British Columbia within 30 days of the Pipeline Benefit Agreements effective date. As at March 31, 2018, the effective date is still unknown.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

8. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES

- ♦ Burns Lake Native Development Corporation (BLDNC)
- ♦ Lake Babine Economic Development Society (LBEDS)
- ♦ Talok Fisheries Corporation Ltd (Talok Ltd.)
- ♦ Talok Fisheries LP (Talok LP)

	BLNDC at 100% (Unaudited)	LBEDS (Audited)	Talok Ltd. (Unaudited)	Talok Fisheries LP (Talok LP)
Cash	\$ - -	\$ 159,586	\$ - -	\$ - -
Accounts receivable		18,707	- -	- -
Inventory		37,261	- -	- -
Due to / from government agencies		20,858	- -	- -
Tangible capital assets		211,548	- -	- -
 Total assets	 \$ - -	 \$ 447,960	 \$ - -	 \$ - -
 Accounts payable	 \$ - -	 \$ 66,950	 \$ - -	 \$ - -
Due to government agencies		10,099	- -	- -
Due to related parties		533,688	- -	- -
 Total liabilities	 - -	 610,737	 - -	 - -
 Equity	 - -	 (162,777)	 - -	 - -
 Total equity	 - -	 (162,777)	 - -	 - -
 Total liabilities and equity	 \$ - -	 \$ 447,960	 \$ - -	 \$ - -
	BLNDC at 100% (Unaudited)	LBEDS (Audited)	Talok Ltd. (Unaudited)	Fisheries LP (Talok LP)
Revenue	\$ - -	\$ 2,348,974	\$ - -	\$ - -
 Direct costs	 - -	 2,187,334	 - -	 - -
Expenses		191,934	- -	- -
 Total expenses	 - -	 2,379,268	 - -	 - -
 Net income	 \$ - -	 \$ (30,294)	 \$ - -	 \$ - -

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

8. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISES, continued

Bullis Lake Native Development Corporation qualification.

The Company has not had a year end engagement completed to June 30, 2017 and as a result of the above, we were unable to determine whether adjustments were required in respect of investments and advances, other income (charges), excess revenue (expenses) for the year, and fund balances at end of year.

year.

Related Party Transactions

Transactions with related parties, if any, are in the normal course of business, and are recorded at the exchange value that is mutually agreed upon by the related parties.

LBEDS - Supplies	\$ 4,331	9,460
LBEDS - Fuel	35,517	36,512
LBEDS - Special needs	762	-
LBEDS - Travel	14,707	15,792
LBEDS - Adult care	4,106	-
LBEDS - Community support	9,504	-
Talok LLP - Consultant fees	1,580	7,500
Talok LLP - Administrations revenue	995	5,617
Talok LLP - Miscellaneous revenue	8,628	10,417

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

9. INVESTMENT IN FIRST NATION ENTITIES

	2018 (Unaudited)	2017 (Unaudited)
Burns Lake Native Development Corporation (62.87%)	\$ 3,426,157	\$ 3,907,799
BLNDC shares, at cost		
BLNDC share of net assets		
 Lake Babine Economic Development Society (100%)		
Advances to Lake Babine Economic Development Society	3,426,220	3,907,862
Lake Babine Economic Development Society, deficiency in net assets	533,688	532,259
 Woyenne Enterprises Ltd., at cost (100%)		
Talok Fisheries Ltd. (100%)	361,895	399,777
Talok Fisheries Ltd. shares at cost (100%)	2	2
TFL share of net assets	1	1
Advances to/(from) LBN	79,599	79,599
Advances to/(from) LBN	68	3,216
 Talok Fisheries LP (99.99%)		
Partnership Units	79,668	82,816
LBN share of net assets		
Advances to/(from) LBN	1,200	1,200
Loan receivable for sale of fisheries equipment	5,265	5,265
	(1,547)	(1,547)
	330,775	330,775
 Lake Babine Forestry Services LP (99.99%)		
Partnership Units	335,693	335,693
Advances to/(from) LBN	1,200	-
	4,084	-
	5,284	-
 Total	\$ 4,208,762	\$ 4,726,150

Lake Babine Nation holds a 62.87% share ownership interest in Burns Lake Native Development Corporation ("BLNDC"), which in turn holds a 100% interest in Dzilh Kaz Kwa Development Corporation ("DKKA"), and in Burns Lake Native Logging Ltd. ("BLNL"). DKKA in turn owns 100% of the issued shares of Burns Lake Specialty Wood Ltd. and BLNDC also holds a 15% interest in Babine Forest Products Limited, both accounted for by the cost method. The investment in BLNDC and Woyenne Enterprises Ltd. (an inactive company) is as detailed above.

