

**Shoal Lake 40 First Nation
Consolidated Financial Statements**
March 31, 2024

Shoal Lake 40 First Nation

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For the year ended March 31, 2024

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Management's Responsibility

To the Members and Chief and Council of Shoal Lake 40 First Nation:

The accompanying consolidated financial statements of Shoal Lake 40 First Nation (the "First Nation") are the responsibility of management and have been approved by the Chief and Council.

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

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

The Shoal Lake 40 First Nation Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the First Nation's external auditors.

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



Band Manager

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To the Members and to the Chief and Council of Shoal Lake 40 First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Shoal Lake 40 First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, accumulated remeasurement gains (losses), change in net financial assets and cash flows for the year then ended, and notes and schedules to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2024, and the results of its consolidated operations, its remeasurement gains (losses), change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Section PS 3280 Asset Retirement Obligations of the Canadian Public Sector Accounting Standard ("PSAS") was adopted by the First Nation on April 1, 2022 with prospective application. This standard requires the recognition of an asset retirement obligation ("ARO") liability when there is a legal obligation that established a clear responsibility to incur retirement costs in relation to a tangible capital asset. The First Nation has not identified any ARO liabilities as of March 31, 2024 and we were unable to satisfy ourselves concerning those liabilities by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to liabilities, net assets, tangible capital assets, accumulated surplus, expenses, operating surplus (deficit), or changes in net assets as at and for the year-ended March 31, 2024.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the 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 qualified opinion.

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

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

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

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

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

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

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

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

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






Winnipeg, Manitoba

October 11, 2024

MNP LLP

Licensed Public Accountants

Shoal Lake 40 First Nation
Consolidated Statement of Financial Position
As at March 31, 2024

	2024	2023	
Financial assets			
Cash and cash equivalents (Note 4)	24,261,409	14,041,049	
Amounts due from government (Note 5)	2,602,636	2,288,145	
Trade and other receivables (Note 6)	2,134,478	1,170,202	
Due from related parties (Note 7)	879,992	611,836	
Funds held in Ottawa Trust Fund (Note 8)	38,480	37,266	
Funds held in Community Development account (Note 9)	41,467	66,480	
Portfolio investments (Note 10)	9,561,074	6,918,019	
	39,519,536	25,132,997	
Liabilities			
Accounts payable and accruals (Note 12)	9,501,376	9,910,148	
Deferred revenue (Note 13)	16,483,242	2,945,693	
Repayable to funder (Note 14)	453,651	457,541	
Long-term debt (Note 15)	5,159,467	5,253,061	
	31,597,736	18,566,443	
Net financial assets	7,921,800	6,566,554	
Contingent liabilities (Note 17)			
Commitments (Note 10)			
Non-financial assets			
Tangible capital assets (Note 11) (Schedule 1)	67,068,474	59,976,683	
Prepaid expenses	46,120	85,929	
	67,114,594	60,062,612	
Accumulated surplus (Note 18)	75,036,394	66,629,166	
Approved on behalf of Chief and Council			
 _____	Chief	 _____	Councillor
 _____	Councillor	 _____	Councillor
 _____	Councillor		

The accompanying notes are an integral part of these consolidated financial statements

Shoal Lake 40 First Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31, 2024

Schedules	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada (Note 16)	28,821,995	23,485,587	7,992,444
Canada Mortgage and Housing Corporation	24,931	24,931	24,931
Indigenous Services Canada - Trust	-	1,214	916
Additional government funding	-	5,820,633	-
Ministry of Education	745,001	710,687	734,168
Ministry of Indigenous Affairs	165,000	165,000	108,086
Ministry of Community and Social Services	269,372	709,020	383,204
Ministry of Health and Long-Term Care	110,328	201,338	130,820
Ministry of Labour, Training and Skills Development	-	-	672,045
Ministry of Transportation	1,375,730	1,110,815	1,197,936
Ministry of Child and Youth Services	21,600	28,197	27,000
Grand Council Treaty #3	86,839	684,634	1,095,320
Ontario First Nations Limited Partnership	1,205,600	1,140,971	800,279
Other revenue	332,964	1,616,846	731,866
Kekekoziibii Development Corporation	-	-	700,000
Kenora Chiefs Advisory	386,242	506,425	538,334
Investment income	986,417	1,009,379	372,715
Shooniyaa Wa-Biitong	81,837	856,471	223,497
Interest income	-	3,655	222,769
Bimose Tribal Council	41,400	100,000	100,000
Debt forgiveness	-	100,000	100,000
Aboriginal Strategies Limited Partnership	-	-	53,982
User fees	23,500	23,500	41,500
Four Winds	92,000	92,000	40,167
HST and Sales Tax rebates	60,000	122,815	33,357
Rental revenue	17,500	27,500	17,500
City of Winnipeg	4,000	4,000	4,000
Ontario Air Ambulance	3,500	3,500	3,500
Anishinaabe Abinoojii Family Services	-	256,063	-
Deferred revenue - prior year (Note 13)	2,973,874	2,945,693	4,438,274
Deferred revenue prior year - COVID (Note 13)	-	-	61,006
Deferred revenue - current year (Note 13)	139,262	(16,483,242)	(2,945,693)
	37,968,892	25,267,632	17,903,923

Continued on next page

Shoal Lake 40 First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2024

	<i>Schedules</i>	<i>2024 Budget (Note 20)</i>	<i>2024</i>	<i>2023</i>
Revenue <i>(Continued from previous page)</i>		37,968,892	25,267,632	17,903,923
Expenses				
Administration	4	3,801,593	4,423,460	2,612,881
Capital		17,516,258	2,338,192	3,082,839
Economic Development	6	1,000,213	1,179,746	1,433,076
Education	7	3,074,956	2,204,767	2,931,138
Health	8	4,905,067	3,363,687	3,254,933
Operations and Maintenance	9	3,937,404	1,837,539	1,730,765
Daycare	10	968,028	951,349	869,775
Social Services	11	568,346	906,577	632,305
Ontario First Nations Limited Partnership	12	218,000	55,547	1,565
Total expenses (Schedule 2)		35,989,865	17,260,864	16,549,277
Surplus before other income (expense)		1,979,027	8,006,768	1,354,646
Other income (expense)				
Realized gain (loss) on disposal of Investments		-	61,594	-
Gain (loss) on disposal of tangible capital assets		-	(3,149)	(1,618,784)
		-	58,445	(1,618,784)
Surplus (deficit)		1,979,027	8,065,213	(264,139)
Accumulated surplus, beginning of year		66,629,166	66,629,166	66,893,305
Accumulated surplus, end of year		68,608,193	74,694,379	66,629,166

