

Enoch Cree Nation

Consolidated Financial Statements

March 31, 2024

Enoch Cree Nation**Consolidated Financial Statements**

March 31, 2024

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Enoch Cree Nation

Management's Responsibility for Financial Reporting

March 31, 2024

The accompanying consolidated financial statements of Enoch Cree Nation are the responsibility of management and have been approved by Council.

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

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

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

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

The external auditors, Crowe MacKay LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Enoch Cree Nation and meet when required.

On behalf of Enoch Cree Nation :

Original signed by
Chief

July 25, 2024
Date

Original signed by
Chief Financial Officer

July 25, 2024
Date

Independent Auditors' Report

**To the Members of
Enoch Cree Nation**

Opinion

We have audited the consolidated financial statements of Enoch Cree Nation, which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, change 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 consolidated financial position of the First Nation as at March 31, 2024, and the results of its consolidated operations, its remeasurement gains and losses, its changes in its consolidated net assets, and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' 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 consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and 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.

Independent Auditors' Report (continued)

Auditors' 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 auditors' 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 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 auditors' 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 auditors' 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.

Edmonton, Canada
July 25, 2024

Crowe MacKay LLP
Chartered Professional Accountants

Enoch Cree Nation

Consolidated Statement of Financial Position

March 31	2024	2023
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Financial Assets

Cash (Note 3)	\$ 72,556,113	\$ 38,765,504
Accounts receivable (Note 4)	14,155,713	14,797,779
Restricted Cash - Ottawa Trust Funds (Note 5)	5,624,757	4,856,166
Restricted Investments - Yekau Lake Trust (Note 6)	59,854,218	55,090,899
Restricted Investments - Settlement Trust Funds (Note 7)	6,943,235	6,073,052
Investments (Note 8)	2,114,366	32,311,615
Investment in Business Enterprises (Note 9)	9,810,220	1,839,350
Due from related parties (Note 10)	250,703,876	256,303,381
Franchise Fee	28,750	33,750
	421,791,248	410,071,496

Liabilities

Accounts payable (Note 11)	23,467,221	10,080,543
Deferred revenue (Note 12)	38,946,628	29,644,400
Capital Leases (Note 13)	2,176,640	1,876,563
Long-term debt (Note 14)	64,483,341	62,989,686
First Nations Finance Authority Financing (Note 15)	360,307,551	299,711,790
Asset Retirement Obligations (Note 16)	2,639,400	2,490,000
	492,020,781	406,792,982

Net financial assets (debt) **(70,229,533)** **3,278,514**

Non-financial Assets

Tangible capital assets (Note 17)	212,886,625	166,437,807
Prepaid expenses (Note 18)	1,032,260	1,558,139
Inventory (Note 19)	579,316	860,495
	214,498,201	168,856,441

Accumulated Surplus (Note 20) **\$ 144,268,668** **\$ 172,134,955**

Accumulated Surplus consists of

Accumulated operating surplus	140,241,009	173,169,743
Accumulated remeasurement losses	4,027,659	(1,034,788)
Accumulated Surplus	144,268,668	172,134,955

Contingent liabilities (Note 21)

Commitments (Note 22)

Approved on behalf of the Enoch Cree Nation

Original signed by _____, Chief

Original signed by _____, Chief Financial Officer

Enoch Cree Nation**Consolidated Statement of Remeasurement Gains and Losses**

For the year ended March 31	2024	2023
Accumulated remeasurement losses, beginning of year	\$ (1,034,788)	\$ (1,046,861)
Unrealized losses attributable to:		
Portfolio investments (equity instruments)	4,132,270	761,950
Designated fair value investments	1,439,063	(1,072,703)
Amounts reclassified to the statement of operations		
Realized (gains) losses on portfolio investments	(508,886)	322,826
Net remeasurement gains	5,062,447	12,073
Accumulated remeasurement gains and (losses), end of year	\$ 4,027,659	\$ (1,034,788)

Enoch Cree Nation

Consolidated Statement of Operations and Accumulated Surplus

For the year ended March 31	2024 Budget	2024 Actual	2023 Actual
Revenue			
Federal Government:			
Indigenous Services Canada (ISC)	\$ 22,686,117	\$ 36,164,847	\$ 35,452,761
Canada Mortgage and Housing Corporation subsidies	-	1,381,214	1,285,458
Indigenous Skills and Employment Training Strategy	596,655	1,145,002	957,154
Government of Alberta	509,760	2,602,651	534,124
First Nations Development Fund	18,076,584	39,111,754	24,488,763
First Nations Development Fund - River Cree Resort	-	20,327,096	20,323,255
Loss from investment in Government Business Enterprises	-	(12,730,876)	(14,265,113)
Mechet Charities Limited	33,171,546	43,808,185	38,222,532
Taxation	868,000	914,613	908,072
Business enterprises (EDHL & River Cree Enterprises)	-	28,252,538	37,375,717
Resource and investment income	295,236	18,763,354	13,209,024
Other revenue	8,049,928	9,517,820	6,522,792
Utilities	-	106,928	135,379
	84,253,826	189,365,126	165,149,918
Expenses (Note 36)			
Administration	5,543,540	9,207,024	12,587,599
Amortization	-	9,478,012	8,654,721
ECN Corporate	2,779,217	51,658,673	47,305,589
Community Service	2,041,473	2,512,591	2,647,013
Finance	10,473,215	76,999,711	11,419,324
Education	15,884,963	19,300,905	16,950,959
Office of the Chief	7,351,399	10,687,802	10,401,616
Health	2,770,861	3,396,385	3,316,437
Language and Culture	8,059,154	8,702,973	7,564,592
Planning and Development	2,825,485	2,660,067	2,656,326
River Cree Homes	8,049,780	11,666,338	13,002,589
Infrastructure	6,513,768	5,801,514	5,744,489
Kiskikamik Spirit Lodge	2,584,190	4,589,779	3,866,812
Maskekosak Newowacistewan Natamakewin	11,958,527	2,343,975	1,840,215
First Responders	2,202,822	3,288,111	4,405,357
	89,038,394	222,293,860	152,363,638
Excess (deficiency) of revenue over expenses	(4,784,568)	(32,928,734)	12,786,280
Accumulated operating surplus, beginning of year	173,169,743	173,169,743	160,383,463
Accumulated operating surplus, end of year	\$ 168,385,175	\$ 140,241,009	\$ 173,169,743

Enoch Cree Nation

Consolidated Statement of Change in Net Financial Assets (Debt)

For the year ended March 31	2024 Budget	2024 Actual	2023 Actual
Excess (deficiency) of revenue over expenses	\$ (4,784,568)\$ (32,928,734)\$		12,786,280
Acquisition of tangible capital assets	(9,324,793)	(55,847,258)	(15,851,896)
Amortization of tangible capital assets	-	9,328,612	8,317,623
Disposition of capital assets	-	69,828	-
Addition of asset retirement obligation	-	-	(2,152,192)
	(9,324,793)	(46,448,818)	(9,686,465)
Use of prepaid asset	-	525,879	253,854
(Acquisition) of inventory	-	281,179	(99,432)
Remeasurement losses on portfolio investments	-	5,062,447	(1,034,788)
(Decrease) increase in net financial assets	(14,109,361)	(73,508,047)	2,219,449
Net (debt) assets, beginning of year	3,278,514	3,278,514	1,059,065
Net (debt) assets, end of year	\$ (10,830,847)\$ (70,229,533)\$		3,278,514

Enoch Cree Nation

Consolidated Statement of Cash Flow

For the year ended March 31,	2024	2023
Cash flows from Operating activities		
Excess (deficiency) of revenue over expenses	\$ (32,928,734)	\$ 12,786,280
Items not affecting cash		
Amortization	9,328,612	8,317,623
Amortization of franchise fee	5,000	5,000
Accretion	149,400	-
Gain on disposal of tangible capital assets	(48,948)	-
Realized gain or losses on sale of portfolio investments	(508,886)	322,826
	(24,003,556)	21,431,729
Change in non-cash operating working capital		
Accounts receivable	642,066	4,822,418
Inventory	281,179	(99,432)
Prepaid expenses	525,879	253,854
Accounts payable	13,386,683	(473,123)
Deferred revenue	9,302,228	82,652
Asset retirement obligations	-	2,490,000
	134,479	28,508,098
Capital activities		
Purchase of tangible capital assets	(55,847,258)	(16,591,660)
Proceeds on disposal of tangible capital assets	118,776	-
	(55,728,482)	(16,591,660)
Financing activities		
Proceeds of long term debt	4,159,956	5,153,485
Repayment of long term debt	(2,666,260)	(2,557,572)
Proceeds from First Nations Finance Authority	66,069,650	106,000,012
Repayment of First Nations Finance Authority	(5,473,889)	(5,417,163)
Advance to Enoch Cree Nation Business Trust	-	(106,000,012)
Payment from Enoch Cree Nation Business Trust	4,347,135	4,334,669
Proceeds from capital leases	754,732	-
Repayment of capital leases	(454,655)	(116,767)
	66,736,669	1,396,652
Investing activities		
Net change Restricted Cash - Ottawa Trust Fund	(768,591)	(1,134,373)
Net change in Settlement Trust Funds	(870,183)	801,779
Net change in Investments in Business Enterprises	(7,724,640)	(920,830)
Net change in investments	30,197,250	(31,811,615)
Net change in Yekau Lake Trust investment	1,814,107	(513,883)
	22,647,943	(33,578,922)
Increase (decrease) in cash and cash equivalents	33,790,609	(20,265,832)
Cash and cash equivalents, beginning of year	38,765,504	59,031,336
Cash and cash equivalents, end of year	\$ 72,556,113	\$ 38,765,504