Lake Babine Economic Development Society is an agent to Lake Babine Nation due to the fact that the Chief and Council of Lake Babine Nation hold significant decision making power within the Society. Therefore, the Society has been accounted for on a modified equity basis as described in Note 1 (g).

Lake Babine Nation owns 100% of Talok Fisheries Ltd.

Lake Babine Nation owns 99.99% of Talok Fisheries LP.

Lake Babine Nation owns 99.99% of Lake Babine Forestry Services LP

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

9. INVESTMENT IN FIRST NATION ENTITIES, continued

10. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

The Ottawa Trust Accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2018	2017
Capital funds held in trust	\$ 690,080	\$ 690,080
Revenue funds held in trust	751,193	714,238
	\$ 1,441,273	\$ 1,404,318

	2018	2018	2018	2017
	Revenue	Capital	Total	Total
Surplus, beginning of year	\$ 714,238	\$ 690,080	\$ 1,404,318	\$ 1,372,290
Interest earnings	36,955	-	36,955	32,028
Surplus, end of year	\$ 751,193	\$ 690,080	\$ 1,441,273	\$ 1,404,318

11. BANK INDEBTEDNESS

Bank indebtedness consists of an operating line of credit authorized to \$150,000 bearing interest at prime plus 2.65% per annum, and is unsecured.

	2018	2017
Cheques in excess of cash	\$ 68,246	\$ 36,402

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Trades accounts payable	\$ 1,563,464	\$ 891,409
Payroll and benefits	741,468	650,084
Accrued payables	122,388	108,262
	\$ 2,427,320	\$ 1,649,755

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

13. DUE TO GOVERNMENT AGENCIES

	2018	2017
Forestry - GST collected on sales Forestry - GST paid on purchases	\$ -	\$ (191,921) 114,951

The First Nation previously had forestry activity in which it was required to collect and pay GST on sales and purchases.

14. DEFERRED REVENUE

	March 31, 2017	Funding received, 2018	Revenue recognized, 2018	March 31, 2018
Indigenous and Northern Affairs Canada (INAC)				
CPMS 7769 Surplus Account	\$ 1,776	\$ -	\$ -	\$ 1,776
ICMS #9-00126212 - NTLB - Bdg'16	1,664,035	- 5,881	(1,664,035)	- 5,881
Immediate Needs Multi-Unit				
Ec Dev - Add to reserve lot 5341	1,665,811	5,881	(1,664,035)	7,657
 Provincial Government				
Joint Forestry Forum	75,000	-	(42,095)	32,904
Social Cultural Tech	100,000	425,000	(394,697)	130,303
Prov of BC - Family and Youth Support	-	30,000	-	30,000
Province of BC - Healing and Rebuilding	-	75,000	-	75,000
Prov of BC - Crime Reducation	-	30,000	-	30,000
 Other				
NORHA Funding (CPMS 7367)	75,132	- (20,000)	55,132	
Tree Planting	70,000	- (700)	70,000	
First Nation Health Authority - Lease	700	700	700	
 145,832	700	(20,700)	125,832	
 \$ 1,986,643	\$ 566,581	\$ (2,121,528)	\$ 431,696	