Shoal Lake 40 First Nation

Consolidated Statement of Accumulated Remeasurement Gains (Losses)

For the year ended March 31, 2024

	2024	2023
Accumulated remeasurement gains (losses), beginning of year	-	-
Realized (gains) losses on investments	(61,594)	-
Unrealized gains (losses) on investments	403,609	-
Accumulated remeasurement gains (losses), end of year	342,015	-

The accompanying notes are an integral part of these consolidated financial statements

Shoal Lake 40 First Nation
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Surplus (deficit)	1,979,027	8,065,213	(264,139)
Amortization of tangible capital assets	-	2,081,962	2,003,604
(Gain) loss on sale of tangible capital assets	-	3,149	1,618,784
Change in remeasurement gains (losses)	-	342,015	-
Construction in progress	-	(6,749,793)	(1,770,744)
Purchases of tangible capital assets	-	(2,560,244)	(1,204,442)
Proceeds on disposal of tangible capital assets	-	133,135	-
Use of prepaid expenses	-	39,809	66,027
Increase in net financial assets	1,979,027	1,355,246	449,090
Net financial assets, beginning of year	6,566,554	6,566,554	6,117,464
Net financial assets, end of year	8,545,581	7,921,800	6,566,554

Shoal Lake 40 First Nation

Consolidated Statement of Cash Flows

For the year ended March 31, 2024

	2024	2023
Cash provided by (used for) the following activities		
Operating activities		
Surplus (deficit)	8,065,213	(264,139)
Non-cash items		
Amortization	2,081,962	2,003,604
Loss (gain) on disposal of investments	(61,594)	-
Loss (gain) on disposal of tangible capital assets	3,149	1,618,784
	10,088,730	3,358,249
Changes in working capital accounts		
Amounts due from government	(314,491)	465,105
Trade and other receivables	(964,276)	(400,583)
Due from related parties	(268,147)	(459,665)
Accounts payable and accruals	(408,772)	1,301,362
Deferred revenue	13,537,549	(1,553,587)
Repayable to funder	(3,890)	-
Prepaid expenses	39,809	66,027
	21,706,512	2,776,908
Financing activities		
Advances of long-term debt	93,777	1,070,357
Repayment of long-term debt	(187,371)	(182,820)
	(93,594)	887,537
Capital activities		
Construction in progress	(6,749,793)	(1,770,744)
Purchases of tangible capital assets	(2,560,244)	(1,204,442)
Proceeds on disposal of tangible capital assets	133,135	-
	(9,176,902)	(2,975,186)
Investing activities		
Funds held in Ottawa Trust Fund	(1,214)	(916)
Funds held in Community Development account	25,013	(66,480)
Purchase of portfolio investments	-	91,443
Net change from sale of trust fund investments	89,845	-
Purchase of investment in related parties	-	(475,497)
Purchase of guaranteed investment certificate	(2,329,300)	-
	(2,215,656)	(451,450)
Increase in cash resources	10,220,360	237,809
Cash resources, beginning of year	14,041,049	13,803,240
Cash resources, end of year	24,261,409	14,041,049
Supplementary cash flow information		
Interest paid	74,180	43,989

The accompanying notes are an integral part of these consolidated financial statements

1. Operations

The Shoal Lake 40 First Nation (the "First Nation") is located in the Provinces of Ontario and Manitoba, and provides various services to its members.

2. Change in accounting policy

Effective April 1, 2023, the First Nation adopted the following Canadian public sector accounting standards:

- 1) PS 3400 Revenue

The related impact on the First Nation's significant accounting policies is described in Note 3.

3. Significant accounting policies

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

Reporting entity

The Shoal Lake 40 First Nation reporting entity includes the First Nation Government and all related enterprises that are accountable to the First Nation and are either owned or controlled by the First Nation.

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

- Shoal Lake 40 First Nation
- CMHC Housing

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.

Cash resources

Cash resources includes balances with banks and temporary investments maturing in the next fiscal year. Cash subject to restrictions are recorded as restricted cash.

Funds held in Ottawa Trust Fund

The funds held in trust are held in the consolidated revenue fund of the Government of Canada and are subject to audit by the office of the Auditor General of Canada. Revenue from the funds held in trust is recognized in the year in which it is earned when it is measurable and collection is reasonably assured. Trust monies consist of:

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

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

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 attributed to construction and development, as well as interest costs that are directly attributable to the acquisition and construction of the asset.

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

Contributed capital assets are recorded into revenue 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.

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

		Term
Sewer and water infrastructure	straight-line	40 years
Community buildings	straight-line	40 years
Landfill	straight-line	40 years
Band housing	straight-line	25 years
CMHC Housing	straight-line	25 years
Vehicles	straight-line	10 years
Boats	straight-line	10 years
Equipment	straight-line	10 years
Waste Service / Freedom Road	straight-line	40 years

Long-lived assets

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

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

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

Revenue recognition

Government Transfers

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

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt, and is matched with the related department expenses in the year of their occurrence.

Investment and other revenue are recognized on an accrual basis as earned and collection is reasonably assured.

Measurement uncertainty

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

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

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

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

Deferred revenue is estimated based on management's review of revenue received, but unspent as of year-end.

Provisions for funding recoveries and site rehabilitations costs are recorded in accordance with management's estimate of future costs.

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

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

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2024. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

Liability for contaminated site

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the First Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2024.

