

Sioux Valley Dakota Nation

Consolidated Financial Statements

March 31, 2023

Sioux Valley Dakota Nation

Management's Responsibility for Financial Reporting

March 31, 2023

The financial statements have been prepared by management in accordance with the Public Sector Accounting Standards (PSAS) of the Chartered Professional Accountants of Canada (CPA) and the reporting requirements of the funding agreement with Indigenous Services Canada. Financial statements are not precise since they contain certain amounts based on estimates and judgments. When alternative methods exist, management has chosen what it deems most appropriate, in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the presentation of consolidated financial statements.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

The Chief and Council review and approve the financial statements for issuance to Band members. The Chief and Council meet periodically with management, as well as 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 review the financial statements and the external auditors' report.

McClelland Debusschere CPA PC Inc., an independent firm of Chartered Professional Accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.



Sioux Valley Dakota Nation

October 2, 2023

Date



McClelland Debusschere

Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditor's Report

To the Members of Sioux Valley Dakota Nation

Opinion

We have audited the consolidated financial statements of Sioux Valley Dakota Nation, which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, re-measurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Sioux Valley Dakota Nation as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Matter

The consolidated financial statements for the year ended March 31, 2022 were audited by another practitioner who expressed an unmodified opinion on those consolidated financial statements on April 14, 2023. Our opinion is not modified in respect of this matter.

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

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



McClelland Debuschere

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Independent Auditor's Report

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

Those charged with governance are responsible for overseeing the Dakota 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 Dakota Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



McClelland Debusschere

Chartered Professional Accountants
Assurance Tax Advisory

Independent Auditor's Report

- 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 Dakota Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Dakota 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.

McClelland Debusschere
CPA P.C. INC

Saskatoon, SK
October 2, 2023

Chartered Professional Accountants

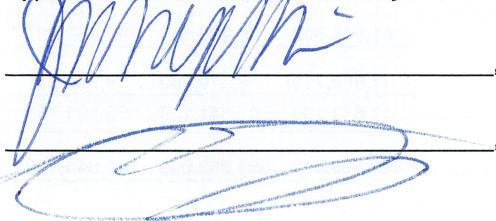
Sioux Valley Dakota Nation

Consolidated Statement of Financial Position

March 31, 2023

	2023	2022 as restated, see note 23
Financial Assets		
Cash	\$ 15,694,445	\$ 19,216,342
Restricted assets (Note 3)	9,461,602	4,653,299
Accounts receivable (Note 4)	7,804,465	4,665,934
Inventory held for sale	298,881	177,720
Marketable securities	292,212	323,034
Trust Funds held by the Federal Government (Note 5)	10,088	9,319
	33,561,693	29,045,648
Liabilities		
Accounts payable (Note 6)	2,439,115	2,766,441
Funding repayable (Note 7)	159,306	135,788
Deferred revenue (Note 8)	18,701,884	16,102,724
Long-term debt (Note 9)	5,613,409	6,144,429
Obligations under capital lease (Note 10)	397,723	655,254
	27,311,437	25,804,636
Net financial assets	6,250,256	3,241,012
Non-financial assets		
Tangible capital assets (Note 11)	44,128,768	37,928,402
Intangible capital assets (Note 12)	231,859	-
Prepaid expenses	241,126	471,716
	44,601,753	38,400,118
Accumulated surplus (Note 13)	\$ 50,852,009	\$ 41,641,130
Commitments (Note 14)		

Approved on behalf of the Sioux Valley Dakota Nation:



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

Sioux Valley Dakota Nation

Consolidated Statement of Operations For the Year Ended March 31, 2023

	2023 Budget	2023	2022 as restated, see note 23
Revenue			
Indigenous Services Canada (Note 15)	\$34,673,659	\$46,409,564	\$40,804,356
Canada Mortgage and Housing Corporation	-	1,242,489	363,240
Southern First Nations Network of Care	-	3,032,507	-
Health Canada	1,229,925	30,810	1,420,498
Government of Manitoba	-	75,196	-
Trust fund held by Federal Government	-	769	434
Retail sales	-	13,065,447	9,907,724
Other revenue	-	2,769,544	2,096,736
Rentals	-	816,479	991,610
Winterfest	-	525,956	-
Gains (losses) on sale	-	-	148,989
Administrative fees	-	369,291	134,354
Care home fees	-	308,356	336,528
User fees	-	53,136	337,058
Expense recoveries	-	45,938	130,356
Interest	-	36,493	72,097
Recognition (deferral) of unexpended revenue	4,065,207	(3,145,682)	(6,352,212)
	39,968,791	65,636,293	50,391,768
Expenses			
Education (Schedule 1)	6,717,903	7,349,376	6,184,261
Social services (Schedule 2)	6,920,968	7,807,470	6,754,714
Infrastructure (Schedule 3)	6,929,873	3,150,719	2,003,882
Band support (Schedule 4)	1,165,073	1,083,904	1,392,908
Capital (Schedule 5)	6,407,910	3,791,157	1,653,221
Health (Schedule 6)	3,346,241	3,115,909	2,851,662
Band programs (Schedule 7)	4,244,518	5,560,558	4,053,376
Governance (Schedule 8)	4,192,811	4,481,260	3,597,617
Economic development (Schedule 9)	1,124,205	18,324,432	11,149,711
Amortization	-	1,760,628	1,211,045
	41,049,502	56,425,413	40,852,397
Current surplus (deficit)	(1,080,711)	9,210,880	9,539,371
Accumulated surplus - beginning of the year (Note 23)	41,641,130	41,641,130	32,101,759
Accumulated surplus - end of the year	\$40,560,419	\$50,852,009	\$41,641,130
Expenses by object (Note 16)			

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

Sioux Valley Dakota Nation

Statement of Change in Net Financial Assets For the Year Ended March 31, 2023

	2023 Budget	2023	2022 as restated, see note 23
Current surplus (deficit)	\$ (1,080,711)	\$ 9,210,880	\$ 9,539,371
Purchase of tangible capital assets	-	(9,070,033)	(13,061,105)
Purchase of intangible capital assets	-	(240,446)	-
Proceeds on capital asset disposals	-	-	3,819,089
Amortization of tangible capital assets	-	2,869,667	2,144,789
Amortization of intangible capital assets	-	8,587	-
Decrease (increase) in prepaid expenses	-	230,590	(329,401)
Increase (decrease) in net financial assets	(1,080,711)	3,009,245	2,112,743
Net financial assets, beginning of the year	3,241,012	3,241,012	1,128,269
Net financial assets, end of the year	\$ 2,160,301	\$ 6,250,256	\$ 3,241,012