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies

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

(a) Reporting entity - Principles of financial reporting

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

The March 31, 2024 Consolidated Financial Statements include the assets, liabilities and results of operations for the following entities:

1. Enoch Cree Nation
2. Kitaskinaw Education Authority Inc.
3. Enoch Cree Nation Social Housing
4. Enoch Human Resources Foundation
5. Enoch Cree Nation Ottawa Trust Funds
6. Enoch Cree Investment Trust (December 31, 2023)
7. Enoch Cree Nation Settlement Trust (December 31, 2023)
8. Mechet Charities Limited
9. Mechet Waskahikanuk Association
10. Enoch Development Holdings Ltd.
11. Indian Lakes Golf Ltd.
12. North on 60 Gas Bar and Convenience Store (GP) Inc. (formerly: North on 60 Gas Bar & Convenience Store Ltd.)
13. Yekau Lake Trust (December 31, 2023)
14. Oskaya Energy (GP) Inc. (formerly; Oskaya Energy Ltd.)
15. Enoch Lands Development Ltd.
16. Enoch Construction Ltd.
17. River Cree Tobacco Shop (GP) Inc. (formerly; River Cree Tobacco Shop Inc.)
18. 7 points Cannabis (GP) Inc. (formerly: 7 Points Cannabis Inc.)
19. Enoch Utilities Ltd.
20. River Cree Enterprises Corporation
21. River Cree Development (GP) Inc. (formerly River Cree Development Corporation)
22. River Cree Crossing (GP) Inc. (formerly River Cree Crossing Inc.)
23. Enoch Cree Investment Ltd. (December 31, 2023)
24. River Cree Land Development (GP) Inc. (formerly River Cree Land Development Corporation)
25. Enoch Cree Nation Economic Development Trust
26. River Cree Convenience (GP) Inc. (formerly River Cree Convenience Inc.)
27. River Cree Foods (GP) Inc. (formerly River Cree Foods Inc.)
28. Istemaw Wholesale (GP) Corporation
29. Maskekosak Transportation Services Corporation
30. Enoch Cree Nation Specific Claims Settlement Trust
31. River Cree Loan (GP) Inc. (formerly River Cree Loan Corp)
32. River Cree Ventures Limited Partnership (December 31, 2023)
33. River Cree Ventures (GP) Inc. (December 31, 2023)

The year ends of the entities are March 31, 2024, except for the entities noted above, which indicate December 31, 2023 year ends. Adjustments for significant transactions are made for entities whose fiscal year-ends are different from March 31, 2024.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

The following entities are recorded on the modified equity basis:

1. River Cree Resort Limited Partnership (December 31, 2023)
2. River Cree Corporation (December 31, 2023)
3. Enoch Casino Limited Partnership (December 31, 2023)
4. Enoch Casino Corporation (December 31, 2023)
5. River Cree Enterprises Limited Partnership (December 31, 2023)
6. 1023576 Alberta Ltd. (Trustee for the Enoch Cree Nation Business Trust) (December 31, 2023)
7. Enoch Community Development Corporation (December 31, 2023)
8. Enoch First Nations Development Fund Corporation (December 31, 2023)
9. River Cree Sports Inc. (December 31, 2023)
10. River Cree Sports Limited Partnership (December 31, 2023)
11. Enoch Cree Nation Business Trust (December 31, 2023)
12. Enoch Construction Limited Partnership (December 31, 2023)
13. Enoch Health Services Inc. (March 31, 2023)
14. Enoch Civil Construction Limited Partnership (December 31, 2023)
15. Enoch Prism Engineering Limited Partnership - 51% (December 31, 2023)

(b) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues and the Nation expects to obtain future economic benefits. All revenues are recorded on an accrual basis, when a reasonable estimate can be determined.

Revenue from transactions with no performance obligations is recognized at realizable value when the Nation has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

Government transfers 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 the specific purpose.

Sales of goods are recognized when goods are delivered. Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Income from investments is recorded on the accrual basis.

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand and bank deposits, net of bank overdrafts.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

(d) Inventory

Inventory is valued at the lower of cost or net realizable value. Cost is determined using the first-in first-out method.

(e) 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 Enoch Cree Nation's incremental cost of borrowing.

Amortization is provided for on a declining balance and straight-line basis over their estimated useful lives as follows:

Buildings and infrastructure	4-6%
Equipment	20-30%
Assets under construction	0%
Leasehold improvements are amortized over the term of the lease.	

Tangible capital assets are written down when conditions indicate that they no longer contribute to Enoch Cree 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, including recognized interest in reserve lands and natural resources, as well as 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.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

(f) Financial instruments

Measurement

The Nation measures all its financial assets and financial liabilities at cost or amortized cost, except for the following which are measured at fair value without any adjustment for transaction costs; derivatives, portfolio investments in equity instruments that are quoted in an active market and portfolio investments that the Nation elected to measure at fair value. The effective interest rate method is used to determine interest revenue or expenses for its financial instruments measured at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable, investments and franchise fee. Amounts due from related parties are measured at cost.

Financial assets measured at fair market value include: equity investments and investments designated at fair market value.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, long-term debt and First Nations Finance Authority Financing.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy used has the following levels:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability either directly, such as prices, or indirectly, such as those derived from prices; and
- Level 3 - Inputs for the asset or liability that are not based on observable market data; assumptions are based on the best internal and external information available and are most suitable and appropriate based on the type of financial instrument being valued in order to establish what the transaction price would have been on the measurement date in an arm's length transaction.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the Consolidated Statement of Remeasurement Gains and Losses. Upon settlement, the cumulative gain or 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 financial instruments are reported in the Consolidated Statement of Operations.

Transaction costs

Transaction costs attributable to financial instruments measured at fair value are recognized in the Consolidated Statement of Operations in the period incurred. Transaction costs for financial instruments measured at cost or amortized cost are recognized in the original cost of the instrument.

Impairment

At the end of each reporting period, management assesses financial assets or groups of financial assets for evidence of objective impairment. An impairment loss is recognized in the Consolidated Statement of Operations when there is a loss in value that is other than temporary. Future recoveries of impaired financial assets are recognized in the Consolidated Statement of Operations when received, except for recoveries of impaired portfolio investments. Future recoveries of impaired portfolio investments are not recognized in previous reporting periods up to the amount of the write-down in reported in the Consolidated Statement of Remeasurement Gains and Losses.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

1. Basis of Presentation and Significant Accounting Policies (continued)

(g) Use of estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period.

A significant estimate is made with respect to the asset retirement obligation. To estimate the retirement provision related to the remediation of asbestos in the Nation's buildings, management was required to make various assumptions that it considered reasonable such as the presence of other hazardous materials, continuous removal of all hazardous materials in one phase, renovations of buildings instead of demolitions and the rate used to calculate the present value of the obligations. Any changes made by management could have a significant impact on the Nation's statements of operations and financial position and would be recorded during the period in which the new information becomes known.

Oil and gas royalties and surface rights payments related to oil and gas exploration and development activities are administered directly by the Government of Canada ("Canada") under the provisions of the Indian Oil and Gas Act. The Nation records receipts based on currently available information supplied by Canada. Royalty payments from oil and gas producers are subject to periodic revision. Adjustments are recorded by the Nation in the period that the information becomes available.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

2. Changes in Accounting Policies from Changes in Accounting Standards

The Nation adopted the following new accounting policies due to changes in the Public Sector Accounting Standards of the CPA Canada Handbook. The new standards are effective for years beginning on or after April 1, 2023 (the transition date).

Revenue

On April 1, 2023, the Nation adopted Section PS 3400 "Revenue". The new standard establishes standards on how to account for and report on revenue, specifically in regard to revenue arising from transactions with performance obligations (exchange transactions) and those without performance obligations (non-exchange transactions).

Revenue from transactions with performance obligations should be recognized when (or as) the Nation satisfies a performance obligation by providing the promised goods or services to a payor.

Revenue from transactions with no performance obligations should be recognized when the Nation:

- has authority to claim or retain an inflow of economic resources; and
- identifies a part transactions or event that gives rise to an asset.

The Nation has applied the change prospectively on the transition date in accordance with the applicable transitional provisions.

The adoption of the new requirements had no significant impact on the Nation's financial statements.

Purchased Intangibles

On April 1, 2023, the Nation adopted PSG-8 "Purchased Intangibles". The new guidance allows for purchased intangible assets to be recognized as assets in the public sector entity's financial statements.

The Nation has applied the change prospectively on the transition date in accordance with the applicable transitional provisions.

The adoption of the new requirements had no significant impact on the Nation's financial statements.

Public Private Partnerships

On April 1, 2023, the Entity adopted Section PS 3160 "Public Private Partnerships". The new standard established standards on how to account for certain arrangements between public and private entities. The standard provides guidance on situations where a public sector entity acquires infrastructure assets using a private sector partner that designs, builds, or finances the infrastructure asset past the point where it is ready for use.

The Nation has applied the change prospectively on the transition date in accordance with the applicable transitional provisions where control by the public sector entity over the infrastructure arose on or after April 1, 2023.