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

Non-financial assets

The First Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

Net financial assets

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

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

Segments

The First Nation conducts its business through nine reportable segments: Administration, Capital, Economic Development, Education, Health, Operations and Maintenance, Daycare, Social Services and Ontario First Nations Limited Partnership. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

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

Capital - Activities include building Housing in addition to drafting and submitting reports on capital projects.

Economic Development - Activities include drafting and submitting reports on the economic development of the First Nation and related entities.

Education - Activities include overseeing many aspects of education opportunities for its members at all levels of learning both within the community and externally.

Health - Activities include the delivery of Health related services to the First Nation.

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

Daycare - Activities include providing daycare services for the members of the community.

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

Ontario First Nation Limited Partnership (OFNLP) - Activities Include the funding received from Ontario First Nation Limited Partnership.

Statement of Remeasurement Gains and Losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in government business entities are distinguished from revenues and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenues raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the statement of remeasurement gains and losses. Taken together, the two statements account for changes in the First Nation's net debt in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations.

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

Financial instruments

Amortized cost

The First Nation has classified the following financial assets in the amortized cost category: cash, accounts receivable, short-term investment, and restricted cash. These assets are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Cash, accounts receivable, short-term investment, and restricted cash are subsequently measured at their amortized cost, using the effective interest rate method. Under this method, estimated future cash receipts are exactly discounted over the asset's expected life, or other appropriate period, to its net carrying value. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal payments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and less any reduction for impairment or uncollectability.

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

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

The First Nation has classified the following liabilities in the amortized cost category: accounts payable and accruals and long-term debt. These liabilities are initially recognized at their fair value. Fair value is approximated by the instrument's initial cost in a transaction between unrelated parties. Transactions to purchase or sell these items are recorded on the trade date.

Accounts payable and accruals and long-term debt are subsequently measured at amortized cost using the effective interest rate method. Under this method, estimated future cash payments are exactly discounted over the liability's expected life, or other appropriate period, to their net carrying value. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount.

Fair value

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

4. Cash

	2024	2023
Guaranteed investment certificate bearing interest of 5.20%, maturing December 2024	7,626,082	-
Guaranteed investment certificate bearing interest of 5.20%, maturing September 2024	2,054,992	-
Guaranteed investment certificate bearing interest of 5.20%, maturing November 2024	7,791,801	7,979,140
Operating	5,290,895	3,091,073
Guaranteed investment certificate bearing interest of 5.25%, maturing September 2024	652,317	-
Guaranteed investment certificate redeemed in the year	-	2,218,625
Daycare	358,987	296,058
Economic Development Trust	99,563	99,702
Freedom Road	16,681	16,820
Social Services	369,620	326,939
Water Supply Project	471	12,692
	24,261,409	14,041,049

5. Amounts due from government

	2024	2023
Federal		
Indigenous Services Canada	2,384,913	1,836,123
Natural Resources Canada	500	500
Province of Manitoba	217,223	451,522
	2,602,636	2,288,145

6. Trade and other receivables

	2024	2023
Trade receivables	924,403	185,546
Four Winds	201,659	386,475
Shooniyaa Wa Biitong	793,028	198,946
Kenora Chiefs Advisory	94,345	269,993
Bimose Tribal Council	100,000	100,000
Members	21,043	29,242
	2,134,478	1,170,202

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

7. Due from (to) related parties

The outstanding balance from Kekekoziibii Development Corporation of \$86,763 as at March 31, 2024 (2023 - \$10,816) is unsecured, non-interest bearing and has no fixed terms of repayment.

The outstanding balance from Social Services of \$nil as at March 31, 2024 (2023 - \$11,536) is unsecured, non-interest bearing and has no fixed terms of repayment.

The outstanding balance from Waa Bong Resources of \$799,824 as at March 31, 2024 (2023 - \$696,954) is unsecured, non-interest bearing and has no fixed terms of repayment.

The outstanding balance from Shoal Lake #40 Contractors Limited Partnership of \$23,490 as at March 31, 2024 (2023 - \$23,490) is unsecured, non-interest bearing and has no fixed terms of repayment.

The outstanding balance to Shoal Lake #40 Camp Services Limited Partnership of \$30,085 as at March 31, 2024 (2024 - \$130,960) is unsecured, non-interest bearing and has no fixed terms of repayment.

8. Funds held in Ottawa Trust Fund

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

	2024	2023
Capital Trust		
Balance, beginning and end of year	11,769	11,769
Revenue Trust		
Balance, beginning of year	25,497	24,581
Interest	1,214	916
	26,711	25,497
	38,480	37,266

9. Funds held in Community Development account

The First Nations Finance Authority holds back 5% on the loans advanced into a debt reserve fund to cover any default payments.

	2024	2023
First Nation Finance Authority		
Community Investment Account - interest @ 5.00%	699	25,793
Community Investment Account - interest @ 5.00%	40,768	40,687
	41,467	66,480

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

10. Portfolio investments/Commitments

In June 1989, the First Nation entered into a 60 year agreement with the Province of Manitoba and the City of Winnipeg for the preservation of water quality on Shoal Lake. The Province of Manitoba and the City of Winnipeg each paid \$3,000,000 to a Trustee for investment, with the First Nation being entitled to the income earned subject to the terms and conditions of the agreement. The principal sum of the trust is to be disbursed to the First Nation upon the expiry of the agreement after 60 years, or upon termination of the agreement prior to the full term, the sum calculated as the principal multiplied by the expired term divided by 60 years, 2024 - \$2,500,000 (2023 - \$2,600,000). The investment balance consists of the following:

	2024	2023
Province of Manitoba and City of Winnipeg		
Mutual Fund - Enhanced Total Return Bond Fund - Cost \$3,643,918	3,232,650	3,462,200
Mutual Fund - Global Equity Fund - Cost \$1,627,978	2,033,676	1,765,363
Mutual Fund - Canadian Equity Value Fund - Cost \$1,009,033	1,356,618	1,056,805
Mutual Fund - Canadian Money Market Fund - Cost \$40,580	40,580	22,944
	6,663,524	6,307,312
Closing cash account balance	92,449	134,906
Investments in First Nation Partnerships		
Investment in Kakina Economic Development Group GP (100 shares, 10% interest)	100	100
Investment in Kakina Economic Development Group LP (99,999 partnership units, 10% interest)	1	1
Niiwin Wendaanimok Construction LP (100 partnership units, 25% interest)	400,100	400,100
Niiwin Wendaanimok Management LP (100 partnership units, 25% interest)	75,100	75,100
Niiwin Wendaanimok Construction Inc. (100 Class A shares, 25% interest)	100	100
Niiwin Wendaanimok Management Inc. (100 Class A shares, 25% interest)	100	100
Shoal Lake #40 Camp Services Limited Partnership (999 partnership units)	99	99
Shoal Lake #40 Consulting Services Limited Partnership (999 partnership units)	99	99
Shoal Lake #40 Contractor Services Limited Partnership (999 partnership units)	99	99
Ontario First Nations Limited Partnership (1 partnership unit)	1	1
Ontario First Nations Asset Management GP Corporation (1 common share)	1	1
Ontario First Nations Sovereign Wealth LP (1 common share, 0.65% interest)	1	1
	475,801	475,801
Non-redeemable Guaranteed Investment Certificates		
Guaranteed investment certificate bearing interest of 4.15%, maturing January 2025	2,329,300	-
	9,561,074	6,918,019

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

11. Tangible capital assets

At March 31, 2024 the First Nation had under construction a pumphouse, several new houses, and a daycare. At March 31, 2024, \$467,801 (2023 - \$nil), \$6,292,732 (2023 - \$3,737,154), and \$84,950 (2023 - \$84,950) respectively in costs have been capitalized to "construction in progress" on Schedule 1.

None of the assets were available for use at March 31, 2024, and no amortization was recorded for the year.

12. Accounts payable and accruals

	2024	2023
Province of Manitoba	7,747,710	7,747,710
Trade payables	1,745,028	2,160,904
Canada Revenue Agency - employee deductions	8,638	1,534
	9,501,376	9,910,148

13. Deferred revenue

	<i>March 31, 2023</i>	<i>March 31, 2024</i>
Federal		
Administration	491,252	1,541,064
Capital	470,698	9,555,057
Education	262,659	324,660
Health	218,688	581,648
Daycare	41,871	-
Social Services	40,971	5,515
	1,526,139	12,007,944
Provincial		
Education	-	224,981
Health	-	96,063
Operations and Maintenance	-	656,607
Daycare	-	45,191
Social Services	251,418	223,750
	251,418	1,246,592
Other		
Administration	975,517	1,417,242
Capital	7,950	1,727,264
Economic Development	-	84,200
Education	65,122	-
Health	30,069	-
Daycare	60,389	-
Social Services	29,089	-
	1,168,136	3,228,706
	2,945,693	16,483,242

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

14. Repayable to funder

	2024	2023
Indigenous Services Canada - Jordan's Principle	153,867	153,867
Indigenous Services Canada - Tuition Agreements	142,526	146,416
First Nations and Inuit Health	65,963	65,963
Ministry of Health and Long-Term Care	40,337	40,337
Ministry of Education	37,231	37,231
Ontario Arts Council	13,727	13,727
	453,651	457,541

15. Long-term debt

	2024	2023
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2028 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	93,777	-
Vehicle loan payable, repayable in monthly instalments of \$1,706 including interest at 4.99% per annum, secured by specific vehicles with a net book value of \$66,560. Matures April 2026.	41,970	59,862
Vehicle loan payable, repayable in monthly instalments of \$1,749 including interest at 4.99% per annum, secured by specific vehicles with a net book value of \$68,220. Matures April 2026.	46,135	64,313
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2026 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	101,518	101,518
Debt payable to the Province of Manitoba, non-interest bearing, unsecured, matures June 2049 (see Note 10).	1,250,000	1,300,000
Debt payable to the City of Winnipeg, non-interest bearing, unsecured, matures June 2049 (see Note 10).	1,250,000	1,300,000
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2027 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	126,549	126,549
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2026 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	248,739	248,739
CMHC Triplex loan, repayable in monthly instalments of \$2,010 plus interest at 1.72% per annum, secured by Ministerial guarantee, matures March 2045.	367,537	384,842
Vehicle loan payable, repayable in monthly instalments of \$2,714 including interest at 4.08% per annum, secured by specific vehicles with a net book value of \$86,474 (2023 - \$86,474). Matures June 2025.	8,045	39,579

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

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

	2024	2023
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2026 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	33,356	33,356
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2028 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	59,170	59,170
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2025 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	89,599	89,599
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2025 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	142,314	142,314
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2025 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	51,714	51,714
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2027 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	177,986	177,986
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2027 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	26,921	26,921
First Nations Finance Authority Loan, repayable in monthly instalments of \$4,066 including interest at 4.28% per annum, secured by Ontario First Nations Limited Partnership funding.	792,278	794,740
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2027 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	47,618	47,618
ISC Garden Island Land Claim loan, unsecured, repayable when land claim is settled, interest free, maturing in March 2028 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	125,998	125,998
ISC Flood Claim loan, unsecured, repayable when flood claim is settled, interest free, maturing in March 2028 unless the claim is still in negotiations at which time the term will be extended for up to another five years.	78,243	78,243
	5,159,467	5,253,061

Shoal Lake 40 First Nation
Notes to the Consolidated Financial Statements
For the year ended March 31, 2024

15. Debt *(Continued from previous page)*

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

2025	177,700
2026	171,900
2027	142,600
2028	132,600
2029	132,900
	<hr/>
	757,700

16. Indigenous Services Canada Reconciliation

	2024	2023
Indigenous Services Canada revenue per Consolidated Financial Statements	23,485,587	7,992,444
Indigenous Services Canada revenue per funding confirmation	23,485,587	7,992,444

17. Contingent liabilities

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

Shoal Lake 40 First Nation

Notes to the Consolidated Financial Statements

For the year ended March 31, 2024

18. Accumulated operating surplus

Accumulated operating surplus consists of the following:

	2024	2023
Operating surplus	8,828,570	7,947,438
Cumulative unrealized remeasurement gains (losses)	342,015	-
Invested in tangible capital assets	65,812,509	58,633,347
Ottawa trust fund	38,480	37,266
Replacement reserves	14,820	11,115
	75,036,394	66,629,166

19. Economic dependence

The First Nation receives 66% (2023 - 45%) of its revenue 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 First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

20. Budget information

The disclosed budget information has been approved by the Chief and Council of the Shoal Lake 40 First Nation.