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

Sioux Valley Dakota Nation

Consolidated Statement of Cash Flows For the Year Ended March 31, 2023

	2023	2022 as restated, see note 23
CASH FLOWS FROM OPERATING ACTIVITIES:		
Current surplus	\$ 9,210,880	\$ 9,539,371
Non-cash items:		
Amortization of tangible capital assets	2,869,667	2,144,789
Amortization of intangible capital assets	8,587	-
Debt forgiveness	(42,500)	(32,500)
Change in value of marketable securities	30,822	(29,110)
Change in working capital items:		
Change in trust fund	(769)	(434)
Change in inventory held for resale	(121,161)	13,417
Change in accounts receivables	(3,138,531)	(2,357,831)
Change in prepaid expenses	230,590	(329,401)
Change in restricted cash	(4,808,303)	(433,764)
Change in accounts payable	(327,327)	740,518
Change in deferred revenue	2,599,160	6,741,576
Change in funding repayable	23,518	-
	6,534,633	15,996,631
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term debt	(1,127,014)	(1,159,532)
Repayment obligations under capital lease	(257,531)	(211,182)
Proceeds from long-term debt	638,494	1,728,756
	(746,051)	358,042
CAPITAL ACTIVITIES:		
Tangible capital asset purchases	(9,070,033)	(13,061,105)
Intangible capital asset purchases	(240,446)	-
Proceeds on capital asset disposals	-	3,819,089
	(9,310,479)	(9,242,016)
Net cash increase (decreases)	(3,521,897)	7,112,657
Cash at beginning of period	19,216,342	12,103,685
Cash at end of period	\$ 15,694,445	\$ 19,216,342

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

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

1. Nature of Operations

Sioux Valley Dakota Nation is a first nation subject to the provisions of the Indian Act. The Dakota Nation is not a signatory to a Treaty. On July 1, 2014, Sioux Valley Dakota Nation achieved the status of self-government with recognized jurisdiction by both Canada and Manitoba in over 50 areas, creating a true Nation-to-Nation and Government-to-Government relationship between Sioux Valley Dakota Nation, Canada, and Manitoba.

The reporting entity Sioux Valley Dakota Nation ('Dakota Nation') is governed by elected officials from the Sioux Valley Dakota Nation. These financial statements include the Dakota Nation government and all related entities which are accountable to the Dakota Nation and are either owned or controlled by the Dakota Nation.

2. Significant Accounting Policies

a. Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards and include the following principles:

b. Reporting entity

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

c. Principles of consolidation

These financial statements consolidate the assets, liabilities, and results of operations for the following entities, which use accounting principles which lend themselves to consolidation:

Sioux Valley Dakota Nation Operations
Sioux Valley Dakota Nation CMHC Housing Authority
Sioux Valley Dakota Nation Education Program
Dakota Tiwahe Services Inc.
Sioux Valley Dakota Oyate Lodge
Sioux Valley Gaming Centre
Sioux Valley Gaming Commission
Sioux Valley Housing Authority Inc. - Off Reserve Housing
Sioux Valley Holdings Ltd.
Sioux Valley Holdings LP
Dakota Quickstop
Dakota Valley Gas Mart LP
Dakota Valley Gas Mart Ltd.
6559710 Manitoba Inc.
Sioux Valley Developments Inc.

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

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

2. Significant Accounting Policies (continued)

c. Principles of consolidation (continued)

Under the modified equity method of accounting, only the Dakota Nation's investment in the government business enterprise and the enterprise's net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from those of the Dakota Nation. Long-term investments in non-controlled entities are recorded at the lower of cost or net realizable value.

d. 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.

e. Net debt or net financial assets

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

f. Cash

Cash includes cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of 90 days or less at acquisition which are held for the purpose of meeting short-term cash commitments.

Any cash that is legally restricted from use is recorded in restricted assets. Cash and deposits are considered restricted when they are subject to contingent rights of third parties.

g. Inventories

Inventory is stated at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

h. Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amounts required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Dakota 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, 2023.

At each financial reporting date, the Dakota 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 Dakota Nation continues to recognize the liability until it's settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

At March 31, 2023, management has determined there is no liability.

Sioux Valley Dakota Nation

Notes to the Financial Statements
For the Year Ended March 31, 2023

2. 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 the Dakota Nation's incremental cost of borrowing.

Amortization is provided for on a straight-line basis over their estimated useful lives. No amortization is recorded in the year of acquisition.

Buildings	40 - 50 years
Infrastructure & roads	15 - 50 years
Housing	40 years
Trailers	10 years
Furniture & equipment	3 - 10 years
Heavy Equipment	4 - 5 years
Vehicles	4 - 5 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Dakota 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. Intangible capital assets

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

Amortization is provided for on a straight-line basis over their estimated useful lives.

Land leases	Life of the lease
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Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

2. Significant Accounting Policies (continued)

k. 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. Actual results could differ from those estimates.

Accounts receivable and member advances are assessed for collectability annually and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these financial statements.

l. Segments

The Dakota Nation conducts its business through reportable segments. These operating segments are established by senior management to facilitate the achievement of the Dakota 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.

m. Internal charges and transfers

The central administration office provides services to other program areas. To recognize the cost of these services a corresponding revenue and expense is recorded and referred to as "Administration fees."

n. Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is not practicable.

Government funding transfers, which includes transfers from Indigenous Services Canada, Southern First Nations Network of Care, Canada Mortgage and Housing Corporation, Health Canada, and the Government of Manitoba are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor and are recognized as revenue when used for a specific purpose.

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

2. Significant Accounting Policies (continued)

n. Revenue recognition (continued)

Other revenues, which include retail sales, rentals, revenues derived from Winterfest, administration fees, care home fees, other user fees, and expense recoveries are recognized when persuasive evidence of an arrangement exists, the price is fixed or determinable, collection is reasonably assured, and the goods or services have been provided.

Interest revenues and income earned from trust funds held by the Federal Government are recognized as they are earned.

o. Marketable securities

Marketable securities which are owned by the Dakota Nation but not controlled or influenced by the Dakota Nation are recorded at their fair market value as of the reporting date.

p. Funds held in Ottawa Trust Fund

Funds held in trust on behalf of the Dakota Nation by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

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

q. Related parties

Parties are considered related to the Dakota Nation if the Dakota Nation has the ability to, directly or indirectly, control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Dakota Nation and the party are subject to common control or common significant influence. Related parties may be other entities or individuals. Related party transactions are recorded at fair value

r. Leased assets

Leased assets that transfer substantially all the benefits and risks of ownership are recorded as the acquisition of a tangible capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with tangible capital assets owned by the First Nation, and the obligation, including interest thereon, is repaid over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed as incurred.

Assets under capital lease and obligations under capital lease related to internet infrastructure and equipment at the Gaming Centre existed as of March 31, 2023.