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

15. LONG-TERM DEBT

	2018	2017
Lake Babine Nation has signed promissory notes and First Nation Negotiation Support Agreements totaling \$12,191,495 as at March 31, 2018, representing advances made by Canada for negotiations. Repayment provisions for these loans are outlined in Sections 13.0 and 14.0 of the First Nation Negotiation Support Agreement.	\$ 12,191,495	\$ 11,605,628
Loan bearing interest at 6.29% per annum, repayable in monthly payments of \$1,521 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$19,435. The loan matures on April 22, 2019.	19,072	35,564
Woyenne School - Term loan bearing interest at prime plus 3.05% per annum, repayable in monthly payments of \$2,819 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$134,937. The loan matures on October 22, 2018.	18,764	50,414
Natural resource building loan bearing interest at prime plus 0.5% per annum, repayable in monthly payments composed of interest only, due on demand. The loan is secured by general security agreement. The loan matures on December 31, 2018.	775,000	-
Loan bearing interest at 6.29% per annum, repayable in monthly payments of \$1,521 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$19,435. The loan matures on April 22, 2019.	19,072	35,564
Conditional sales contract bearing interest at 5.49% per annum, repayable in monthly payments of \$1,657 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$38,653. The loan matures on December 22, 2020.	50,660	67,267
Term Loan bearing interest at 2.49% per annum, repayable in monthly payments of \$677 including interest, due on demand. The loan is secured by specific equipment with a net book value of \$18,465. The loan matures on October 31, 2021.	28,547	35,268
On-reserve Residential Rehabilitation Assistance Program bearing interest at 3.5% per annum. The loan matures on January 15, 2020.	26,200	-
On-reserve Residential Rehabilitation Assistance Program bearing interest at 4.875% per annum. The loan matures on January 15, 2022.	49,370	-
	\$ 13,178,180	\$ 11,829,705

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

15. LONG-TERM DEBT, continued

All of the above On-reserve Residential Rehabilitation Assistance Program loans are secured by promissory notes signed by the Nation stating that the loans are forgiven on a straight line basis over the period of the loan should they remain in compliance with the agreements. If the Nation is not in compliance, the principal plus any accrued interest becomes due on demand. As at March 31, 2018 the Nation was in compliance with the agreements.

	2018	2017
Interest expense for the year on long-term debt	\$ 9,904	\$ 15,937

16. TANGIBLE CAPITAL ASSETS

	Cost	Additions	Disposals	Accumulated amortization	2018 Net book value
Land	\$ 4,743,539	\$ -	\$ -	\$ -	\$ 4,743,539
Buildings and infrastructure	42,723,839	52,145	-	33,927,175	8,848,809
Automotive equipment	1,170,699	227,212	109,016	807,266	481,629
Computer equipment	758,464	36,293	-	619,201	175,556
Equipment	2,123,614	104,685	20,792	1,876,780	330,727
Fisheries equipment	245,452	5,595	-	162,815	88,232
Water and sewer	12,329,757	-	-	5,772,049	6,557,708
Roads and bridges	5,175,667	-	-	2,928,503	2,247,164
Buildings under construction	-	2,956,377	-	-	2,956,377
	\$ 69,271,031	\$ 3,382,307	\$ 129,808	\$ 46,093,789	\$ 26,429,741

	Cost	Additions	Disposals	Accumulated amortization	2017 Net book value
Land	\$ 4,743,539	\$ -	\$ -	\$ -	\$ 4,743,539
Buildings and infrastructure	41,757,230	966,610	-	33,563,411	9,160,429
Automotive equipment	970,093	200,606	-	753,210	417,489
Computer equipment	663,071	95,393	-	553,157	205,307
Equipment	2,077,651	45,964	-	1,815,452	308,163
Fisheries equipment	195,060	50,392	-	147,739	97,713
Water and sewer	12,329,757	-	-	5,426,906	6,902,851
Roads and bridges	4,983,121	192,546	-	2,810,232	2,365,435
	\$ 67,719,522	\$ 1,551,511	\$ -	\$ 45,070,107	\$ 24,200,926

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

17. ACCUMULATED SURPLUS

	2018	2017
Restricted Equity in Investments in First Nation Entities	\$ 3,341,550	\$ 3,781,355
Equity in Ottawa Trust Funds	1,742,167	1,779,122
Unrestricted Operating equity	5,083,717	5,560,477
	17,924,860	16,437,537
	\$ 23,008,577	\$ 21,998,014

18. CONTINGENT LIABILITIES

Lake Babine Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements.

In addition, in the normal course of its operations, Lake Babine Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Lake Babine Nation's financial statements. In management's opinions there are no losses resulting in the accrual of a liability present as at the date of the audit report.