The adoption of the new requirements had no significant impact on the Nation's financial statements.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

3. Cash

Included in cash are the following items:

- \$532,304 (2023 - \$291,122) of cash is held in a Secured Revenues Trust Account (SRTA) by the First Nations Finance Authority.
- \$1,356,673 (2023 - \$199,960) of cash is held in a separate bank account which has been restricted internally by the Nation as a capital reserve.
- \$656,693 (2023 - \$1,020,221) of cash consists of the CMHC replacement reserve balance which is restricted.
- \$10,034,014 (2023 - \$7,455,518) of cash is restricted for approved uses as outlined in the Host First Nation Charitable Casino Policies Handbook, that is administered by the Alberta Gaming, Liquor and Cannabis Commission.

Cash also includes an operating line of credit to a maximum of \$1,600,000, which bears interest at prime plus 1.0% and is secured by Government funding. As at March 31, 2024, the Nation has drawn \$nil (2023 - \$nil) of the operating line.

4. Accounts receivable

Accounts receivable include amounts due from the following:

	2024	2023
First Nations Development Funds	\$ -	\$ 3,418,303
Indigenous Services Canada	421,351	-
Canada Mortgage Housing Corporation	1,780,994	108,537
Government remittances - GST	1,079,259	354,343
Other Government Agencies	817,820	3,145,258
Other receivables	7,157,358	4,823,744
Other receivables - Allowance for doubtful accounts	(498,368)	(470,865)
First Nation - member and employee advances	7,470,878	7,325,390
First Nation - member and employee advances - allowance for doubtful accounts	(4,073,579)	(3,948,579)
	<hr/>	<hr/>
	\$ 14,155,713	\$ 14,797,779

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

5. Trust funds held by federal government

Funds held by the Government of Canada (Indigenous Services Canada) in trust for the use and benefit of the Enoch Cree Nation are as follows:

	March 31, 2023	Income, 2023	Withdrawals, 2024	March 31, 2024
Capital funds	\$ 1,362,105	\$ 351,655	\$ -	\$ 1,713,760
Revenue funds	\$ 3,494,061	\$ 1,995,073	\$ (1,578,137)	\$ 3,910,997
	\$ 4,856,166	\$ 2,346,728	\$ (1,578,137)	\$ 5,624,757

The trust funds accounts held in Ottawa arise from monies derived from capital and revenue sources which the Crown considers are described in Section 62 of the Indian Act. These funds are held in trust by the Government of Canada and the Crown treats these funds as primarily governed by section 64 and 69 of the Indian Act.

These funds are treated by Canada as held in trust in the Consolidated Revenue fund of the Government of Canada. The funds attract interest pursuant to Section 61(2) of the Indian Act.

Enoch Cree Nation

Notes to Consolidated Financial Statements

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6. Restricted Investment - Yekau Lake Trust

In 2008, Enoch Cree Nation submitted the Yekau Lake Practice Bombing Range Specific Claim, pursuant to the Specific Claims Tribunal Act, alleging that when the Department of Indian Affairs and Northern Development leased an area of Enoch Reserve Land to the Department of Transport in March 1942 for use as a practice bombing range, it did not follow specific provisions of the Indian Act.

On September 16, 2011, Canada accepted the Yekau Lake Practice Bombing Range claim for negotiation. Enoch Cree Nation and Canada reached a settlement agreement in January 2020. Under the agreement, the First Nation was awarded \$91,000,000 from Canada. \$90,813,324 was received net of previous advances.

Pursuant to the settlement claim with Canada, Enoch Cree Nation created Yekau Lake Trust to administer, manage and hold in trust the awarded funds from the Yekau Lake Practice Bombing Range claim. The Trustees of the Yekau Lake Trust are required to hold the Trust Property in trust to be used for the specific purposes outlined in the Yekau Lake Trust agreement.

As at March 31, 2024, the investment in Yekau Lake Trust consisted of cash of \$1,586,576 (2023 - \$3,306,457), GIC balance of \$1,017,000 and portfolio investments with a carrying value of \$57,250,642 (2023 - \$51,784,442).

Minors Trust

Enoch Cree Nation is the Trustee for the Minor's Trust account. The Nation is not the beneficiary of the trust. Accordingly, the Minors Trust's net assets are not recorded as an asset of the Nation.

Per capita distributions due to the beneficiaries who were under the age of 18 at the record date are considered minors trust and are to be invested in secure investment funds as outlined in the Yekau Lake Trust agreement. Upon a beneficiary reaching the age of eighteen years the per capital distribution shall be distributed to the member not later than the last day of the following month, following the month in which the member attains the age of eighteen years. In addition to the initial per capital distribution amount, the Trustees shall pay such person the total of all income (less administrative costs) earned on such members initial per capital distribution and held in the minors trust, but not previously paid out to such member.

At March 31, 2024, the Minors Trust balance consisted of cash of \$1,362,924 (2023 - \$1,225,025) and GIC balance of \$9,449,000 (2023 - \$10,000,000).

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Notes to Consolidated Financial Statements

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7. Restricted Investments - Enoch Cree Nation Settlement Trust Funds

The Enoch Cree Nation Settlement Trust Funds are restricted investments and are recorded at market value.

The Chief and Council of the Enoch Cree Nation approved the Trust's investment policy on September 27, 2004, creating two portfolios for investments, as follows:

a) The Trust's short-term portfolios are invested in highly secure money market instruments with a minimum credit rating of "R-1 low". No single investment, other than federal or provincial issued instruments can exceed 5% of the portfolio. The primary objectives of the short-term portfolios are liquidity and security of capital. The funds are expected to be drawn down through spending within two to five years, since the purpose of these accounts is that the capital be put to work and invested within the community in long-term or permanent capital projects.

b) The Trust's long-term portfolios include the long-term portions of the Elders, Youth Development and Human Resources accounts. The primary objective of these portfolios are to achieve a long-term rate of return superior to those achieved solely from money market instruments and to do so at an acceptable level of risk. The fixed-income category of the portfolios shall be a minimum of 40% and a maximum of 65%. The equity category of the portfolios shall be a minimum of 35% and a maximum of 60% of the total portfolios. Investments rated "BBB" may be held within a pooled fund to a maximum of 20% of the pooled fund. All Trust equity instruments shall trade on a recognized Global stock exchange or market and preferred stocks will have an acceptable investment grade quality of P2. No single investment, other than federal or provincial instruments, can exceed 5% of the portfolio. No single equity holding can exceed 10% of the amount the Trust can hold in equity instruments.

The net assets of the Enoch Cree Nation Settlement Trust Funds at December 31, 2023 is \$17,534,117 (2022 - \$19,891,634), which includes cash of \$54,626 (2022 - \$166,909) and marketable securities of \$7,573,475 (2022 - \$6,117,104), loans receivable from Enoch entities of \$10,508,064 (2022 - \$14,144,727) and income allocation payable to Enoch entities of \$602,048 (2022 - \$537,106). The loans receivable from the Enoch related entities and the loans payable to the Enoch Cree Nation Settlement Trust as recorded by the Enoch related entities have been eliminated in these consolidated financial statements. The allocation payable was received by the Enoch entities by March 31st.

In addition, the accumulated loss recorded in the Enoch Cree Nation Investment Trust of \$1,768,718 (2022 - \$1,678,206) has been eliminated against the accumulated surplus of \$17,534,117 (2022 - \$19,891,634) in the Enoch Cree Nation Settlement Trust Funds. resulting in a net accumulated surplus of \$15,765,399 (2022 - \$18,213,428).

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

8. Investments

	2024	2023
First Nations Bank of Canada - shares at cost	500,000	500,000
Deposit on notice for 90 days, earning interest at prime minus 0.80% per annum.	1,614,366	-
Guaranteed Investment Certificates, earning interest between 4.56% to 5.47% per annum, matured during the year.	-	14,113,521
Deposits on notice for 60 and 90 days, earning interest between 0.80% to 0.95% per annum, redeemed during the year.	-	2,526,465
Investment management cash account	-	15,171,629
	2,114,366	32,311,615

9. Investment in Business Enterprises

As described in note 1(a), the investment in the business enterprises are recorded on the modified equity basis. The following is a summary of the December 31, 2023 financial statements of Enoch Cree Nation Business Trust, 1023576 Alberta Ltd. Enoch Construction Limited Partnership, Enoch Civil Construction Limited Partnership and Enoch Prism Engineering Limited Partnership, and a summary of the March 31, 2024 financial statements of Enoch Health Services Inc. An adjustment is shown for significant transactions between January and March for entities with a December year end.

Change in investment in Government Business Enterprises

During the year, Enoch Cree Nation Construction Limited Partnership met the definition of a government business enterprise and was no longer accounted for as a governmental unit. As this change occurred during the March 31, 2024 fiscal year, the prior year balances were not adjusted for the change in status. The modified equity basis was applied at the start of the current fiscal year. As a result, the opening investment in business enterprises increased by \$6,753,627 which was the net assets amount of Enoch Cree Nation Construction Limited Partnership as at April 1, 2023.

Acquisitions of Government Business Enterprises

On May 18, 2023 Enoch Civil Construction Limited Partnership was formed. It issued 100 partnership units for cash consideration of \$100 to Enoch Cree Nation Economic Development Trust and 1 partnership unit for cash consideration of \$1 to Enoch Civil Construction (GP) Inc.