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

3. Restricted Assets

The Dakota Nation has received federal assistance through the CMHC, pursuant to Section 95 of the National Housing Act, to reduce mortgage interest and enable the Dakota Nation to provide housing to members. The continuation of this interest rate reduction is contingent on the Dakota Nation being in compliance with the terms of the agreement, which requires that a monthly amount be set aside to provide for major renovations to Nation housing in future years.

The Dakota Nation has established a replacement reserve to ensure replacement of buildings financed by the CMHC, as well as a reserve related to surpluses generated in the post-1997 program, which are to be set aside and used to meet future subsidy requirements of income tested occupants over and above the maximum federal assistance.

The CMHC reserve funds must be held or invested only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by the CMHC. Reserve withdrawals are credited first to interest and then to principal.

Cash received to complete capital projects or held for specific purposes is held in separate bank accounts.

Restricted assets are comprised of the following:

	2023	2022
GAP funding	\$ 9,390,299	\$ 4,583,503
CMHC reserves	71,094	69,587
Special funds	209	209
	\$ 9,461,602	\$ 4,653,299

4. Accounts Receivable

	2023	2022
Indigenous Services Canada	\$ 6,264,470	\$ 3,423,536
Housing rent receivable	1,215,811	1,655,776
Trade receivables	1,159,591	979,567
GST receivable	213,090	-
Southern First Nation's Network of Care	193,800	-
Canada Mortgage and Housing Corporation	170,001	8,553
Fuel rebate receivable	169,313	94,915
Tobacco tax receivable	159,774	57,684
Dakota Ojibway CFDC	15,000	-
Allowance for doubtful accounts	(1,756,385)	(1,554,097)
	\$ 7,804,465	\$ 4,665,934

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

5. Trust funds held by the Federal Government

	2023 Revenue	2023 Capital	2023 Total	2022 Total
Surplus, beginning of year	\$ 9,208	\$ 111	\$ 9,319	\$ 8,885
Interest earned	391	-	391	81
Lease revenue	378	-	378	353
	\$ 9,977	\$ 111	\$ 10,088	\$ 9,319

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. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

6. Accounts Payable

	2023	2022
Trade payables	\$ 1,995,595	\$ 2,120,775
Wages payable	438,241	553,536
PST Payable	5,279	-
GST Payable	-	92,130
	\$ 2,439,115	\$ 2,766,441

7. Funding Repayable

Indigenous Services Canada is recovering unspent contributions from prior years by reducing current year funding. The following are the balances outstanding for each of the listed programs.

	2023	2022
New Paths	\$ 134,520	\$ 134,520
Aboriginal Diabetes	23,518	-
Basic Needs	1,268	1,268
	\$ 159,306	\$ 135,788

8. Deferred Revenue

Indigenous Services Canada funding agreements stipulate the terms and conditions that apply to situations where revenue received exceeds expenditures. Depending on the funding arrangement the unexpended funds may be retained by the recipient, repaid to ISC, deferred to the following year, or transferred to another ISC program area. Any funding arrangements that have a provision that allows the recipient to retain the excess funds are recorded as surpluses. All other excess funds are recorded as a liability and classified as "Deferred revenue" on the financial statements.

Sioux Valley Dakota Nation

Notes to the Financial Statements
For the Year Ended March 31, 2023

8. Deferred Revenue (continued)

	Beginning of year	Deferral (recognition)	2023
ISC Revenues			
ISC - Capital - Water/Wastewater Systems	\$ 4,154,260	\$ 86,774	\$ 4,241,034
ISC - ICIF	-	2,836,082	2,836,082
ISC - Lifecycle Infrastructure	-	2,491,678	2,491,678
ISC - B22 Housing MT/SG	-	2,437,457	2,437,457
ISC - Dakota Tiwahe Services (CFS)	1,413,597	(335,234)	1,078,363
ISC - Supportive Care Initiatives	1,661,867	(1,090,230)	571,637
ISC - BRS Community Support	26,000	415,277	441,277
ISC - Pandemic Response	396,649	-	396,649
ISC - Summer students	202,998	89,427	292,425
ISC - Jordan's Principle - Respite Care	-	222,410	222,410
ISC - Jordan's Principle - Mental Wellness	-	205,122	205,122
ISC - Jordan's Principle - Renovations	-	192,345	192,345
ISC - FN Representative Service	-	188,090	188,090
ISC - Claims Implementation	-	177,674	177,674
ISC - Jordan's Principle - Education	-	176,770	176,770
ISC - Jorda's Principle - Cultural Activities	-	176,381	176,381
ISC - Basic Needs - Inflation Relief	-	168,221	168,221
ISC - Adult Education	-	166,733	166,733
ISC - Prevention Projects	-	149,314	149,314
ISC - P&ID - Law Making	-	144,000	144,000

Continued on next page

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

8. Deferred Revenue (continued)

	Beginning of year	Deferral (recognition)	2023
Deferred revenues, continued			
ISC - Health Administration	507,328	(381,538)	125,790
ISC - LEDSP	-	123,852	123,852
ISC - Jordan's Principle - Allied Health	-	115,069	115,069
ISC - Service Delivery	175,933	(67,345)	108,588
ISC - Skills Link (Lodge)	-	98,246	98,246
ISC - Mental Wellness Program	185,711	(100,162)	85,549
ISC - ECCC	217,120	(143,765)	73,355
ISC - Aboriginal Diabetes	38,054	30,684	68,738
ISC - Jordan's Principle - Social Activities	-	57,799	57,799
ISC - School Ventilation	-	54,703	54,703
ISC - UNDRIP	-	53,970	53,970
ISC - P&ID - Ext Relations	-	52,770	52,770
ISC - P&ID - IT	-	50,800	50,800
ISC - Indigenous Housing Quality Analyst Program	-	40,500	40,500
ISC - Environmental Assessment	121,832	(85,375)	36,457
ISC - Home & Community Care	-	34,442	34,442
ISC - Daycare renovation	-	27,627	27,627
ISC - Home & Community Care - Professional Development	-	20,000	20,000
ISC - Basic needs (Covid)	-	8,066	8,066
ISC - IELCC 2021 Minor Project	-	5,000	5,000
ISC - Summer Student Employment	-	2,024	2,024
ISC - Indigenous Community Infrastructure Fund	2,323,023	(2,323,023)	-
ISC - Modular Homes	867,900	(867,900)	-
ISC - Instruction	620,606	(620,606)	-
ISC - Major Housing Repairs	506,254	(506,254)	-
ISC - Post Secondary	440,299	(440,299)	-
ISC - Discussion Tables	297,997	(297,997)	-
ISC - Self Government Implementation	167,143	(167,143)	-
ISC - Crisis Response	76,682	(76,682)	-
ISC - Storm Roof Repairs	46,924	(46,924)	-
ISC - Fire Halls	25,000	(25,000)	-
ISC - White Buffalo Project	4,150	(4,150)	-
	14,477,327	3,519,680	17,997,007
Non-ISC Revenues			
Assembly of Manitoba Chiefs	529,483	-	529,483
Minister of Employment and Social Development Canada	278,541	(146,117)	132,424
Service Canada - Employment & Training	-	42,970	42,970
CMHC	546,522	(546,522)	-
Canadian Heritage	270,851	(270,851)	-
	\$ 16,102,724	\$ 2,599,160	\$ 18,701,884