21. First Nations Financial Transparency Act

The First Nation is required by the First Nations Financial Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to ISC by July 31, 2024. As the audit report date is after this date, the First Nation is not in compliance with the requirement. The possible effect of this non-compliance has not yet been determined.

22. Restricted cash

Under agreements with Canada Mortgage and Housing Corporation (CMHC) the First Nation established the following:

- A replacement reserve established by an annual allocation of \$3,705, to ensure replacement of buildings financed by CMHC.
- A subsidy surplus reserve established by retaining excess federal assistance payments received plus interest. Reserve funds may be used to meet future subsidy requirements of income test occupants, over and above the maximum federal assistance.

In accordance with terms of the agreements, CMHC reserve moneys must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal. As at March 31, 2024, the replacement reserve was underfunded and the underfunded portion at March 31, 2024 was \$14,820 (March 31, 2023 - \$11,115).

	2024	2023
Opening CMHC replacement reserve	11,115	7,410
Annual replacement reserve allocation	3,705	3,705
	14,820	11,115

23. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations. The First Nation manages its credit risk by providing allowances for potentially uncollectible accounts receivable, consider credit ratings of counterparties etc.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The First Nation has minimal exposure to interest rate risk with respect to cash and accounts payable, which are expected to be realized within one year. The majority of the First Nation's loans are non interest bearing and are disclosed in Note 15.

Liquidity risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit; borrow funds from financial institutions or other creditors; lease office equipment from various creditors; etc., for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow.

Contractual maturities of long-term debt are disclosed in Note 15.

The First Nation manages the liquidity risk resulting from its accounts payable; long-term debt; by applying a technique of asset-liability management and by diversifying its sources of funding.

Fair value

The following illustrates the classification of the First Nation's instruments that are classified in the fair value category as at March 31, 2024 and March 31, 2023:

-Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities:

Assets of the First Nation measured at fair market value and classified as Level 1 include portfolio investments (fair value of \$6,663,524 at March 31, 2024 and \$6,307,312 at March 31, 2023). The cost base of the portfolio investments at March 31, 2024 was \$6,321,509 (March 31, 2023 - \$6,307,312).

-Level 2 - Quoted prices in markets that are not active or inputs that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 2 Inputs include quoted prices for assets in markets that are considered less active. There are no assets of the First Nation measured at fair value classified as Level 2.

Level 3 - Unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities.

- Level 3 assets and liabilities would include financial instruments whose values are determined using pricing models, discounted methodologies, or similar techniques, as well as instruments for which the determination of the estimated fair value required significant management judgement or estimation. There are no assets of the First Nation measured at fair value classified as Level 3.

Shoal Lake 40 First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2024

	<i>Sewer and water infrastructure</i>	<i>Community buildings</i>	<i>Landfill</i>	<i>Band housing</i>	<i>CMHC Housing</i>	<i>Vehicles</i>	<i>Boats</i>	<i>Subtotal</i>
Cost								
Balance, beginning of year	948,035	57,254,398	253,846	5,979,600	493,765	1,322,117	219,140	66,470,901
Purchase of tangible capital assets	-	2,093,711	-	172,646	-	226,408	67,479	2,560,244
Construction-in-progress	-	-	-	-	-	-	-	-
Disposal of tangible capital assets	-	(109,173)	-	-	-	(71,842)	-	(181,015)
Assets put into use	-	540,700	-	3,185,714	-	-	-	3,726,414
Balance, end of year	948,035	59,779,636	253,846	9,337,960	493,765	1,476,683	286,619	72,576,544
Accumulated amortization								
Balance, beginning of year	696,251	7,215,626	228,461	4,621,528	59,253	745,087	139,731	13,705,937
Annual amortization	20,264	1,489,082	6,346	296,098	19,751	60,527	24,662	1,916,730
Accumulated amortization on disposals	-	(3,762)	-	-	-	(40,969)	-	(44,731)
Balance, end of year	716,515	8,700,946	234,807	4,917,626	79,004	764,645	164,393	15,577,936
Net book value of tangible capital assets	231,520	51,078,690	19,039	4,420,334	414,761	712,038	122,226	56,998,608
Net book value of tangible capital assets 2023	251,784	50,038,772	25,385	1,358,072	434,512	577,030	79,409	52,764,964

Shoal Lake 40 First Nation
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2024

	<i>Subtotal</i>	<i>Equipment</i>	<i>Construction in progress</i>	<i>Waste Service / Freedom Road</i>	<i>2024</i>	<i>2023</i>
Cost						
Balance, beginning of year	66,470,901	879,394	3,822,104	3,380,633	74,553,032	73,419,005
Purchase of tangible capital assets	2,560,244	-	-	-	2,560,244	1,204,442
Construction-in-progress	-	-	6,749,793	-	6,749,793	1,770,744
Disposal of tangible capital assets	(181,015)	-	-	-	(181,015)	(1,841,159)
Assets put into use	3,726,414	-	(3,726,414)	-	-	-
Balance, end of year	72,576,544	879,394	6,845,483	3,380,633	83,682,054	74,553,032
Accumulated amortization						
Balance, beginning of year	13,705,937	384,642	-	485,770	14,576,349	12,795,120
Annual amortization	1,916,730	80,716	-	84,516	2,081,962	2,003,604
Accumulated amortization on disposals	(44,731)	-	-	-	(44,731)	(222,375)
Balance, end of year	15,577,936	465,358	-	570,286	16,613,580	14,576,349
Net book value of tangible capital assets	56,998,608	414,036	6,845,483	2,810,347	67,068,474	59,976,683
Net book value of tangible capital assets 2023	52,764,964	494,752	3,822,104	2,894,863	59,976,683	