On October 1, 2023, River Cree Ventures Limited Partnership purchased 1,500,000 partnership units, representing 51% of the total units, in Enoch Prism Engineering Limited Partnership for cash consideration of \$1,500,000.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Business Enterprises, continued

	2024	2023
Equity at beginning of year	\$ 1,839,350	\$ 918,520
Opening net assets - Enoch Cree Nation Construction LP	6,753,627	-
Acquisitions	1,500,101	-
Contributions net of distributions	12,448,018	15,186,236
Net loss	(12,730,876)	(14,265,406)
Investment in Business Enterprises	\$ 9,810,220	\$ 1,839,350

Balance Sheet	Enoch Cree			2023 Total	2022 Total
December 31, 2023 and 2022	Nation	Business	1023576 Alberta		
	Trust	Ltd.			
Cash	\$ -	\$ 4,698,671	\$ 4,698,671	\$ 541,829	
Restricted cash	14,908,371	-	14,908,371	14,162,040	
Accounts receivable	-	76,417	76,417	1,166,006	
Investments	114,642,934	-	114,642,934	117,360,709	
Due from related parties	2,252,550	1,198,370	3,450,920	4,180,428	
Prepaid expenses	-	53,239	53,239	44,649	
Tangible capital assets	-	143,529	143,529	99,455	
Total assets	\$ 131,803,855	\$ 6,170,226	\$ 137,974,081	\$ 137,555,116	
Accounts payable	\$ 16,237	\$ 3,587,617	\$ 3,603,854	\$ 240,896	
Due to related parties	-	184	184	746	
Promissory note due to Enoch Cree					
Nation	381,867	-	381,867	3,122,258	
Long-term debt	267,904,192	-	267,904,192	271,679,900	
Total liabilities	268,302,296	3,587,801	271,890,097	275,043,800	
Share capital/Contributed surplus	-	14,197,622	14,197,622	12,847,622	
Accumulated Deficit	(136,498,441)	(11,615,197)	(148,113,638)	(150,336,306)	
Total Deficit	(136,498,441)	2,582,425	(133,916,016)	(137,488,684)	
Total liabilities and deficit	\$ 131,803,855	\$ 6,170,226	\$ 137,974,081	\$ 137,555,116	

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Business Enterprises, continued

Income Statement December 31, 2023 and 2022	Enoch Cree Nation Business Trust	1023576 Alberta Ltd.	2023 Total	2022 Total
Total Revenues	\$ 2,382,746	\$ 780,480	\$ 3,163,226	\$ (11,527,533)
<u>Total Expenses</u>	<u>(11,798,185)</u>	<u>(1,236,345)</u>	<u>(13,034,530)</u>	<u>(8,119,404)</u>
<u>Net loss, December 31,</u>	<u>(9,415,439)</u>	<u>(455,865)</u>	<u>(9,871,304)</u>	<u>(19,646,937)</u>
<u>Adjustment to loss</u>	<u>(4,137,705)</u>	<u>-</u>	<u>(4,137,705)</u>	<u>5,381,531</u>
<u>Net Loss</u>	<u>\$ (13,553,144)</u>	<u>\$ (455,865)</u>	<u>\$ (14,009,009)</u>	<u>\$ (14,265,406)</u>

The Enoch Cree Nation as the Host First Nation of the River Cree Resort and Casino receives 30% of the slot revenue earned at the Casino, pursuant to the "Alberta First Nations Development Fund Grant Agreement".

Enoch Cree Nation contributed First Nation Development Funds of \$20,327,096 (2023 - \$20,323,254) and ISC funding of \$Nil (2023 - \$nil) as capital contributions to the Enoch Cree Nation Business Trust and 1023756 Alberta Ltd. (River Cree Resort entities). The funds were used by the River Cree Resort entities for operating expenses and debt servicing expenses.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Business Enterprises, continued

Balance Sheet December 31, 2023 and 2022	Enoch Civil Construction Limited Partnership	Enoch Prism Engineering Limited Partnership	Enoch Construction Limited Partnership	2023 Total	2022 Total
Cash	\$ 484,837	\$ 69,109	\$ 2,412,448	\$ 2,966,394	\$ -
Accounts receivable	1,821,002	1,151,489	1,157,439	4,129,930	-
Work in progress	292,564	-	-	292,564	-
Investments	1	-	-	1	-
Due from related parties	71,722	-	4,099,455	4,171,177	-
Prepaid expenses	-	18,086	24,628	42,714	-
Tangible capital assets	7,242,899	45,924	-	7,288,823	-
Goodwill	1,499,999	2,858,723	-	4,358,722	-
Total assets	\$ 11,413,024	\$ 4,143,331	\$ 7,693,970	\$ 23,250,325	\$ -
Accounts payable	\$ 1,600,817	\$ 148,696	\$ 131,464	\$ 1,880,977	\$ -
Deposits	-	203,938	-	203,938	-
Unearned revenues	-	-	367,427	367,427	-
Due to related parties	4,062,050	100,000	802	4,162,852	-
Long-term debt / capital leases	595,649	-	-	595,649	-
Total liabilities	6,258,516	452,634	499,693	7,210,843	-
Partners' capital / contributed surplus	5,145,508	3,690,697	7,194,277	16,039,482	-
Total liabilities and surplus	\$ 11,404,024	\$ 4,143,331	\$ 7,693,970	\$ 23,250,325	\$ -

Income Statement December 31, 2023 and 2022	Enoch Civil Construction Limited Partnership	Enoch Prism Engineering Limited Partnership	Enoch Construction Limited Partnership	2023 Total	2022 Total
Total Revenues	\$ 698,632	\$ 1,473,848	\$ 2,636,187	\$ 4,808,667	\$ -
Total Expenses	(944,225)	(724,329)	(1,617,718)	(3,286,272)	-
Adjust to 51%	-	(367,264)	-	(367,264)	-
Net Income (loss) December 31	(245,593)	382,255	1,018,469	1,155,131	-
Adjustments	245,593		(578,456)	(332,863)	-
Net income	\$ -	\$ 382,255	\$ 440,013	\$ 822,268	\$ -

Enoch Cree Nation contributed First Nation Development Funds of \$2,000,000 to Enoch Construction Limited Partnership.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

9. Investment in Business Enterprises, continued

<u>Enoch Health Services Inc. as at March 31,</u>	<u>2024</u>	<u>2023</u>
Cash	\$ 185,269	\$ 271,606
Accounts receivable	70,556	85,094
Inventory	115,596	166,917
Tangible capital assets	446	557
 Total assets	 \$ 371,867	 \$ 524,174
 Accounts payable	 \$ 117,952	 \$ 101,990
Due to related party	10,156	270,125
 Total liabilities	 128,108	 372,115
 Equity	 152,059	 152,059
 Total liabilities and equity	 \$ 280,167	 \$ 524,174
<u>Enoch Health Services Inc. for the period ended March 31,</u>	<u>2024</u>	<u>2023</u>
Revenue	\$ 1,298,371	\$ 1,081,567
Expenses	1,298,371	1,081,567
 Net Income	 \$ -	 \$ -

10. Due from (to) related parties

The amount due from Enoch Cree Nation Business Trust relates to two debenture financing arrangements Enoch Cree Nation entered into with First Nations Finance Authority Financing on behalf of Enoch Cree Nation Business Trust (see Note 15). The promissory notes due from Enoch Cree Nation Business Trust are repayable in monthly instalments of \$1,296,546 including interest at 3.06% and 4.28%, maturing June 2032 and June 2034.

The remaining amounts due from (to) related parties are non-interest bearing, unsecured and have no specified terms of repayment.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

11. Accounts payable

	2024	2023
Trade accounts payable	\$ 13,698,417	\$ 5,151,447
Tuition payable	7,068	762
Government remittances payable	616,314	258,417
Accrued payables	9,085,470	4,611,515
Deposits	59,952	58,402
	\$ 23,467,221	\$ 10,080,543

12. Deferred revenue

Deferred revenue represents funding received during the year that has not been expended as at March 31, 2024

	March 31, 2023	Funding received, 2024	Revenue recognized/ recovered 2023	March 31, 2024
Indigenous Services Canada	\$ 26,020,130	\$ 42,094,257	\$ (36,214,250)	\$ 31,900,137
First Nation Development Fund	403,829	40,625,560	(39,111,755)	1,917,634
Government of Alberta	1,395,086	3,516,062	(2,602,651)	2,308,497
Other	1,032,290	5,784,574	(4,784,023)	2,032,841
Indigenous Skills and Employment Training Strategy	793,065	1,139,456	(1,145,002)	787,519
	\$ 29,644,400	\$ 93,159,909	\$ (83,857,681)	\$ 38,946,628

Enoch Cree Nation**Notes to Consolidated Financial Statements**

March 31, 2024

13. Capital Leases

	2024	2023
Lease payable to Nation Leasing, repayable in blended monthly installments of \$2,146 including interest at 7.6% per annum, repaid during the year.	-	2,133
Lease payable to Callidon Equipment Leasing, repayable in blended yearly installments of \$24,648 including interest at 6.25% per annum, secured by equipment with a net book value of \$52,225 (2023 - \$65,281), maturing July 2027.	72,810	95,870
Lease payable to Brandt, repayable in blended monthly installments of \$13,766 including interest at 6.25% per annum, secured by equipment with a net book value of \$511,884 (2023 - \$639,855), maturing January 2028.	564,454	689,956
Lease payable to Brandt, repayable in blended monthly installments of \$13,575 including interest at 6.25% per annum, secured by equipment with a net book value of \$631,329 (2023 - \$701,477), maturing April 2028.	575,211	701,477
Lease payable to Callidon Equipment Leasing, repayable in yearly installments of \$73,886 including interest at 6.45% per annum, secured by vehicle with a net book value of \$205,413 (2023 - \$256,766), maturing May 2029.	311,694	369,346
Lease payable to Meridian OneCap Credit Corporation, repayable in blended monthly installments of \$1,126 including interest at 1.82% per annum, secured by equipment with a net book value of \$23,998 (2023 - \$29,998), maturing July 2024.	4,486	17,781
Lease payable to Brandt, repayable in blended monthly installments of \$1,859 including interest at 6.40% per annum, secured by equipment with a net book value of \$86,171 (2023 - \$Nil), maturing May 2028	80,875	-
Lease payable to Callidon Equipment Leasing, repayable in yearly installments of \$91,877 included interest at 7.99% per annum, secured by vehicle with a net book value of \$593,088 (2023 - \$Nil), maturing January 2034.	567,110	-
	2,176,640	1,876,563