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

9. Long-term Debt

	2023	2022
Bank loan with First Nations Bank repayable at \$8,472 per month including interest at 3.40%, maturing August 2025. The loan is secured by the related equipment .	\$ 231,196	\$ 323,287
Term loan with First Peoples Economic Growth Fund Inc. repayable at \$2,500 per month at an interest rate of 0%, maturing January 2027. The loan is secured by a general security agreement and a guarantee from Sioux Valley Dakota Nation.	147,500	177,500
Forgivable loan from a supplier based upon the company operating as marketer for the suppliers products. The advance is interest free and is forgivable as the rate of \$12,500 per year, maturing January 2027. If the agreement is terminated or defaulted, there is an 8% interest charge.	50,000	62,500
Canada Emergency Business Account (CEBA) loan bearing interest at 0% per annum until December 31, 2023 and at 5% per annum thereafter. The full amount of the CEBA loan is \$60,000 with 25% (\$20,000) being forgiven if 75% (\$40,000) is repaid by December 31, 2023.	40,000	40,000
Bank loan with First Nations Bank repayable at \$7,057 per month including interest at 4.09%. The loan matures in August 2023. Secured by three school buses purchased with the loan and a general security agreement issued by Sioux Valley Dakota Nation.	31,849	113,404
Bank loan with Toronto Dominion Bank matured in March 2023.	-	615,691
Term loan with Dakota Ojibway Community Futures Development repaid during the year	-	50,000
	500,545	1,382,382
CMHC mortgage payable (phase 1) repayable at \$2,481 per month including interest at 1.12%, due on September 1, 2026, secured by a Ministerial Loan Guarantee	102,147	130,606
CMHC mortgage payable (phase 2) repayable at \$2,382 per month including interest at 2.61%, due on May 1, 2028, secured by a Ministerial Loan Guarantee	138,067	162,719
CMHC mortgage payable (phase 4) repayable at \$3,174 per month including interest at 1.72%, due on February 1, 2030, secured by a Ministerial Loan Guarantee	248,254	281,774
CMHC mortgage payable (phase 5) repayable at \$3,382 per month including interest at 1.12%, due on September 1, 2031, secured by a Ministerial Loan Guarantee	328,929	365,614
CMHC mortgage payable (phase 6) repayable at \$4,681 per month including interest at 3.29%, due on July 1, 2032, secured by a Ministerial Loan Guarantee	451,273	493,610
CMHC mortgage payable (phase 8) repayable at \$2,740 per month including interest at 3.29%, due on March 1, 2037, secured by a Ministerial Loan Guarantee	367,200	389,645
CMHC mortgage payable (phase 9) repayable at \$2,218 per month including interest at 0.70%, due on August 1, 2040, secured by a Ministerial Loan Guarantee	438,254	461,716
CMHC mortgage payable (phase 10) repayable at \$1,871 per month including interest at 2.02%, due on September 1, 2041, secured by a Ministerial Loan Guarantee	346,561	361,871
CMHC mortgage payable (phase 11) repayable at \$2,390 per month including interest at 1.91%, due on June 1, 2044, secured by a Ministerial Loan Guarantee	500,957	519,909
CMHC mortgage payable (phase 12) repayable at \$2,524 per month including interest at 1.01%, due on August 1, 2046, secured by a Ministerial Loan Guarantee	631,413	648,813
CMHC mortgage payable (phase 13) repayable at \$2,027 per month including interest at 1.01%, due on August 1, 2041, secured by a Ministerial Loan Guarantee	408,697	424,578
CMHC mortgage payable (phase 14) repayable at \$2,061 per month including interest at 1.12%, due on October 1, 2046, secured by a Ministerial Loan Guarantee	512,618	521,192
CMHC mortgage payable (phase 15) repayable at \$3,766 per month including interest at 3.55%, due on October 1, 2042, secured by a Ministerial Loan Guarantee	638,494	-
	5,112,864	4,762,047
	\$ 5,613,409	\$ 6,144,429

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

9. Long-term Debt (continued)

Estimated principal repayment over the next five years:

2024	\$542,581
2025	\$480,480
2026	\$430,058
2027	\$380,517
2028	\$357,274
Subsequent	\$3,422,499

10. Obligations under Capital Lease

	2023	2022
RFNow Inc, capital lease repayable at \$24,675 per quarter including interest at 4.01%, maturing June 2026, secured by the leased equipment which has a net book value of \$410,905 (2022 - \$445,876)	\$ 272,946	\$ 363,165
Manitoba Liquor & Lotteries, capital lease bearing interest at 2.35%, due December 2023. The loan is repayable at \$3,313 per week, principal and interest and is secured by the leased equipment, which has a net book value of \$nil (2022 - \$nil)	124,777	292,089
	\$ 397,723	\$ 655,254

Estimated principal repayment over the next five years:

2024	\$213,885
2025	\$92,726
2026	\$91,112
2027	\$nil
2028	\$nil
Subsequent	\$nil