19. ECONOMIC DEPENDENCE

Lake Babine Nation receives a significant portion of its revenue pursuant to a funding agreement with Indigenous and Northern Affairs Canada. The Nation's ability to operate certain programs depends on the continuation of this funding.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

20. GOVERNMENT TRANSFERS

	2018		
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada (INAC)	\$ 10,584,028	\$ 130,966	\$ 10,714,994
Department of Fisheries and Oceans	670,500	-	670,500
Pacific Salmon Commission	151,289	-	151,289
Government of Canada	5,081	-	5,081
Transcanada - LNG	7,644	-	7,644
Total	11,418,542	130,966	11,549,508
Provincial government transfers	6,456,643	-	6,456,643
Total	\$ 17,875,185	\$ 130,966	\$ 18,006,151
	2017		
	Operating	Capital	Total
Federal government transfers			
Indigenous and Northern Affairs Canada (INAC)	\$ 10,418,315	\$ 1,776,800	\$ 12,195,115
Canada Mortgage and Housing Corporation	109,216	-	109,216
Department of Fisheries and Oceans	683,380	-	683,380
Pacific Salmon Commission	274,339	-	274,339
Transcanada - LNG	312,000	-	312,000
Total	11,797,250	1,776,800	13,574,050
Provincial government transfers	5,450,281	-	5,450,281
Total	\$ 17,247,531	\$ 1,776,800	\$ 19,024,331

21. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council, and were approved by Chief and Council on April 6, 2017.

22. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform with the presentation adopted in the current period.

23. SUPPLEMENTARY INFORMATION

The attached schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

24. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of the financial statements in assessing the extent of risk related to financial instruments.

- (a) Credit Risk
-
- The Band is exposed to credit risk from their investment in Lake Babine Economic Development Society ("LBEDS"), which is in the same geographical area and does significant business with members of the Nation. The Nation has advanced significant amounts to LBEDS to assist with start up and construction costs, and payroll; management considers their risk of collection of these receivables to be acceptable and appropriately managed.
-
- (b) Interest rate risk

The band is exposed to interest rate risk. Interest rate risk is the risk that the band has interest rate exposure on its bank contingent liabilities, which are variable based on the bank's prime rates. This exposure may have an effect on its earnings in future periods. The band reduces its exposure to interest rate risk by regularly monitoring published bank prime interest rates which have been relatively stable over the period presented. There are some loans that are at fixed term rates and do not affect interest rate risk. The band does not use derivative instruments to reduce its exposure to interest rate risk. In the opinion of management the interest rate risk to the band is low and is not material.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

25. EXPENDITURES BY OBJECT

	2018 Budget	2018 Actual	2017 Actual
Administration fees	\$ 1,902,198	\$ 20,000	\$ 23,783
Advertising	26,921	10,139	12,367
Amortization	-	1,136,280	1,228,310
Awards day	24,000	25,309	23,398
Bad debts	-	-	12,671
Bingo expense	-	555	8,075
Business development	-	17,554	-
Camp costs	-	-	5,162
Capital purchases	328,598	3,382,306	1,551,511
Catering	100,400	229,034	115,594
Christmas	65,200	65,204	62,353
Cigarette purchases	-	74,997	68,507
Contracted services	874,127	578,978	847,551
Economic development	136,700	189,019	145,015
Emergency	-	683	1,769
Equipment leases and rentals	71,754	157,058	100,207
Fees	206,977	289,936	151,885
Fees-fuel gas card	18,867	85,813	26,844
Fuel and oil	90,600	299,699	279,525
General operating expense	540	55,341	13,473
Honorarium	596,680	517,522	563,442
Incentives	32,500	104,038	97,869
Insurance	260,702	283,535	268,551
Interest and bank charges	36,700	50,159	41,262
Janitorial	-	259	615
Meeting expenses	523,312	206,961	200,016
Municipal services	356,253	356,253	343,725
Professional development	123,276	101,839	63,713
Professional fees	1,609,333	1,909,984	2,241,925
Property taxes	-	3,099	4,171
Purchases	-	49,649	42,345
Relocation costs	-	-	1,400
Rent	149,988	110,983	63,936
Repairs and maintenance	820,012	620,170	923,223
Social assistance and support	1,819,449	1,804,027	1,607,024
Stumpage	-	-	76,611
Supplies	531,105	904,293	980,575
Traditional food	42,379	42,242	46,809
Training	225,328	190,557	172,452
Travel	1,291,289	2,445,659	2,205,961
Tuitions and allowances	2,530,740	2,983,941	2,505,947
Utilities and telephone	560,276	726,618	697,540
Wages and benefits	6,630,328	8,166,126	7,901,226
Water testing	13,000	16,530	14,820
			\$ 28,212,349
			\$ 25,743,158