Enoch Cree Nation**Notes to Consolidated Financial Statements**

March 31, 2024

13. Capital Leases, continued

	2024	2023
Payment of capital leases due within the next five years:		
2025	545,198	
2026	540,696	
2027	540,696	
2028	502,549	
<u>2029 and thereafter</u>	<u>544,854</u>	
Total minimum lease payments	2,673,993	
Less amounts representing interest at 1.80% to 7.6%	(497,353)	
<u>Present value of net minimum capital lease payments</u>	<u>2,176,640</u>	

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

14. Long-term debt

	2024	2023
Enoch Cree Nation		
Loans payable to ATB Financial, accruing interest quarterly at a rate of prime plus 0.25% per annum. Repayable in one lump sum the earlier of settlement of specific claims against Canada, or December 2024. The loan facility is available up to a maximum of \$15,314,320 with the use of loan proceeds restricted to costs relating to the claims. Secured by a first loss payee insurance policy and a surety bond up to a maximum of \$15,314,320.	\$ 12,720,002	\$ 11,654,960
Kitaskinaw Education Authority Inc.		
Alberta Indian Investment Corporation loan, repayable in blended monthly installments of \$6,505, including interest at 9.25% per annum, maturing May 2024.	8,027	-
Enoch Cree Nation Social Housing Authority		
CMHC mortgages, repayable in total monthly installments of \$121,556 including interest at rates ranging from 0.69% to 3.74% per annum, secured by Ministerial Guarantees, maturing on various dates from March 2026 to January 2047.	18,247,910	17,489,773
Enoch Cree Nation Social Housing Authority		
Bank of Montreal demand loans, repayable in blended monthly total installments of \$86,765 including interest at rates ranging from 3.55% to 6.49% per annum, secured by a general security agreement, maturing on various dates from March 2025 to June 2026.	6,974,522	7,574,194
Mechet Waskahikanuk Association		
First Nations Bank of Canada mortgages, repayable in total blended monthly installments of \$42,733 including interest at rates ranging from 3.90% to 7.50% per annum maturing at various dates between July 2024 to December 2025, secured by a general security agreement, a guarantee by Mechet Charities Limited as well as land and buildings being financed with a net book value of \$6,491,403 (2023 - \$6,645,898).	3,681,238	4,002,021

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

14. Long-term debt, continued

	2024	2023
River Cree Crossing (GP) Inc.		
Toronto-Dominion credit facilities, to a maximum of \$25,477,367 repayable in blended monthly installments of \$111,676 including interest at 4.34% to prime plus 1.0%, secured by a general security agreement, a registered leasehold mortgage issued by River Cree Crossing Inc. representing a first charge against all commercial property and improvements on commercial property in the principal amount of \$25,477,367, a general assignment of subleases and evidence of public liability insurance. Guaranteed by Enoch Cree Nation.	22,851,642	22,268,738
	\$ 64,483,341	\$ 62,989,686

The CMHC housing mortgages are secured by Ministerial Guarantees. The Enoch Cree Nation has entered into an agreement with Canada Mortgage and Housing Corporation to subsidize the average interest rates to the extent required to reduce the effective rate to 2%.

Principal portion of long-term debt due within the next five years:

2025	\$ 14,437,094
2026	10,168,103
2027	3,107,286
2028	1,804,795
2029 and thereafter	34,966,063
	\$ 64,483,341

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

15. Loan - First Nations Finance Authority

A) Interim Financing with the First Nations Finance Authority (FNFA):

Enoch Cree Nation has an agreement with the FNFA to borrow funds through debenture financing. The funds received in advance of a bond issuance are treated as interim financing. This interim financing will be replaced by this long term financing upon the issuance of such securities and the earlier of five years from the date of issuance of the interim financing or the completion by Enoch Cree Nation of the defined purpose included in the Borrowing Agreement.

The interim financing loans require monthly interest payments only and are paid from Secured Revenue sources other than ISC or Health Canada funding. These funds are specified in the Borrowing Law adopted by Enoch Cree Nation and are paid directly into a Secured Revenues Trust Account (SRTA), which is governed by a Secured Revenues Trust Management Agreement between Enoch Cree Nation, FNFA and Computershare.

The following amounts are withdrawn from the SRTA:

- 1) Monthly interest payments directly to the FNFA under the terms of the Borrowing Agreement and
- 2) The excess in the SRTA is paid to Enoch Cree Nation

\$69,547,000 of interim financing was issued in 2024 (2023 - \$111,578,960). The interim financing is repayable on demand and bears interest at the rate of 6.25% per annum (2023 - prime minus 0.7% - effective rate of 5.75%).

B) Debt Reserve Fund:

Five percent of any funds borrowed from the FNFA are held by the Authority in a restricted cash fund as security for payments for bond payments and interim financing providers. If at any time Enoch Cree Nation does not have sufficient funds to meet its obligations under the terms and conditions of the Borrowing Agreement the payments will be made from the Debt Reserve Fund. If at any point in time, the Debt Reserve Fund balance exceeds the related interim or debenture amount the Nation can use the Debt Reserve Fund to make principal payments.

C) Debenture Financing:

\$6,159,000 was rolled from interim financing to long term debenture financing in 2019. The debenture has a term of 20 years with amortization period of 30 years and interest rate of 3.65% per annum and is repayable in fixed monthly payments of \$18,737 and fixed monthly sinking funds payments of \$10,788.

\$26,566,000 was rolled from interim financing to long term debenture financing in 2020. The debenture has a term of 20 years with amortization period of 30 years and interest rate of 2.72% per annum and is repayable in fixed monthly payments of \$60,216 and fixed monthly sinking funds payments of \$50,425.

\$5,263,160 of long term debenture financing was issued in 2021. The debenture has a term of 10 years with amortization of 30 years and interest rate of 1.90% per annum and is repayable in fixed monthly interest payments of \$8,333 and fixed monthly sinking funds payments of \$9,990.

\$165,419,980 was rolled from interim financing to long term debenture financing in 2022. The debenture has a term of 10 years with amortization of 30 years and interest rate of 3.06% per annum and is repayable in fixed monthly interest payments of \$421,821 and fixed monthly sinking funds payments of \$313,990.

Enoch Cree Nation

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\$120,066,620 was rolled from interim financing to long term debenture financing in 2024. The debenture has a term of 10 years with amortization of 30 years and interest rate at 4.28% per annum and is repayable in fixed monthly interest payment of \$428,238 and fixed monthly sinking fund payments of \$185,979.

The following debenture financing is shown net of the sinking fund balance of \$11,658,641 (2023 - \$6,664,354).

	2024	2023
Interim financing	\$ 69,547,000	\$ 120,066,620
Debt reserve fund - interim financing	(3,534,282)	(6,165,619)
Debenture financing	311,536,963	196,636,995
Debt reserve fund - debenture financing	(17,242,130)	(10,826,206)
 Total funds owing to First Nations Finance Authority	 \$ 360,307,551	 \$ 299,711,790

Total interest paid during the year for all FNFA loans was \$13,998,134 (2023: \$10,272,604).

D) River Cree Crossing (GP) Inc. (formerly River Cree Crossing Inc.):

The amount of the above debenture financing balance attributable to River Cree Crossing (GP) Inc. is \$3,643,139 (2023 - \$5,137,736) net of the debt reserve fund balance of \$614,181.

E) Enoch Cree Nation Social Housing:

The amount of the above debenture (2023 - interim) financing balance attributable to Enoch Cree Nation Social Housing is \$5,722,825 (2023 - \$5,756,822) net of the debt reserve fund balance of \$305,063.

F) Enoch Cree Nation Business Trust:

The amount of the above debenture financing balance attributable to Enoch Cree Nation Business Trust is \$251,956,246 (2023 - \$256,303,381) net of the debt reserve fund balance of \$14,524,911.

Enoch Cree Nation

Notes to Consolidated Financial Statements

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16. Asset Retirement Obligations

The Nation has recorded an asset retirement obligation for the removal of asbestos and other hazardous materials from its buildings. The asset retirement obligation is adjusted for present value annually using a discount rate of 6%, net of any obligation discharges and increases during the year, over the remaining useful life of the buildings. The undiscounted future expenditures estimated for the asset retirement obligation are \$2,639,400 (2023 - \$2,490,000). It is management's opinion that these assumptions are reasonable in the circumstance as at March 31, 2024.

While the asset retirement provision is based on the management's best estimates of future costs, there is uncertainty regarding both the amount and timing of these expenditures, as a result management has included a 20% (2023 - 20%) contingency fee in estimating the retirement provision. Management, as at March 31, 2024, does not foresee any events or circumstances in the future that would have a significant impact on the estimated value of the asset retirement obligation.