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

11. Tangible Capital Assets

March 31, 2023	Land	Buildings	Houses	Equipment	Heavy equipment	Vehicles	Trailers	Infrastructure & roads	Assets under construction	Total
Cost										
Balance, beginning of year	\$ 3,439,430	\$22,168,713	\$27,428,097	\$ 6,659,675	\$ 1,998,874	\$ 5,282,755	\$ 224,283	\$ 12,464,389	\$ 656,522	\$ 80,322,738
Additions	2,382,068	257,821	1,631,277	997,195	-	1,501,546	-	840,577	1,459,549	9,070,033
Balance, end of year	5,821,498	22,426,534	29,059,374	7,656,870	1,998,874	6,784,301	224,283	13,304,966	2,116,071	89,392,771
Accumulated amortization										
Balance, beginning of year	-	8,141,199	18,343,586	5,025,650	1,454,226	3,193,292	42,864	6,193,519	-	42,394,336
Amortization	-	463,176	461,855	555,839	194,709	925,179	22,428	246,481	-	2,869,667
Balance, end of year	-	8,604,375	18,805,441	5,581,489	1,648,935	4,118,471	65,292	6,440,000	-	45,264,003
Net Book Value, end of Year	5,821,498	31,030,909	47,864,815	13,238,359	3,647,809	10,902,772	289,575	19,744,966	2,116,071	44,128,768
March 31, 2022										
Cost										
Balance, beginning of year	3,365,466	19,034,906	24,264,706	5,225,504	1,998,874	3,431,047	50,350	9,936,415	3,227,003	70,534,271
Additions	73,964	3,281,370	3,163,391	1,434,171	-	1,851,708	173,933	2,536,046	546,522	13,061,105
Disposals	-	(147,563)	-	-	-	-	-	(8,072)	(3,117,003)	(3,272,638)
Balance, end of year	3,439,430	22,168,713	27,428,097	6,659,675	1,998,874	5,282,755	224,283	12,464,389	656,522	80,322,738
Accumulated amortization										
Balance, beginning of year	-	7,802,235	18,033,345	4,493,137	1,259,517	2,648,654	21,399	6,022,302	-	40,280,589
Amortization	-	370,006	310,241	532,513	194,709	544,638	21,465	171,217	-	2,144,789
Disposals	-	(31,042)	-	-	-	-	-	-	-	(31,042)
Balance, end of year	-	8,141,199	18,343,586	5,025,650	1,454,226	3,193,292	42,864	6,193,519	-	42,394,336
Net Book Value, end of year	\$ 3,439,430	\$30,309,912	\$45,771,683	\$11,685,325	\$ 3,453,100	\$ 8,476,047	\$ 267,147	\$ 18,657,908	\$ 656,522	\$ 37,928,402

Sioux Valley Dakota Nation

Notes to the Financial Statements
For the Year Ended March 31, 2023

12. Intangible Capital Assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Land lease	\$ 240,446	\$ (8,587)	\$ 231,859	\$ -

13. Accumulated Surplus

	2023	2022
Equity in capital assets	\$38,336,983	\$32,125,314
Operating fund	12,197,328	9,363,349
CMHC Reserves	317,698	152,467
	\$50,852,009	\$41,641,130

- The operating fund reports on the general activities of the Dakota Nation's administration;
- Equity in tangible capital assets represents accumulated surplus amounts not available for operations, but rather past transactions creating tangible capital assets that will be used to provide future services; and
- The CMHC reserves are replacement and operating reserves required to be funded for future housing replacements, as per agreements with CMHC;

14. Commitments and Contingencies

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

In addition, in the normal course of its operations, the Dakota 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 the Dakota Nation's financial statements.

It is also noted that there are several ongoing unjust dismissal cases against the band which may result in cash outflows, however the magnitude and likelihood of the various payouts cannot be estimated at this time as awarding of damages will vary depending on multiple factors, many of which are unknown. Therefore, no amounts have been recorded within the financial statements.

Sioux Valley Dakota Nation

Notes to the Financial Statements
For the Year Ended March 31, 2023

15. Reconciliation of ISC Revenue

ISC revenue consists of the following:

	2023	2022
ISC - grant self government agreement	\$34,576,017	\$27,788,261
ISC - fixed contribution	7,442,486	10,270,944
ISC - flexible contribution	4,084,633	1,093,410
ISC - set contribution	353,464	-
ISC - COVID Contribution	-	1,651,741
ISC Funding recovery	(47,036)	-
Balance per ISC confirmation	\$46,409,564	\$40,804,356

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

16. Expenses by Object

	2023 Budget	2023	2022
Wages and benefits	\$15,808,538	\$16,390,382	\$13,445,125
Cost of goods sold	1,003,705	9,814,384	8,290,691
Repairs and maintenance	6,121,866	7,905,848	9,707,977
Equipment fuel, repairs & rental	313,720	3,196,099	678,905
Amortization of tangible capital assets	-	2,869,667	2,144,789
Activities	696,364	2,274,676	554,709
Supplies	1,319,229	2,274,351	1,570,817
Basic Needs	1,900,000	2,142,327	1,792,412
Student tuition and support	1,410,608	1,915,051	1,342,495
Other operating expenses	1,569,497	1,780,449	1,883,362
Professional fees	749,926	1,609,685	1,186,253
Utilities	997,565	1,504,633	1,145,378
Travel	660,925	1,481,978	447,104
Contracting	4,505,094	1,237,719	297,949
Rent	24,742	1,147,754	1,186,612
Honorarium	834,931	972,691	859,906
Vehicle	817,500	916,403	869,596
Winterfest	250,000	555,119	-
Insurance	383,689	532,944	300,788
Band member assistance	75,000	425,602	296,553
Training	135,000	314,247	258,577
Consultations and communications	-	279,941	-
Meetings and workshops	140,000	264,542	323,729
Education programs	35,800	188,214	10,511
Allowances	160,000	145,729	152,179
Interest on long term debt	399,020	141,087	163,408
Manitoba Gaming Commission Fees	-	137,722	82,662
Special Needs	119,458	135,407	109,084
Professional Development	57,500	74,020	21,672
Replacement Reserve expenditures	75,000	68,412	37,999
Bank charges and interest	105,067	68,371	71,866
Student tuition and Support	91,015	66,305	196,873
Administration Fees	130,832	55,972	289,267
Advertising	23,000	28,536	47,042
Amortization of intangible capital assets	-	8,587	-
Crisis Response	-	-	326,232
Transfer to CMHC reserves	-	(115,187)	-
Bad debt expense (recovery)	9,909	(135,417)	141,156
Transfer to 6559710 Mb Inc	-	(2,382,068)	-
Transfer to capital assets	125,000	(3,866,769)	(9,381,281)
	\$41,049,500	\$56,425,413	\$40,852,397

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

17. Economic Dependence

Sioux Valley Dakota Nation receives a significant portion of its revenue pursuant to a funding arrangement with Indigenous Services Canada.

18. ISC Funding

The Dakota Nation (Recipient) receives funding from Indigenous Services Canada (ISC) by entering into an agreement with ISC.

There are five approaches that ISC may consider in the design and delivery of transfer payment programs:

1. Grant approach – A grant is a transfer payment that is subject to pre-established eligibility and other entitlement criteria. Recipients are not required to account for the grant, but they may be required to report on results. The grant funding approach can be used for any duration of time necessary to achieve program results.
2. Set contribution approach – A set contribution is a transfer payment that is subject to performance conditions outlined in a funding agreement. Set contributions must be accounted for and are subject to audits. Funds are to be expended as identified in the funding agreement and cannot be redirected to other programs. Any unspent funding and any funding spent on ineligible expenditure must be returned to ISC annually.
3. Fixed contribution approach – Fixed contribution funding is an option where annual funding amounts are established on a formula basis or where the total expenditure is based on a fixed-cost approach. Fixed funding is distributed on a program basis. It is possible under this approach for recipients to keep any unspent funding provided that program requirements set out in the funding agreement have been met and the recipient agrees to use the unspent funds for purposes consistent with the program objectives or any other purpose agreed to by ISC. A plan must be submitted and approved by ISC prior to spending the unspent funds. If the funds are not spent according to the plan within the agreed upon time period they will be recovered by ISC.
4. Flexible contribution approach – Flexible contribution funding is an option which allows funds to be moved within cost categories of a single program during the life of the project/agreement. However, unspent funds must be returned to ISC at the end of the project, program or agreement.
5. Block contribution approach – Block contribution funding is an option which allows funds to be reallocated within the block of programs during the agreement, as long as progress towards program objectives is being achieved. It is possible under this approach for recipients to keep any unspent funding provided that program delivery standards have been met and the recipient agrees to use the unspent funding for purposes consistent with the block program objectives or any other purpose agreed to by ISC.