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION

Lake Babine Nation is a First Nation organization that provides a wide range of services to its members including social, education, housing, capital, economic development and community services. For management reporting purposes, the Band's operations and activities are organized and reported by segments. Segments were created for the purpose of recording specific activities to attain certain objectives with special regulations, restrictions or limitations.

The Band's services are provided by departments and their activities are recorded in these funds. Certain departments that have been disclosed in the segmented information, along with the services they provide, are as follows:

Operations

The Operations program provides administration support to the First Nation. Those costs that relate directly to the administration of the various segments have been allocated to the appropriate segment.

Education

The Education program provides primary and secondary instructional services and financial support to eligible post-secondary First Nations students.

Economic Development

The Economic Development program provides planning and capacity development initiatives under various agreements.

Natural Resource Management

The Natural Resources program administers and oversees natural resource based projects.

Social Housing

The Housing program provides on-reserve housing to eligible members under the CMHC housing programs for First Nations, and reports on the respective revenue and expenditures.

Health Services

The Health program provides a variety of health and wellness programs and support to First Nation members.

Social Development

The Social Development program Administers the provision of social assistance to qualifying First Nation members, as well as providing social development programs to the First Nation.

Capital

The Capital program administers the development of new capital projects and infrastructure programs on the reserve.

Operations and Maintenance

The Operations and Maintenance program provides regular maintenance services throughout the First Nation.

Fisheries

The Fisheries program administers fishing operations, habitat restoration, and research on First Nation land.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

Treaty Negotiation

The Treaty Negotiation program provides negotiation services to aid the First Nation in its research towards Treaty.

Equity in First Nation Investments

The Equity in First Nation Investments program includes all activity from investments in other entities by the First Nation.

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

	Operations			LBN Education Program			Economic Development		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous and Northern Affairs Canada	\$ 701,555	\$ 701,555	\$ 776,582	\$ 5,149,407	\$ 5,067,192	\$ 4,861,369	\$ 144,383	\$ 265,075	\$ 215,883
Federal Government	-	-	-	-	-	-	-	5,081	-
Provincial Government	91,553	140,725	169,654	231,272	644,183	668,104	-	1,219,375	2,681,567
Other Aboriginal Groups	-	1,600	29,000	353,220	1,296,210	1,035,523	-	-	120,000
Band Generated	-	6,000	6,190	-	7,643	2,499	-	467,027	1,297,563
Interest income	-	84,489	59,099	-	-	-	-	-	-
Administration fee	933,715	18,754	(60)	-	-	-	-	-	60
Other revenue	-	85,187	74,098	-	52,595	17,122	-	(79,653)	134,756
Total revenue	1,726,823	1,038,310	1,114,563	5,733,899	7,067,823	6,584,617	144,383	1,876,905	4,449,829
Expenses									
Administration fees	1,790	-	-	398,894	-	-	14,438	-	(1,486)
Capital purchases	22,647	26,954	101,289	27,500	87,494	86,878	550	35,935	17,388
Contracted services	15,000	30,447	16,163	-	-	6,799	-	(16,766)	560,072
Professional fees	394,951	257,775	329,684	-	4,795	1,452	95,000	187,799	442,712
Repairs and maintenance	13,200	21,856	11,135	21,800	56,287	72,334	-	24,310	38,779
Travel	557,340	545,412	556,369	167,581	213,118	247,004	20,841	16,890	29,903
Wages and benefits	1,181,354	1,036,358	906,801	1,983,632	2,754,287	2,766,505	89,004	320,985	429,007
Other expenses	1,131,569	1,150,567	1,214,266	3,099,225	3,666,826	3,436,154	198,274	742,061	834,512
Total expenses	3,317,851	3,069,369	3,135,707	5,698,632	6,782,807	6,617,126	418,107	1,311,214	2,350,887
Other income (expenses)	(1,591,028)	(2,031,059)	(2,021,144)	35,267	285,016	(32,509)	(273,724)	565,691	2,098,942
Annual surplus (deficit)	\$ (1,591,028)	\$ (1,781,249)	\$ (2,021,144)	\$ 35,267	\$ 285,016	\$ (32,509)	\$ (273,724)	\$ 565,691	\$ 2,098,942