The asset retirement obligation recorded in these financial statements is as follows:

	March 31, 2024	March 31, 2023
Balance, beginning of period	2,490,000	2,110,345
Accretion expense	149,400	379,655
Balance, end of period	2,639,400	2,490,000

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17. Tangible Capital Assets

	Cost				Accumulated amortization				2024 net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Land	\$ 2,275,942	\$ 6,709,288	\$ -	\$ 8,985,230	\$ -	\$ -	\$ -	\$ -	\$ 8,985,230
Buildings and infrastructure	207,382,934	6,455,458	(9,426)	213,828,966	64,829,974	6,954,294	(2,315)	71,781,953	142,047,013
Equipment	20,223,169	14,789,243	(618,300)	34,394,112	14,591,214	2,216,648	(555,583)	16,252,279	18,141,833
Leasehold improvements	1,748,317	-	-	1,748,317	870,732	157,670	-	1,028,402	719,915
Assets under construction	15,099,365	27,893,269	-	42,992,634	-	-	-	-	42,992,634
	\$ 246,729,727	\$ 55,847,258	\$ (627,726)	\$ 301,949,259	\$ 80,291,920	\$ 9,328,612	\$ (557,898)	\$ 89,062,634	\$ 212,886,625

	Cost				Accumulated amortization				2023 Net book value
	Balance, beginning of year	Additions	Disposals	Balance, end of year	Balance, beginning of year	Amortization	Accumulated amortization on disposals	Balance, end of year	
Land	\$ 2,275,942	\$ -	\$ -	\$ 2,275,942	\$ -	\$ -	\$ -	\$ -	\$ 2,275,942
Buildings and infrastructure	197,693,697	9,689,237	-	207,382,934	56,663,794	8,166,180	-	64,829,974	142,552,960
Equipment	17,526,034	2,697,135	-	20,223,169	13,303,034	1,288,180	-	14,591,214	5,631,955
Leasehold improvements	1,748,317	-	-	1,748,317	691,455	179,277	-	870,732	877,585
Assets under construction	9,481,650	5,617,715	-	15,099,365	-	-	-	-	15,099,365
	\$ 228,725,640	\$ 18,004,087	\$ -	\$ 246,729,727	\$ 70,658,283	\$ 9,633,637	\$ -	\$ 80,291,920	\$ 166,437,807

Tangible capital assets include equipment under capital leases with a net book value of \$2,104,108 (2023 - \$1,725,549).

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Notes to Consolidated Financial Statements

March 31, 2024

18. Prepaid expenses

	2024	2023
Prepaid insurance	\$ 540,344	\$ 1,078,932
Prepaid other	491,916	479,207
	\$ 1,032,260	\$ 1,558,139

\$510,344 (2023 - \$1,004,434) of the prepaid insurance amount relates to insurance policies the Nation has purchased to provide security for a bank loan received to pay past and future legal costs related to the negotiation with "Canada" of five specific claims.

19. Inventory

	2024	2023
Grocery	\$ 78,665	\$ 80,162
Tobacco	217,890	446,366
Gasoline	75,292	210,061
Cannabis products	207,469	123,906
	\$ 579,316	\$ 860,495

The Nation's inventory is subject to spoilage. The Nation provides an allowance for spoilage against the cost of the inventory. A charge to cost of sales is recorded in the year in which the spoilage occurs and any profit or loss from the subsequent sale is reflected in the gross margin at the time of sale.

Total inventory expensed to cost of goods sold during the year was \$19,936,006 (2023 - \$21,996,001).

20. Accumulated Surplus

	2024	2023
Unrestricted operating deficit	\$ (115,922,649)	\$ (26,853,765)
Equity in Tangible Capital Assets	155,336,492	115,104,528
Equity in Enoch Cree Nation Settlement Trust Funds	15,765,399	18,213,428
Equity in Ottawa Trust Funds	5,624,757	4,856,166
Equity in CMHC Replacement Reserve	1,041,723	1,372,318
Remeasurement gains (losses)	4,027,659	(1,034,788)
Equity in Business Enterprises	9,810,220	1,839,350
Equity in Yekau Lake Trust	59,854,218	55,090,899
Internally Restricted Funds - ISC Grant	6,549,462	2,951,119
Internally Restricted Funds - Other	824,714	395,740
Internally Restricted Funds - Capital Reserve	1,356,673	199,960
	\$ 144,268,668	\$ 172,134,955

Enoch Cree Nation

Notes to Consolidated Financial Statements

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21. Contingent Liabilities

a) Legal proceedings

Enoch Cree Nation has been named as defendant in certain legal proceedings. The Nation is actively defending all lawsuits. Since the amount of loss, if any, cannot be reasonably estimated, no provision has been recorded in these financial statements. Should a loss be incurred, it will be expensed in the year the liability is determined.

b) Government contributions

Government contributions related to projects of the Enoch Cree Nation are subject to conditions regarding the expenditure of funds. The Nation's accounting records, as well as those of agencies delegated to execute the projects, are subject to audit by the various funding agencies. Should any instances be identified in which the amounts charged to the projects are not in accordance with the agreed terms and conditions, amounts would be refundable to the respective funding agencies.

Adjustments to the financial statements as a result of these audits will be recorded in the year in which they become known.

(c) Guarantees

The Nation has provided a guarantee on behalf of its members for the on-reserve housing loans. As at March 31, 2024 the balance outstanding is \$1,182,649 (2023 - \$1,372,875).

22. Commitments

As at March 31, 2024 the Nation has undertaken housing construction projects which were in progress as at March 31, 2024 costs to complete the projects have been estimated at \$2,033,623 (2023 - \$3,869,113).

23. Enoch Minors' Trust Funds

The Enoch Minors' Trust Account of \$907,034 (2023 - \$1,010,441) arose from the per capita distribution of the Enoch Cree Nation - 1908 Settlement Trust Funds. Of these funds held in the trust accounts, \$54,529 (2023 - \$121,130) represents amounts owed to Enoch members. The remainder of the balance is available for the use of Enoch Cree Nation at their discretion. The investment which consists of deposits and fixed income securities are held in trust by Peace Hills Trust which bear interest at 4.80% (2023 - 5.25%) per annum.

24. CMHC Replacement Reserve

Under the terms of the agreement with Canada Mortgage and Housing Corporation, a replacement reserve account is to be credited annually with an agreed amount. These funds, along with accumulated interest, must be held in a separate bank account, and invested in accounts or instruments insured by the Canada Deposit Insurance Corporation, or as may otherwise be approved by CMHC from time to time. The funds in the account may only be used as approved by CMHC. Withdrawals are credited to interest first and then principal. The reserve fund balance at March 31, 2024 was underfunded by \$385,030 (2023 - \$362,096).

Enoch Cree Nation

Notes to Consolidated Financial Statements

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25. Employment Retirement Plan

The Nation has a defined contribution plan for its employees. Participation in the pension plan is available to substantially all employees. Total employer contributions during the year were \$873,081 (2023 - \$829,258).

26. Portfolio Investments

	Level 1	Level 2	Total	Cost	2023
Investments Held at Fair Value					
Canadian Equities	4,525,745	-	4,525,745	3,826,251	3,364,752
Foreign Equities	28,420,016	-	28,420,016	24,734,176	23,772,320
Investments Designated to Fair Value:					
Cash and money market funds - CAD	-	2,863,959	2,863,959	2,863,945	8,493,863
Cash and money market funds - USD	-	930,947	930,947	930,947	947,698
Fixed income	-	25,131,076	25,131,076	25,301,123	17,431,273
Fixed income - foreign	-	3,284,497	3,284,497	3,472,139	4,715,456
Investments Held at Amortized Cost:					
Cash and money market funds	-	3,255,578	3,255,578	3,255,578	35,284,980
Privately held shares	-	500,000	500,000	500,000	500,000
	32,945,761	35,966,057	68,911,818	64,884,159	94,510,342

The fair value of investments held at amortized cost is \$3,255,578 (2023 - \$35,784,980).

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Notes to Consolidated Financial Statements

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27. Treaty 6 Agricultural Benefits Specific Claim Settlement

On October 16, 2008, Enoch Cree Nation had submitted the Enoch Cree Nation Treaty 6 Agricultural Benefits Specific Claim under Canada's Specific Claims Policy, alleging that Canada had failed to provide the Agricultural Benefits described in Treaty 6.

During the year, Canada accepted the Treaty 6 Agricultural Benefits Specific Claim for negotiation. On December 7, 2023 a ratification vote was held on which the members of the Nation voted in favour of the Enoch Cree Nation Treaty 6 Agricultural Benefits Claim Settlement Agreement. Subsequent to the year end, Enoch Cree Nation and Canada reached a settlement agreement in May 2024. Under the agreement, the Nation was awarded \$142 Million which was received in July 2024.

Pursuant to the claim with Canada, a portion of the balance was disbursed in advance as Per Capita Distribution (PCD) payments to adult members of Enoch Cree Nation. This PCD and was financed through First Nation Finance Authority interim financing in the amount of \$61,716,900.

The funds received will be used to repay the related negotiation loan (as described in note 14) and the above mentioned interim financing.

28. Maskekoshik Recovery Community Facility

During the year, Enoch Cree Nation entered into a capital grant agreement with the Government of Alberta for the construction of a state-of-the-art 75-bed Recovery Community Facility. Under the terms of the agreement, the Nation will receive \$34,750,000 to design and construct the recovery facility in order to provide residential addiction treatment services. As at March 31, 2024 the total construction costs for the recovery facility were \$nil (2023 - \$nil). Subsequent to the year end, the Nation fulfilled the requirements of the agreement and received the initial draw of \$3,475,000.