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

19. Segmented Information

The Dakota Nation conducts its business through reportable segments as follows:

1 - Indigenous Services Canada (ISC)

Education: Costs to support First Nation and Inuit communities in expressing, preserving, developing and promoting their cultural heritage, through the establishment and operation of First Nation and Inuit cultural education centres and programs. Costs to provide eligible students living on reserve and eligible Inuit with elementary/secondary education programs and services including instructional services in federal, provincial, band-operated schools, or a private/independent school (recognized by the province in which the school is located as an elementary/secondary institution), and student support services such as transportation, accommodation, guidance and counselling services. Costs associated with ISC's First Nations and Inuit Youth Employment Strategy to develop and enhance essential employability skills, such as communication, problem solving, and working with others, expose youth to a variety of career options, and promote the benefits of education as being key to labour market participation. Also, costs to support eligible First Nation and Inuit students to access education opportunities at the post-secondary level and supports the development and delivery of college and university level courses for First Nation and Inuit students, and research and development on First Nation and Inuit education. Costs for the provision of special education services and programs and costs to provide internet access, information technology equipment, technical support and training to students and school staff.

Social Services: First Nations people, like other Canadian citizens, are responsible for managing their own affairs and maintaining themselves to the extent that their resources permit. Some individuals and families are unable to provide for themselves and their dependents. Situations therefore exist in which assistance must be available to community members in need. Income Assistance is one type of income supplement available to eligible persons. Other income supports include Old Age Security, Child Tax Benefits, etc.

Infrastructure and Capital: Costs to acquire, construct, operate and maintain basic community facilities and services such as water and sewage, roads, electrification, schools, community buildings and fire protection. Also costs associated with ensuring that these facilities and community services meet recognized standards and are comparable to the services provided to nearby communities by provincial and municipal governments.

Band Support: Costs to support the further development of competent, stable, legitimate, and accountable community governments by strengthening First Nations and Inuit governance and by funding initiatives which address needs in the areas of professional and institutional development at the local level and at the level of emerging regional and national organizations. Also, costs to enable tribal councils to provide advisory services such as financial management, band government, economic development, community planning, technical services to the member First Nations and to defray the costs of administering programs on behalf of member communities and to provide funding for equivalent advisory services to large First Nations which are not affiliated with a tribal council.

Governance: Costs associated with Governance and Institution of Government activities.

Sioux Valley Dakota Nation

Notes to the Financial Statements
For the Year Ended March 31, 2023

19. Segmented Information (continued)

2 - Health Programs

Health Canada provides funding for costs associated with the development of safe and healthy communities in the following areas:

Children and Youth; Mental Health and Addictions; Chronic Disease and Injury Prevention; Communicable Disease Control; Environmental Health and Research Component; Primary Care; Non-Insured Health Benefits; Health Governance and Infrastructure; Capital; Treatment Centres; Aboriginal Health Transition Fund; Headquarter projects.

3 - Canada Mortgage and Housing Corporation (CMHC)

Non-Profit On-Reserve Housing Program (Section 95); Residential Rehabilitation Assistance Program (RRAP); Home Adaptations for Seniors' Independence Program (HASI); Shelter Enhancement Program; Housing Internship Initiative for First Nations and Inuit Youth.

4 - Band programs

Other programs that vary based on own source revenue. These include Band economic development ventures and other business activities. These outside revenue sources are used to fund programs such as recreational or cultural activities for the benefit of membership that are not funded by government agencies.

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

20. Financial Instruments

Financial assets include cash, restricted cash, accounts receivable, inventory held for sale, marketable securities, and trust funds held by the federal government and are measured at amortized cost as presented on the statement of financial position. Financial liabilities include accounts payable, funding repayable, deferred revenue long-term debt, and obligations under capital lease and are measured at amortized cost as presented on the statement of financial position.

The Dakota Nation is required to assess its financial instruments for credit risk, currency risk, interest rate risk, liquidity risk, other price risk, and market risk and disclose significant risks and how they are managed. The Dakota Nation does not believe that it is subject to significant currency risk or other price risk. Significant risks that are relevant to the Dakota Nation are as follows:

Credit risk

The Dakota Nation is exposed to credit risk from potential non-payment of accounts receivable and related party receivables. Dakota Nation manages the credit risk related to accounts receivable through regular review and assessment of the outstanding amounts for collectibility. Amounts receivable from Band members are considered to be a risk for collection.

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. Dakota Nation is exposed to interest rate risk on its term deposits and has mitigated this risk by use of a mixture of deposit terms. Dakota Nation is exposed to interest rate risk on its long-term debt payable and has mitigated this risk by establishing a fixed interest rate and repayment terms that are planned budget expenditures.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. The Dakota Nation has determined that the estimated fair value of its financial assets and liabilities do not differ significantly from their book value.

21. Budgeted Figures

Budgeted figures are unaudited and have been provided for comparison purposes and have been derived from the estimates approved by the Sioux Valley Dakota Nation's Chief and Council.

22. Comparative Figures

Prior year's comparative amounts have been reclassified, where necessary, to conform to the current year's presentation.