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

	Natural Resource Management			Social Housing Fund			Health Services Fund		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous and Northern Affairs Canada	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Government	50,000	7,644	312,000	-	-	109,216	-	-	-
Provincial Government	311,279	3,729,021	1,069,456	-	-	-	-	5,000	5,000
Other Aboriginal Groups	-	166,276	-	-	-	-	3,578,723	3,880,867	3,557,077
Band Generated	-	-	-	1,454,544	739,535	659,389	-	-	-
Interest income	-	-	-	-	46	13	-	-	-
Transfer from deferred revenue	-	132,904	13,419	391,054	20,000	20,000	-	-	11,073
Other revenue	-	(22,152)	15,254	36,300	17,142	6,223	-	73,196	54,367
Total revenue	361,279	4,013,693	1,560,129	1,881,898	776,723	794,841	3,578,723	3,959,063	3,627,517
Expenses									
Administration fees	53,000	-	5,010	715,880	20,000	20,000	265,193	-	-
Amortization	-	-	-	-	21,108	123,386	-	69,382	47,937
Capital purchases	59,130	1,287,384	3,586	90,000	13,242	-	102,821	199,410	50,773
Contracted services	-	93,979	12,930	-	36,431	-	190,360	74,286	108,505
Professional fees	726,400	1,039,102	1,027,488	8,500	9,368	8,500	23,000	9,725	29,810
Repairs and maintenance	-	-	-	643,500	150,934	448,861	53,544	96,286	184,560
Travel	254,800	246,911	265,405	55,200	38,061	30,296	85,583	1,223,301	898,444
Wages and benefits	366,245	749,141	538,023	352,150	317,746	259,520	1,428,989	1,376,682	1,352,363
Other expenses	400,065	504,770	132,570	234,714	206,855	197,265	605,199	783,837	473,194
Total expenses	1,859,640	3,921,287	1,985,012	2,099,944	813,745	1,087,828	2,754,689	3,832,909	3,145,586
Other income (expenses)	(1,498,361)	92,406	(424,883)	(218,046)	(37,022)	(292,987)	824,034	126,154	481,931
Annual surplus (deficit)	\$ (1,498,361)	\$ 92,406	\$ (424,883)	\$ (218,046)	\$ (204,300)	\$ (89,141)	\$ 824,034	\$ 127,207	\$ 481,931

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

	LBN Social Development			Capital Projects 500			Operations & Maintenance		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous and Northern Affairs Canada	\$ 2,679,076	\$ 2,824,551	\$ 2,783,723	\$ 895,694	\$ 1,036,660	\$ 2,658,205	\$ 729,572	\$ 761,440	\$ 749,353
Band Generated Interest income	-	-	-	-	24,340	-	393,444	28,281	24,414
Transfer from deferred revenue	-	-	-	-	341	12	-	-	-
Other revenue	-	-	-	-	1,664,035	-	-	-	-
						(1,664,035)	-	-	2,558
Total revenue	2,679,076	2,824,551	2,783,723	895,694	2,725,376	994,182	1,123,016	789,721	776,325
Expenses									
Administration fees	283,430	-	-	89,569	-	-	-	-	-
Amortization	-	-	-	-	1,001,909	1,026,245	-	-	-
Capital purchases	25,950	4,568	7,230	-	1,686,914	1,135,840	-	17,868	4,064
Contracted services	-	-	-	668,767	360,601	143,082	-	-	-
Professional fees	-	-	-	88,568	86,471	90,469	-	-	-
Repairs and maintenance	5,840	1,138	8,250	-	137,708	1,620	82,128	131,651	124,090
Travel	34,000	24,019	24,436	13,200	29,061	12,746	5,280	5,923	33,981
Wages and benefits	464,037	436,734	383,168	32,110	535	556	428,933	467,657	462,877
Other expenses	2,011,293	1,905,427	1,745,400	3,480	56,653	3,542	606,675	672,300	639,718
Total expenses	2,824,550	2,371,886	2,168,484	895,694	3,359,852	2,414,100	1,123,016	1,295,399	1,264,730
Other income (expenses)	(145,474)	452,665	615,239	-	(634,476)	(1,419,918)	-	(505,678)	(488,405)
Annual surplus (deficit)	\$ (145,474)	\$ 452,665	\$ 615,239	-	\$ (625,549)	\$ (1,419,918)	-	\$ (505,678)	\$ (488,405)