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

29. Canadian Infrastructure Bank Credit Facility

Enoch Cree Nation has entered into an agreement for a credit facility with the Canada Infrastructure Bank (CIB) to finance the design, construction and maintenance of a realigned and paved road (the "Project") located on Enoch Cree Nation reserve lands. Under the agreement, the Nation has access to a senior, secured, non-revolving, fixed rate credit facility of a maximum of \$15,000,000 or the lesser of:

- amount less than or equal to 80% of the total project costs; and
- amount which based on the interest rate and amortization of the credit facility, provides for a debt service coverage ratio (DSCR) on the Project of 1.05 to 1.00 for each year of the operating term of the loan

The credit facility bears interest at 1.00% per annum, and is repayable in quarterly interest only payments during the construction term. The construction term ends on the date of achieving substantial completion on the Project. As at March 31, 2024, the Project did not achieve substantial completion.

The operating term of the loan commences from the first full quarter following and excluding the substantial completion date. During the operating term, the credit facility bears interest at 1.00% per annum and is repayable in blended quarterly installments of \$178,133. Yekau Lake Trust has agreed to make quarterly distributions of \$178,133 to Enoch Cree Nation to facilitate the quarterly blended installments during the operating term.

The credit facility matures on the earlier of:

- on the 25th anniversary of the substantial construction and completion of the Project; and
- the date pursuant to which all indebtedness and obligations of the Nation under the agreement have been paid in full.

The Nation may chose to voluntarily repay the credit facility, in whole or in part, without penalty provided that:

- the voluntary repayment must be a minimum of \$100,000;
- the Nation is in compliance with the terms of the credit facility agreement; and
- the substantial completion date is on or prior to the repayment.

As part of the agreement, CIB required the Nation to establish a collateral with a financial institution to be provided as collateral for the credit facility. The Nation has assigned a full security interest in the collateral account to CIB. As at March 31, 2024, the balance in the collateral account was \$Nil (2023 - \$Nil).

As at March 31, 2024, the amount outstanding on the credit facility was \$Nil. (2023 - \$Nil). Subsequent to the year end, the Nation completed the first draw down on the credit facility and received \$5,101,798.

30. Investment in Enoch Sovereign Medical Trust

During the year, Enoch Cree Nation established the Enoch Sovereign Medical Trust, the purpose of the Trust is to hold partnerships units for the benefit of Enoch Cree Nation.

As at March 31, 2024, the Trust holds partnership units in the River Cree Medical Centre Limited Partnership and Enoch Cree Nation - Weiss Medical Centre Limited Partnership, there has been no activity in the Trust and therefore the carrying value is \$Nil (2023 - \$Nil).

Enoch Cree Nation

Notes to Consolidated Financial Statements

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31. Investment in Mamawatoskewak Trust

Enoch Cree Nation holds an investment in Mamawatoskewak Trust. The purpose of the Trust is to hold investment and partnership units for the benefit of Enoch Cree Nation.

As at March 31, 2024 the Trust holds an investment in a power and utility project, as the project is still in the development stage, there has been no activity in the Trust and therefore the carrying value is \$Nil (2023- \$Nil).

32. Investment in Age Care LP & Age Care GP Ltd.

During the year Enoch Cree Nation incorporated Age Care LP and Age Care GP Ltd, the purpose of these new entities is to provide surgical facilities and services to members and others for the benefit of the Enoch Cree Nation.

As at March 31, 2024 there has been no activity in these entities and therefore the carrying value is \$Nil (2023- \$Nil).

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Notes to Consolidated Financial Statements

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33. Risk Management

Transacting in and holding of financial instruments exposes the Nation to certain financial risks and uncertainties. Qualitative and quantitative analysis of the significant risks are as follows:

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Nation's exposure to credit risk relates to accounts receivable and arises from the possibility that a debtor does not fulfil its obligations. Management believes this risk is minimized through continuously monitoring its financial assets, negotiation of payment plans with select individuals, and maintaining regular contact with funders, members, and other credit applicants. The Nation performs continuous evaluation of its financial assets and record impairment in accordance with the stated policy. The maximum exposure to credit risk is the carrying value of accounts receivable and loan guarantees for on-reserve housing loans as described in note 21, and First Nation member advances. A significant portion of the Nation's account receivable is from federal and provincial governments and related parties, which minimizes risk.

The aged accounts receivable that are past due are as follows:

	2024 > 1 year	2024 > 1.5 years	2023 > 1 year	2023 > 1.5 years
Accounts receivable	653,755	39,084	644,553	1,195,163
First Nation member advances	571,367	2,737,502	283,121	1,756,775
	1,225,122	2,776,586	927,674	2,951,938

As at year end, management has determined that a portion of accounts receivable are impaired. Impaired accounts receivable are disclosed in note 4. Management's assessment is based on specific identification and the age of receivables.

There have been no significant changes to the Nation's exposure to credit risk from the previous year.

(b) Liquidity Risk

Liquidity risk is the risk that the Nation will encounter difficulty in meeting its obligations associated with financial liabilities. The Nation's exposure to liquidity risk relates to accounts payable and accrued liabilities, capital leases, long-term debt, and First Nations Finance Authority financing and arises from the possibility that timing and amount of its cash flows will not be sufficient to enable it to meet its financial obligations as they become due. Management believes this risk is minimized through working capital management including monitoring current and future cash flow requirements in consideration of current credit facilities and management of expenses. Accounts payable and accrued liabilities are due within 30 days of receipt of an invoice. The contractual maturities of capital leases are disclosed in note 13, contractual maturities of long-term debt are disclosed in note 14, and contractual maturities of the First Nations Finance Authority financing are disclosed in note 15.

Enoch Cree Nation

Notes to Consolidated Financial Statements

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(c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Nation is exposed to market risk as follows:

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Nation's exposure to interest rate risk relates to fixed income portfolio investments, variable rate long-term debt and interim financing debt from First Nations Finance Authority. The fair values of fixed rate financial instruments fluctuate as market rates of interest change. The cash flows resulting from variable rate financial instruments fluctuate as interest rates applicable to instruments change. The Nation does not use derivative financial instruments to hedge its exposure to interest rate risk.

As at March 31, 2024, a 0.25% increase in interest rates would increase the fair value of the portfolio investments and increase remeasurement gains by \$71,039 (2023 - increase the fair value of the portfolio and decrease remeasurement losses by \$50,483) and would increase interest expense relating to long term debt thereby decreasing the Nation's operating surplus by \$259,085 (2023 - \$180,733). Respectively, a 0.25% decline in interest rates would decrease portfolio investments and decrease remeasurement gains (2023 - increase remeasurement losses) by the same amount and increase the Nation's operating surplus by the aforementioned amounts.

Increased economic uncertainty and changing inflation rates due to a range of economic factors has resulted in a change in interest rate risk from the prior year. Uncertain economic conditions including events may result in a change in interest rates both nationally and internationally. The Nation cannot predict changes in interest rates.

(ii) Other price risk - Investments

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk, whether those changes are caused by factors specific to the individual financial instrument or issuers, or factors affecting all similar financial instruments or issuers. The Nation's investments in equities expose the Nation to price risk as these instruments are subject to price changes in an open market for a variety of reasons including, investor sentiment and expectations, changes in market rates of interest, general economic indicators and restrictions of credit markets. The Nation does not employ derivative financial instruments to hedge its exposure to other price risk. Management mitigates this risk by limiting investments to Canadian financial institutions, and continuous monitoring of the financial markets.

As at March 31, 2024, an increase of 1% in the price of the equities would result in an increase in the fair value of the portfolio investments and increase remeasurement gains by \$329,458 (2023 - increase in the fair value of the portfolio and decrease remeasurement losses by \$257,700). Respectively, a 1% decrease in the price of the equities would result in a decrease in the fair value of the portfolio investments and decrease remeasurement gains by the same amount.

Enoch Cree Nation

Notes to Consolidated Financial Statements

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(iii) Other price risk - Commodity Prices

The Nation's trust funds held by federal government are exposed to other price risks as the income earned on these instruments is subject to fluctuations in oil commodity prices for a variety of reasons including, investor sentiment and expectations, oil production, and general economic indicators. The Nation does not employ derivative financial instruments to hedge its exposure to other price risk.

There has been no changes to the Nation's exposure to other price risks from the previous year.

(iv) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at year end the Nation has portfolio investments denominated in US dollar of \$32,635,460 (2023 - \$29,424,156) and is thus exposed to the financial risk of earnings fluctuations arising from changes in foreign exchange rates and the degree of volatility of the exchange rates. Management manages this risk by continuously monitoring the financial markets, by diversifying its portfolio investments through investing in securities denominated in multiple currencies and maintaining a mix of equities and fixed income securities.

As at March 31, 2024, an appreciation of 5% in the Canadian dollar versus the US dollar exchange rates would decrease the portfolio investments and reduce the remeasurement gains by \$1,631,773 (2023 - decreased the portfolio investments and increase the remeasurement losses by \$1,471,208) while a depreciation would increase portfolio investments and increase the remeasurement losses by the same amount.

There have been no significant changes to the Nation's exposure to currency risk from the previous year and no significant changes to the methods and assumptions used in the sensitivity analysis.

34. Budget Information

The budget information for the year ended March 31, 2024 is prepared by management, approved by Chief and Council and is unaudited. Amortization was not contemplated in the preparation of the budget.