Shoal Lake 40 First Nation
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Expenses by object			
Administrative expenses	2,597,916	1,813,915	1,753,119
Amortization	24,156	2,081,962	2,003,604
Bad debts	-	229,114	103,602
Bank charges and interest	12,500	13,876	12,103
Community development	437,928	353,716	393,778
Consulting fees	163,375	24,596	80,919
Contracting services	20,871,196	2,569,461	2,235,445
Education/school	257,971	237,772	362,759
Equipment purchase and rentals	808,378	94,981	251,863
Honoraria, salaries and benefits	5,827,265	5,846,179	5,044,587
Interest on debt	140,000	60,304	31,887
Materials and supplies	1,008,653	998,582	602,195
Office and utilities	693,127	818,872	998,667
Repairs and maintenance	1,164,740	590,943	824,978
Social assistance	307,562	508,513	330,041
Student expenses	766,356	355,851	374,693
Training and travel	908,742	662,227	1,145,037
	35,989,865	17,260,864	16,549,277

Shoal Lake 40 First Nation

Schedule 3 - Summary of Consolidated Schedules of Revenue and Expenses by Segment

For the year ended March 31, 2024

	<i>Schedule #</i>	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Deferred/ Unexpended Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses and Other Income (Expense)</i>	<i>Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Administration	4	1,970,283	3,817,803	(1,436,410)	4,351,676	4,365,015	758,479	745,140
Capital	5	13,351,018	5,848,469	(10,858,798)	8,340,689	2,338,192	850,556	6,853,053
Economic Development	6	50,000	1,210,015	(84,200)	1,175,815	1,179,746	-	(3,931)
Education	7	2,871,832	402,118	(221,860)	3,052,090	2,204,767	(339,517)	507,806
Health	8	4,360,157	509,420	(428,956)	4,440,621	3,363,687	(994,139)	82,795
Operations and Maintenance	9	677,240	761,114	(656,607)	781,747	1,837,539	810,045	(245,747)
Daycare	10	50,900	857,044	57,069	965,013	951,349	-	13,664
Social Services	11	154,157	772,640	92,213	1,019,010	906,577	-	112,433
Ontario First Nations Limited Partnership	12	-	1,140,971	-	1,140,971	55,547	(1,085,424)	-
Total		23,485,587	15,319,594	(13,537,549)	25,267,632	17,202,419	-	8,065,213

The accompanying notes are integral part of these consolidated financial statements

Shoal Lake 40 First Nation
Administration
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	1,484,710	1,970,283	1,268,754
Indigenous Services Canada - Trust	-	1,214	916
Ministry of Indigenous Affairs	165,000	165,000	108,086
Grand Council Treaty #3	-	666,776	1,008,482
Other revenue	195,318	1,489,741	662,682
Investment income	986,417	1,009,379	372,715
Interest income	-	3,655	222,769
Shooniyaa Wa-Biitong	-	-	141,660
Kenora Chiefs Advisory	-	134,723	116,786
Debt forgiveness	-	100,000	100,000
HST and Sales Tax rebates	60,000	122,815	33,357
Four Winds	92,000	92,000	31,000
City of Winnipeg	4,000	4,000	4,000
Ontario Air Ambulance	3,500	3,500	3,500
Ministry of Transportation	-	25,000	-
Deferred revenue - prior year (Note 13)	2,029,980	1,521,896	1,101,284
Deferred revenue - current year (Note 13)	-	(2,958,306)	(1,521,896)
	5,020,925	4,351,676	3,654,095

Continued on next page

Shoal Lake 40 First Nation
Administration
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
<i>(Continued from previous page)</i>	5,020,925	4,351,676	3,654,095
Expenses			
Administration recovery	(759,448)	(630,307)	(654,731)
Bad debts	-	229,114	103,602
Bank charges and interest	12,000	13,536	11,841
Bursary expense	4,000	4,000	3,990
COVID enhancements	5,000	-	280
Community distributions	165,000	163,332	146,322
Community donations	-	-	1,050
Community events	145,000	153,477	108,093
Community safety	30,000	-	24,210
Consulting fees	10,000	24,346	66,387
Contracted services	-	2,400	5,000
Economic development (recovery)	400,000	400,000	(75,000)
Elders support	150,000	145,050	141,940
Equipment purchases	20,000	16,506	1,867
Equipment rentals	7,000	-	300
Honouraria - Elders (recovery)	-	2,200	(550)
Honourarium	84,700	182,750	97,450
Insurance	26,000	22,637	25,929
Interest on long-term debt	-	52,870	31,887
Internet	8,604	-	9,655
Materials and supplies	91,494	52,387	172,227
Meeting costs	227,203	301,937	185,711
Miscellaneous	38,300	70,036	4,442
Office	-	188,400	1,444
Placement expense	254,356	-	-
Professional fees	1,416,338	862,983	538,931
Program expense	66,804	98,831	24,717
Project coordination	24,000	3,200	105,000
Repairs and maintenance (recovery)	9,500	1,134	3,276
Salaries and benefits	1,004,321	1,658,169	1,063,077
Short term respite	-	2,420	-
Supplies	52,000	142,668	73,778
Telephone	40,000	19,699	52,142
Training	43,000	25,332	123,860
Travel	104,475	98,609	107,295
Travel - Chief and Council	110,946	99,042	82,785
Utilities	-	10,486	14,069
Website development	11,000	6,216	10,605
	3,801,593	4,423,460	2,612,881
Surplus before other income (expense) and transfers	1,219,332	(71,784)	1,041,214