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

	Fisheries Fund			Treaty Negotiation Fund			Equity in First Nation Investments		
	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual	2018 Budget	2018 Actual	2017 Actual
Revenues									
Indigenous and Northern Affairs Canada	\$ -	\$ 58,521	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Government	-	821,789	957,719	-	-	-	-	-	-
Provincial Government	-	-	-	732,334	732,334	856,500	-	-	-
Band Generated	-	11,100	-	-	-	-	-	-	-
Other revenue	-	159,009	124,164	-	-	-	-	-	-
Total revenue	-	1,050,419	1,081,883	732,334	732,334	856,500	-	-	-
Expenses									
Administration fees	-	-	259	80,004	-	-	-	-	-
Amortization	-	42,975	29,610	-	906	1,132	-	-	-
Capital purchases	-	22,538	144,463	-	-	-	-	-	-
Professional fees	-	83,418	99,473	272,914	231,531	212,337	-	-	-
Repairs and maintenance	-	-	33,594	-	-	-	-	-	-
Travel	-	28,878	29,134	97,464	74,085	78,243	-	-	-
Wages and benefits	-	515,102	514,089	303,874	190,899	288,317	-	-	-
Other expenses	-	184,095	145,716	253,153	79,454	92,427	-	-	-
Total expenses	-	877,006	996,338	1,007,409	576,875	672,456	-	-	-
Other income (expenses)	-	173,413	85,545	(275,075)	155,459	184,044	-	(520,953)	27,944
Annual surplus (deficit)	\$ -	\$ 173,413	\$ 85,545	\$ (275,075)	\$ 155,459	\$ 184,044	-	\$ (520,953)	\$ 27,944

LAKE BABINE NATION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2018

26. SEGMENTED INFORMATION, continued

			Consolidated totals		
			2018 Budget	2018 Actual	2017 Actual
Revenues					
Indigenous and Northern Affairs Canada			\$ 10,299,687	\$ 10,714,994	\$ 12,195,115
Federal Government			50,000	834,514	1,378,935
Provincial Government			1,366,438	6,470,638	5,450,281
Other Aboriginal Groups			3,931,943	5,344,953	4,741,600
Band Generated			1,847,988	1,283,931	1,990,055
Interest income			-	84,876	59,124
Administration fee			933,715	18,754	-
Transfer from deferred revenue			391,054	1,816,939	44,492
Other revenue			36,300	285,324	(1,235,493)
Total revenue			18,857,125	26,854,923	24,624,109
Expenses					
Administration fees			1,902,198	20,000	23,783
Amortization			-	1,136,280	1,228,310
Capital purchases			328,598	3,382,307	1,551,511
Contracted services			874,127	578,978	847,551
Professional fees			1,609,333	1,909,984	2,241,925
Repairs and maintenance			820,012	620,170	923,223
Travel			1,291,289	2,445,659	2,205,961
Wages and benefits			6,630,328	8,166,126	7,901,226
Other expenses			8,543,647	9,952,845	8,914,764
Total expenses			21,999,532	28,212,349	25,838,254
Other income (expenses)			(3,142,407)	(1,357,426)	(1,214,145)
Annual surplus (deficit)			\$ (3,142,407)\$	(1,785,867)\$	(982,355)