Sioux Valley Dakota Nation

Notes to the Financial Statements For the Year Ended March 31, 2023

23. Prior Period Adjustment

During the year, it was determined that errors existed from consolidation of Sioux Valley Dakota Nation's subsidiaries for the year ended March 31, 2022. As a result, the following adjustments were done to correct the March 31, 2022 balances:

	Amount previously reported	Adjusted balance	Adjustment
Cash	\$19,213,092	\$19,216,342	\$ (3,250)
Marketable securities	57,334	323,034	(265,700)
Accounts receivable	5,112,374	4,665,934	446,440
Accounts payable	2,966,881	2,766,441	200,440
Obligations under capital lease	363,165	655,254	(292,089)
Long-term debt	6,436,518	6,144,429	292,089
Tangible capital assets	38,987,336	37,928,402	1,058,934
Accumulated surplus	42,677,113	41,641,130	1,035,983
Current surplus	\$ 9,559,945	\$ 9,539,371	\$ 20,574

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #1

Education

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 4,655,480	\$ 5,874,100	\$ 8,268,354
Other revenue	-	(30,772)	750
Interest	-	9,441	70,248
Expense recoveries	-	-	95,000
Recognition (deferral) of unexpended revenue	(365,441)	739,200	(941,012)
	4,290,039	6,591,969	7,493,340
Expenses			
Wages and benefits	4,272,825	4,105,763	3,796,938
Student tuition and support	1,410,608	1,862,532	1,342,495
Supplies	187,500	291,776	324,529
Vehicle	276,000	278,968	532,115
Amortization	-	256,696	186,966
Activities	90,000	181,781	49,153
Education programs	19,800	133,629	-
Utilities	152,250	88,288	96,665
Travel	27,000	57,342	13,000
Professional Development	45,000	48,820	18,308
Interest on long term debt	49,420	13,212	7,393
Bank charges and interest	61,500	11,170	9,790
Professional fees	17,500	8,478	10,500
Other operating expenses	3,500	4,819	14,931
Equipment fuel, repairs & rental	90,000	3,994	19,675
Meetings and workshops	-	1,358	75
Honorarium	-	750	250
Repairs and maintenance	-	-	867
Administration Fees	15,000	-	15,000
Crisis Response	-	-	320,299
Transfer to capital assets	-	-	(574,688)
	6,717,903	7,349,376	6,184,261
Current surplus (deficit)	\$ (2,427,864)	\$ (757,407)	\$ 1,309,079

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #2

Social Services

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 5,289,663	\$ 8,126,108	\$ 7,718,046
Health Canada	1,229,925	-	1,053,500
Care home fees	-	308,356	336,528
Other revenue	-	91,667	62,681
Recognition (deferral) of unexpended revenue	119,986	(231,955)	(1,137,740)
	6,639,574	8,294,176	8,033,015
Expenses			
Wages and benefits	2,871,515	2,886,464	2,448,850
Basic Needs	1,900,000	2,142,327	1,792,412
Supplies	286,660	736,559	526,605
Activities	256,300	498,322	53,411
Utilities	429,460	497,798	451,383
Repairs and maintenance	274,630	319,225	892,302
Allowances	160,000	145,729	152,179
Amortization	-	141,650	139,017
Special Needs	119,458	135,407	109,084
Travel	19,900	130,936	37,877
Other operating expenses	478,555	113,451	550,422
Insurance	43,500	57,273	55,438
Professional fees	25,700	49,532	47,382
Bad debt expense (recovery)	6,909	39,191	9,457
Equipment fuel, repairs & rental	-	13,411	15,238
Meetings and workshops	-	18,254	-
Honorarium	-	4,745	2,150
Vehicle	2,000	4,586	4,115
Advertising	1,000	4,423	700
Bank charges and interest	10,482	1,588	1,447
Contracting	3,800	856	-
Training	10,000	-	98,246
Administration Fees	21,099	-	95,773
Transfer to capital assets	-	(134,257)	(728,774)
	6,920,968	7,807,470	6,754,714
Current surplus (deficit)	\$ (281,394)	\$ 486,706	\$ 1,278,301

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #3

Infrastructure

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 3,853,320	\$ 5,787,267	\$ 3,138,141
Rentals	-	5,000	77,475
User fees	-	30,198	33,423
Other revenue	-	114,527	90,000
Expense recoveries	-	26,785	10,043
Recognition (deferral) of unexpended revenue	4,276,091	(2,468,077)	310,425
	8,129,411	3,495,700	3,659,507
Expenses			
Wages and benefits	1,468,775	1,264,056	971,205
Contracting	4,276,091	493,683	39,279
Repairs and maintenance	162,500	425,430	1,700,366
Utilities	213,600	315,995	191,660
Equipment fuel, repairs & rental	160,000	225,917	459,004
Vehicle	188,500	198,043	116,056
Insurance	180,000	166,369	87,721
Other operating expenses	86,200	154,961	95,171
Supplies	126,981	116,187	55,908
Professional fees	43,626	76,533	81,287
Travel	14,000	18,440	12,403
Interest on long term debt	9,600	9,575	12,649
Bank charges and interest	-	42	6
Transfer to capital assets	-	(314,512)	(1,818,833)
	6,929,873	3,150,719	2,003,882
Current surplus (deficit)	\$ 1,199,538	\$ 344,981	\$ 1,655,625

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #4

Band Support

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 792,810	\$ 1,165,395	\$ 1,231,564
Administrative fees	-	369,291	134,354
Interest	-	16,067	1,019
Expense recoveries	-	-	4,147
Gains (losses) on sale	-	-	12,500
Recognition (deferral) of unexpended revenue	110,419	67,345	(27,668)
	903,229	1,618,098	1,355,916
Expenses			
Wages and benefits	556,330	503,311	627,183
Professional fees	415,600	322,517	296,666
Other operating expenses	68,143	158,385	323,017
Supplies	46,500	53,795	45,197
Utilities	26,500	27,294	40,423
Equipment fuel, repairs & rental	7,000	7,828	8,284
Travel	7,000	6,320	7,084
Bad debt expense (recovery)	-	2,407	(1,988)
Bank charges and interest	18,000	1,163	18,130
Training	20,000	884	1,393
Insurance	-	-	27,519
	1,165,073	1,083,904	1,392,908
Current surplus (deficit)	\$ (261,844)	\$ 534,194	\$ (36,992)

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #5

Capital

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 6,453,621	\$ 8,098,967	\$ 6,640,408
Other revenue	-	-	188,104
Rentals	-	301,115	342,510
Canada Mortgage and Housing Corporation	-	1,242,489	363,240
Interest	-	6,359	76
Recognition (deferral) of unexpended revenue	867,900	1,219,220	(1,374,154)
	7,321,521	10,868,150	6,160,184
Expenses			
Repairs and maintenance	5,551,122	5,305,234	6,421,937
Equipment fuel, repairs & rental	-	2,400,723	-
Contracting	28,654	379,272	173,294
Amortization	-	316,900	183,977
Insurance	145,935	148,523	10,000
Wages and benefits	99,967	148,357	70,850
Interest on long term debt	340,000	80,956	58,699
Utilities	22,500	69,419	31,939
Replacement Reserve expenditures	75,000	68,412	37,999
Activities	-	64,500	-
Professional fees	24,000	42,055	54,687
Administration Fees	94,733	40,350	63,640
Bad debt expense (recovery)	-	39,420	(5,370)
Travel	5,000	14,381	1,616
Supplies	19,999	17,870	240,155
Honorarium	-	7,347	45,403
Vehicle	-	1,276	-
Training	-	1,025	-
Bank charges and interest	1,000	294	-
Other operating expenses	-	-	2,100
Transfer to CMHC reserves	-	(115,187)	-
Transfer to 6559710 Mb Inc	-	(2,382,068)	-
Transfer to capital assets	-	(2,857,902)	(5,737,705)
	6,407,910	3,791,157	1,653,221
Current surplus (deficit)	\$ 913,611	\$ 7,076,993	\$ 4,506,963