Continued on next page

Shoal Lake 40 First Nation
Administration
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Surplus before other income (expense) and transfers <i>(Continued from previous page)</i>	1,219,332	(71,784)	1,041,214
Other income (expense)			
Gain (loss) on disposal of tangible capital assets	-	(3,149)	(1,618,784)
Realized gain (loss) on disposal of Investments	-	61,594	-
Surplus (deficit) before transfers	1,219,332	(13,339)	(577,570)
Transfer between segments	(391,103)	758,479	(547,035)
Surplus (deficit)	828,229	745,140	(1,124,605)

Shoal Lake 40 First Nation
Capital

Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 21)	2024	2023
Revenue			
Indigenous Services Canada	18,457,828	13,351,018	616,995
Canada Mortgage and Housing Corporation - Subsidy	24,931	24,931	24,931
CMHC Contributions	-	5,820,633	-
Other revenue	-	2,905	64,984
Deferred revenue - prior year	415,573	423,523	1,350,989
Deferred revenue - current year	-	(11,282,321)	(423,523)
	18,898,332	8,340,689	1,634,376
Expenses			
Administration	53,775	2,275	2,275
Amortization	24,156	2,081,962	2,003,604
Contracted services	14,957,664	81	-
Equipment purchases	537,883	1,088	1,182
Equipment rentals	-	-	102,603
Insurance	2,800	8,116	6,838
Interest on long-term debt	-	7,434	-
Materials and supplies	-	33,202	107,885
Meeting costs	-	6,019	-
Miscellaneous	4,420	24,438	57,033
Professional fees	1,335,360	119,666	60,675
Repairs and maintenance	600,200	53,456	429,041
Salaries and benefits	-	-	225,204
Supplies	-	-	80,034
Travel	-	455	6,465
	17,516,258	2,338,192	3,082,839
Surplus (deficit) before transfers	1,382,074	6,002,497	(1,448,463)
Transfers between segments	456,973	850,556	1,588,888
Surplus	1,839,047	6,853,053	140,425

Shoal Lake 40 First Nation
Economic Development
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	50,000	50,000	50,000
Ministry of Transportation	997,461	1,085,815	1,197,936
Kekekoziibii Development Corporation	-	-	700,000
Other revenue	-	124,200	-
Deferred revenue - current year	-	(84,200)	-
	1,047,461	1,175,815	1,947,936
Expenses			
Administration	-	-	92,000
Business development	-	272	160,176
Honourarium	2,500	-	-
Meeting costs	1,718	-	-
Professional fees	916,135	1,108,815	1,105,936
Salaries and benefits	77,000	69,948	74,964
Supplies	20	-	-
Training	2,162	-	-
Travel	678	711	-
	1,000,213	1,179,746	1,433,076
Surplus (deficit) before transfers	47,248	(3,931)	514,860
Transfers between segments	27,000	-	(679,000)
Surplus (deficit)	74,248	(3,931)	(164,140)

Shoal Lake 40 First Nation
Education

Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	2,782,590	2,871,832	3,076,329
Ministry of Labour, Training and Skill Development	-	-	672,045
Bimose Tribal Council	41,400	100,000	100,000
Grand Council Treaty #3	86,839	17,858	86,839
Ministry of Child and Youth Services	21,600	28,197	27,000
Four Winds	-	-	9,167
Anishinaabe Abinoojii Family Services	-	256,063	-
Deferred revenue - prior year (Note 13)	295,478	327,781	294,474
Deferred revenue - current year (Note 13)	139,262	(549,641)	(327,781)
	3,367,169	3,052,090	3,938,073
Expenses			
Administration	202,102	227,978	183,891
Advertising	-	-	1,178
Culture and recreation	10,000	2,673	10,800
Equipment purchases	6,000	5,923	39,792
Extracurricular activities (recovery)	-	23,650	(1,434)
Field trips	45,000	14,651	14,348
Honourarium	5,000	1,400	350
Insurance	6,700	5,584	5,067
Interest on long-term debt	140,000	-	-
Materials and supplies	92,500	43,847	70,569
Meeting costs	-	1,876	1,606
Miscellaneous	-	-	10,470
Oil and gas	22,600	9,540	6,886
Professional development	70,000	28,091	25,947
Professional fees (recovery)	-	(7,000)	90,056
Program expense	30,000	27,835	17,900
Rental expense	24,000	-	15,000
Repairs and maintenance	12,000	1,075	1,565
Salaries and benefits	1,224,083	955,429	1,076,081
Student expenses	512,000	355,851	374,693
Supplies	205,000	141,999	179,541
Teacher replacements	32,000	39,901	30,260
Telephone	16,000	7,589	7,766
Training	-	-	275,441
Travel	166,000	81,297	137,062
Tuition	253,971	233,773	356,303
Utilities	-	1,805	-
	3,074,956	2,204,767	2,931,138
Surplus before transfers	292,213	847,323	1,006,935
Transfers between segments	(380,000)	(339,517)	(383,329)
Surplus (deficit)	(87,787)	507,806	623,606

Shoal Lake 40 First Nation
Health

Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	3,508,682	4,360,157	2,147,040
Kenora Chiefs Advisory	322,594	308,082	336,684
Ministry of Health and Long-Term Care	110,328	201,338	110,328
Deferred revenue - prior year (Note 13)	299,581	248,755	1,016,442
Deferred revenue prior year - COVID (Note 13)	-	-	61,006
Deferred revenue - current year (Note 13)	-	(677,711)	(248,755)
	4,241,185	4,440,621	3,422,745
Expenses			
Administration	370,794	298,572	252,201
COVID enhancements	-	3,496	62,660
Consulting fees	-	250	-
Contracted services	130,000	51,422	33,745
Culture and recreation	163,775	48,564	92,878
Equipment purchases	71,995	9,064	55,839
Equipment rentals	-	-	1,650
Honourarium	43,000	40,889	13,600
Insurance	9,754	19,205	10,493
Materials and supplies	87,929	131,635	248,274
Medical/Diabetes initiative	-	-	993
Meeting costs	-	-	41,051
Miscellaneous	217,000	146,648	26,491
Office	27,500	17,500	17,500
Oil and gas	-	10,643	-
Professional development	18,000	3,303	300
Professional fees	164,000	120,909	73,824
Program expense	510,000	194,867	175,870
Rental expense	75,000	62,200	10,800
Repairs and maintenance	117,000	28,698	2,255
Salaries and benefits	2,254,382	1,751,593	1,407,123
Short term respite	40,000	7,636	10,537
Social assistance	2,000	25,413	579
Special projects	-	19,315	92,466
Supplies	184,541	101,298	168,371
Telephone	35,662	5,103	25,322
Training	35,000	31,741	56,070
Travel	319,721	168,100	257,478
User fees	11,500	11,500	11,500
Utilities	11,514	8,790	8,121
Womens workshop/teachings	5,000	45,333	94,476
Youth activities	-	-	2,466
	4,905,067	3,363,687	3,254,933
Surplus (deficit) before transfers	(663,882)	1,076,934	167,812
Transfers between segments	-	(994,139)	19,932
Surplus (deficit)	(663,882)	82,795	187,744

Shoal Lake 40 First Nation
Operations and Maintenance
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	2,252,014	677,240	611,686
Ministry of Transportation	378,269	-	-
Aboriginal Strategies Limited Partnership	-	-	53,982
User fees	23,500	23,500	41,500
Rental revenue	17,500	27,500	17,500
Shooniyaa Wa-Biitong	-	710,114	-
Other revenue	137,646	-	-
Deferred revenue - prior year (Note 13)	-	-	240,834
Deferred revenue - current year	-	(656,607)	-
	2,808,929	781,747	965,502
Expenses			
Administration	8,480	8,480	14,231
Capital purchases	20,000	-	-
Consulting	153,375	-	14,532
Contracted services	1,813,750	201,106	88,341
Equipment rentals	36,500	200	20,320
Insurance	202,377	210,580	195,494
Materials and supplies	-	-	20,060
Miscellaneous	245,820	-	-
Oil and gas	36,000	38,466	-
Professional development	-	28,993	-
Professional fees	129,949	53,507	142,352
Program expense	96,000	-	-
Repairs and maintenance	413,040	467,701	377,787
Salaries and benefits	367,518	418,505	387,449
Supplies	39,000	65,607	27,799
Telephone	27,000	22,501	121,621
Training	-	683	-
Travel	15,500	9,406	16,915
User fees	12,000	12,000	12,000
Utilities	321,095	299,804	291,864
	3,937,404	1,837,539	1,730,765
Deficit before transfers	(1,128,475)	(1,055,792)	(765,263)
Transfers between segments	895,000	810,045	799,258
Surplus (deficit)	(233,475)	(245,747)	33,995

Shoal Lake 40 First Nation
Daycare

Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	50,900	50,900	50,900
Ministry of Education	745,001	710,687	734,168
Shooniyaa Wa-Biitong	81,837	146,357	81,837
Other revenue	-	-	3,000
Deferred revenue - prior year (Note 13)	102,262	102,260	218,921
Deferred revenue - current year (Note 13)	-	(45,191)	(102,260)
	980,000	965,013	986,566
Expenses			
Administration	59,676	79,092	81,690
Bank charges and interest	500	48	42
Capital purchases	-	-	2,510
Culture and recreation	12,000	25,800	10,826
Equipment purchases	10,000	-	-
Field trips	15,000	-	22,875
Food and beverage	8,000	16,475	7,930
Insurance	8,500	14,551	9,177
Materials and supplies	12,000	2,667	10,417
Office	24,000	18,000	18,000
Professional fees	-	36,255	-
Program expense	78,000	23,070	10,243
Repairs and maintenance	10,000	26,254	9,470
Salaries and benefits	506,997	503,080	471,496
Supplies	118,000	80,164	128,383
Telephone	4,000	4,821	3,986
Training	29,260	83,033	1,200
Travel	52,000	32,692	63,298
Utilities	20,095	5,347	18,232
	968,028	951,349	869,775
Surplus (deficit)	11,972	13,664	116,791

Shoal Lake 40 First Nation
Social Services
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Indigenous Services Canada	235,271	154,157	170,740
Ministry of Community and Social Services	269,372	709,020	383,204
Ministry of Health and Long-Term Care	-	-	20,492
Kenora Chiefs Advisory	63,648	63,620	84,864
Other revenue	-	-	1,200
Deferred revenue - prior year (Note 13)	-	321,478	215,330
Deferred revenue - current year (Note 13)	-	(229,265)	(321,478)
	568,291	1,019,010	554,352
Expenses			
Administration	3,000	3,000	1,006
Bank charges and interest	-	292	219
Miscellaneous	-	33,319	44,265
Office	5,000	5,000	-
Professional fees	-	-	4,120
Program expense	-	12,545	27,300
Project coordination	8,928	-	-
Purchase of services	10,000	-	23,480
Repairs and maintenance	3,000	12,626	1,584
Salaries and benefits	192,764	258,722	165,405
Social assistance	305,562	483,100	329,463
Supplies	10,092	66,846	18,296
Training	10,000	7,536	6,123
Travel	20,000	23,591	11,044
	568,346	906,577	632,305
Surplus (deficit)	(55)	112,433	(77,953)

Shoal Lake 40 First Nation
Ontario First Nations Limited Partnership
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2024

	2024 Budget (Note 20)	2024	2023
Revenue			
Ontario First Nations Limited Partnership	1,205,600	1,140,971	800,279
Expenses			
Contracted services	8,000	-	-
Community events	25,000	-	-
Meeting costs	125,000	-	1,565
Professional development	-	55,547	-
Salaries and benefits	60,000	-	-
	218,000	55,547	1,565
Surplus before transfers	987,600	1,085,424	798,714
Transfers between segments	(776,870)	(1,085,424)	(798,715)
Surplus (deficit)	210,730	-	(1)