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #6

Health

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 3,095,305	\$ 3,094,169	\$ 2,673,357
Health Canada	-	30,810	366,998
Expense recoveries	-	19,153	21,166
Other revenue	-	-	91,540
Recognition (deferral) of unexpended revenue	233,286	396,575	(161,722)
	3,328,591	3,540,707	2,991,339
Expenses			
Wages and benefits	2,025,992	1,370,507	1,332,607
Repairs and maintenance	30,000	735,403	339,350
Vehicle	136,000	345,781	163,057
Rent	24,742	297,708	510,981
Supplies	298,559	261,353	125,940
Travel	225,000	243,521	199,852
Activities	83,000	114,022	152,051
Other operating expenses	231,294	77,130	95,512
Utilities	56,500	49,257	64,498
Honorarium	10,000	29,507	31,668
Professional Development	12,500	25,199	3,364
Insurance	13,654	13,654	29,105
Equipment fuel, repairs & rental	2,000	12,752	68,183
Bank charges and interest	6,000	10,518	6,282
Professional fees	12,000	7,029	57,888
Advertising	12,000	6,425	14,260
Training	14,000	5,753	5,406
Interest on long term debt	-	93	-
Contracting	25,000	-	4,430
Bad debt expense (recovery)	3,000	(22,637)	891
Transfer to capital assets	125,000	(467,066)	(353,663)
	3,346,241	3,115,909	2,851,662
Current surplus (deficit)	\$ (17,650)	\$ 424,798	\$ 139,677

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #7

Band Programs

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Indigenous Services Canada	\$ 7,002,263	\$ 6,900,451	\$ 7,656,213
Other revenue	-	1,952,493	1,277,318
Winterfest	-	525,956	-
User fees	-	22,938	303,635
Rentals	-	9,700	57,080
Government of Manitoba	-	65,196	-
Trust fund held by Federal Government	-	769	434
Recognition (deferral) of unexpended revenue	(1,678,649)	(3,365,425)	(2,782,168)
	5,323,614	6,112,078	6,512,512
Wages and benefits	2,691,290	1,826,764	1,869,423
Winterfest	250,000	555,119	-
Repairs and maintenance	66,924	521,797	72,571
Rent	-	455,330	327,330
Equipment fuel, repairs & rental	34,720	380,101	63,504
Other operating expenses	344,930	344,707	381,611
Activities	267,064	358,362	300,094
Professional fees	57,000	262,298	181,795
Contracting	-	224,253	29,416
Travel	76,125	133,452	24,429
Training	26,000	112,783	6,342
Honorarium	20,000	104,289	28,233
Utilities	59,415	91,129	128,436
Supplies	154,035	186,947	76,226
Student tuition and Support	91,015	66,305	196,873
Education programs	16,000	54,584	10,511
Meetings and workshops	-	54,295	36
Student tuition and support	-	52,519	-
Band member assistance	75,000	48,525	296,553
Vehicle	15,000	15,854	12,564
Administration Fees	-	14,990	104,354
Bank charges and interest	-	805	4,560
Insurance	-	45	4,638
Transfer to capital assets	-	-	(66,123)
Bad debt expense (recovery)	-	(304,695)	-
	4,244,518	5,560,558	4,053,376
Current surplus (deficit)	\$ 1,079,096	\$ 551,520	\$ 2,459,136

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #8

Governance

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ 3,531,197	\$ 3,989,390	\$ 3,478,273
Government of Manitoba	-	10,000	-
Other revenue	-	215,317	178,510
Recognition (deferral) of unexpended revenue	501,614	162,201	(238,173)
	4,032,811	4,376,908	3,418,610
Expenses			
Wages and benefits	1,727,912	1,462,538	1,274,720
Honorarium	804,931	826,054	752,203
Travel	286,000	597,059	132,637
Professional fees	150,000	558,615	356,012
Other operating expenses	356,875	197,703	287,482
Supplies	190,904	176,231	95,280
Training	65,000	173,197	139,846
Meetings and workshops	140,000	190,635	323,618
Vehicle	200,000	71,895	41,689
Utilities	33,640	59,359	63,507
Equipment fuel, repairs & rental	20,000	58,342	45,018
Repairs and maintenance	30,000	55,615	41,527
Contracting	171,549	40,392	51,530
Rent	-	5,429	5,429
Bank charges and interest	6,000	4,187	5,489
Advertising	10,000	3,377	836
Administration Fees	-	632	10,500
Transfer to capital assets	-	-	(29,706)
	4,192,811	4,481,260	3,597,617
Current surplus (deficit)	\$ (160,000)	\$ (104,352)	\$ (179,007)

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

Sioux Valley Dakota Nation

For the Year Ended March 31, 2023

Schedule #9

Economic Development

Schedule of Operations

	2023 Budget	2023 Actual	2022 Actual
Revenue			
Indigenous Services Canada	\$ -	\$ 3,373,717	\$ -
Southern First Nations Network of Care	-	3,032,507	-
Retail sales	-	13,065,447	9,907,724
Rentals	-	500,664	514,545
Other revenue	-	426,312	207,833
Interest	-	4,626	754
Gains (losses) on sale	-	-	136,489
Recognition (deferral) of unexpended revenue	-	335,234	-
	-	20,738,507	10,767,345
Expenses			
Cost of goods sold	1,003,705	9,814,384	8,290,691
Wages and benefits	93,932	2,822,625	1,053,350
Activities	-	1,057,689	-
Other operating expenses	-	729,295	133,116
Repairs and maintenance	6,690	543,145	239,056
Supplies	8,093	433,629	80,974
Amortization	-	402,381	423,784
Rent	-	389,288	342,872
Band member assistance	-	377,077	-
Utilities	3,700	306,093	76,867
Professional fees	4,500	282,630	100,036
Travel	900	280,526	18,205
Consultations and communications	-	279,941	-
Insurance	600	147,079	86,367
Manitoba Gaming Commission Fees	-	137,722	82,662
Bad debt expense (recovery)	-	110,897	138,166
Contracting	-	99,263	-
Equipment fuel, repairs & rental	-	93,032	-
Bank charges and interest	2,085	38,602	26,163
Interest on long term debt	-	37,251	84,667
Training	-	20,605	7,345
Advertising	-	14,310	31,245
Crisis Response	-	-	5,933
Transfer to capital assets	-	(93,032)	(71,788)
	1,124,205	18,324,432	11,149,711
Current surplus (deficit)	\$ (1,124,205)	\$ 2,414,075	\$ (382,366)

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