35. Comparative Amounts

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

Enoch Cree Nation

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36. Expenses by object

For the year ended March 31	2024 Budget	2024 Actual	2023 Actual
1/3 2/3 Program Costs	\$ -	\$ 587,052	\$ 516,929
Accretion expense	-	149,400	367,358
Amortization - capital assets	12,000	9,328,612	8,287,363
Bad debts	-	(637,624)	120,982
Cost of sales	-	20,003,318	26,389,534
Housing rent subsidy	-	2,142,391	1,803,645
Insurance	1,178,342	2,236,912	2,181,349
Interest and bank charges	2,232,746	17,342,962	13,771,337
Office supplies	1,403,685	2,755,584	2,694,119
Per capita distributions	-	63,543,870	4,041,040
Professional fees	2,768,546	4,797,830	3,561,801
Program costs	27,551,964	31,875,228	26,452,205
Rent	1,404,765	1,890,886	1,105,256
Repairs and maintenance	4,053,827	5,998,604	6,801,003
Telephone and utilities	2,555,838	3,588,914	2,749,413
Travel and meetings	624,130	1,179,497	935,044
Utility rebate	-	1,872,000	2,038,800
Wages and subcontractors	45,252,551	53,638,424	48,546,460
	\$ 89,038,394	\$ 222,293,860	\$ 152,363,638

Enoch Cree Nation

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37. Segmented information

The Nation provides a range of services to its members. For management reporting purposes, operations and activities are organized and reported by function. The segment revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the summary of Significant Accounting Policies as described in Note 1. The segment results for the year are as follows:

	Administration			Amortization			ECN Corporate		
	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual
Revenues									
Indigenous Services Canada	1,812,058	5,581,955	6,804,048	-	-	-	523,954	1,501,811	1,770,735
Business enterprises and taxation	-	-	-	-	-	-	-	28,252,538	37,375,717
Equity income - Business enterprises	-	-	-	-	-	-	-	(12,730,876)	(14,265,113)
Resource and investment income	-	-	-	-	-	-	444,000	16,093,142	11,799,120
Mechet Charities Limited	599,263	421,220	519,523	-	-	-	-	-	-
First Nations Development Fund	2,663,228	2,564,925	3,539,923	-	-	-	1,114,391	19,568,458	3,588,611
Government of Alberta	-	-	25,000	-	-	-	-	350,000	50,000
ISC and FNDF - Resort	-	-	-	-	-	-	-	20,327,096	20,323,255
Other revenue	489,985	2,162,969	599,496	-	-	-	847,530	(1,387,188)	726,509
Total revenue	5,564,534	10,731,069	11,487,990	-	-	-	2,929,875	71,974,981	61,368,834
Expenses									
Wages and subcontractors	2,915,026	5,856,781	4,872,243	-	-	-	501,285	5,258,341	5,115,752
Travel and meetings	27,700	27,874	62,542	-	-	-	7,200	108,239	114,278
Repairs and maintenance	119,970	116,316	8,069	-	-	-	105,352	1,217,668	366,997
Interest and bank charges	-	37,486	46,489	-	-	-	488,726	15,400,354	12,221,418
Amortization and accretion	-	-	-	-	9,478,012	8,654,721	-	-	-
Telephone and utilities	229,500	153,544	258,413	-	-	-	4,800	367,001	420,036
Materials and supplies	142,131	151,872	101,065	-	-	-	21,600	20,219,716	26,637,505
Professional fees	3,413	389,121	128,681	-	-	-	-	780,475	327,551
Other expenses	2,105,800	2,474,030	7,110,097	-	-	-	1,650,254	8,306,879	2,102,052
Total expenses	5,543,540	9,207,024	12,587,599	-	9,478,012	8,654,721	2,779,217	51,658,673	47,305,589
Annual surplus (deficit)	20,994	1,524,045	(1,099,609)	-	(9,478,012)	(8,654,721)	150,658	20,316,308	14,063,245

Enoch Cree Nation

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37. Segmented information, continued

	2024 Budget	Community Service 2024 Actual	2023 Actual	2024 Budget	Finance 2024 Actual	2023 Actual	2024 Budget	Education 2024 Actual	2023 Actual
Revenues									
Indigenous and Services Canada	100,742	324,427	242,699	129,573	2,905,244	1,710,466	9,816,100	15,041,174	10,725,761
Business enterprises & taxation	-	-	-	518,000	758,793	695,842	-	-	-
Resource and investment income	61,000	104,141	56,970	(1,578,137)	270,696	(223,901)	-	3,072	-
Mechet Charities Limited	1,511,139	1,799,697	1,766,820	9,216,788	1,837,329	11,518,742	4,202,419	4,277,623	3,439,159
First Nations Development Fund	213,592	438,021	226,394	2,182,142	1,980,954	2,964,624	163,919	163,835	107,285
Government of Alberta	-	-	-	-	-	-	269,470	844,202	177,629
Other revenue	155,000	323,014	260,844	125,000	2,943,526	424,710	1,409,065	2,778,829	1,940,742
Total revenue	2,041,473	2,989,300	2,553,727	10,593,366	10,696,542	17,090,483	15,860,973	23,108,735	16,390,576
Expenses									
Wages and subcontractors	1,461,152	1,234,372	1,400,644	7,170,234	7,281,661	6,637,295	9,247,797	10,537,895	8,444,650
Travel and meetings	3,600	13,927	3,600	66,312	144,466	44,328	105,900	88,490	63,697
Repairs and maintenance	186,641	178,437	193,578	-	36,951	39,464	472,904	352,644	442,790
Interest and bank charges	-	9	-	6,000	30,501	43,808	-	85,437	16,081
Amortization - capital assets	-	-	-	12,000	-	-	-	-	-
Telephone and utilities	36,450	184,070	138,655	84,400	478,213	580,748	157,410	147,475	154,818
Materials and supplies	55,355	149,448	148,871	331,000	215,297	308,758	302,233	1,161,064	1,102,512
Professional fees	-	-	4,640	1,078,585	1,470,963	780,666	210,526	214,859	237,613
Other expenses	298,275	752,328	757,025	1,724,684	67,341,659	2,984,257	5,388,193	6,713,041	6,488,798
Total expenses	2,041,473	2,512,591	2,647,013	10,473,215	76,999,711	11,419,324	15,884,963	19,300,905	16,950,959
Annual surplus (deficit)	-	476,709	(93,286)	120,151	(66,303,169)	5,671,159	(23,990)	3,807,830	(560,383)

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

37. Segmented information, continued

	2024 Budget	Office of the Chief 2024 Actual	2023 Actual	2024 Budget	Health 2024 Actual	2023 Actual	2024 Budget	Language and Culture 2024 Actual	2023 Actual
Revenues									
Indigenous Services Canada	982,072	2,228,812	2,600,360	1,083,657	1,605,238	2,535,348	-	18,537	19,735
Business enterprises & taxation	350,000	155,820	212,230	-	-	-	-	-	-
Resource and investment income	784,062	1,251,443	662,500	-	-	-	210,000	459,959	81,796
Mechet Charities Limited	143,199	108,036	101,677	1,687,204	1,970,671	1,692,907	2,543,080	3,572,996	2,549,451
First Nations Development Fund	4,215,234	4,897,565	4,947,269	-	25,000	-	3,878,666	4,413,792	5,408,210
Government of Alberta	-	50,000	-	-	-	-	-	864	8,000
Other revenue	684,582	851,190	1,089,680	-	10,833	37,506	108,514	391,254	325,457
Total revenue	7,159,149	9,542,866	9,613,716	2,770,861	3,611,742	4,265,761	6,740,260	8,857,402	8,392,649
Expenses									
Wages and subcontractors	5,103,651	6,068,473	5,600,985	2,005,512	1,934,380	1,764,611	1,995,757	2,347,769	1,960,197
Travel and meetings	289,574	562,954	463,368	23,817	16,567	13,910	3,600	6,780	2,700
Repairs and maintenance	149,002	136,900	142,085	92,287	73,116	50,498	66,572	96,723	56,117
Interest and bank charges	-	725,409	441,539	21,657	11,644	3,674	-	-	-
Telephone and utilities	86,700	76,517	26,679	7,317	6,084	6,272	873,000	694,120	519,712
Materials and supplies	93,267	132,316	121,317	59,704	52,006	49,671	31,907	32,864	23,152
Professional fees	502,580	1,137,203	1,245,983	-	-	-	-	1,050	-
Other expenses	1,126,625	1,848,030	2,359,660	560,567	1,302,588	1,427,801	5,088,318	5,523,667	5,002,714
Total expenses	7,351,399	10,687,802	10,401,616	2,770,861	3,396,385	3,316,437	8,059,154	8,702,973	7,564,592
Annual surplus (deficit)	(192,250)	(1,144,936)	(787,900)	-	215,357	949,324	(1,318,894)	154,429	828,057

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

37. Segmented information, continued

	Infrastructure		Kiskikamik Spirit Lodge			Planning and Development			
	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual
Revenues									
Indigenous Services Canada	1,499,628	1,514,566	2,006,862	640,286	881,276	2,347,128	115,563	126,115	120,558
Resource and investment income	-	-	-	-	200,000	-	374,311	615,675	1,033,612
Mechet Charities Limited	4,432,755	8,327,310	5,391,620	901,272	2,238,587	1,131,999	-	-	-
First Nations Development Fund	581,385	516,370	625,211	1,042,924	851,633	1,096,143	1,345,611	1,452,924	1,099,336
Government of Alberta	-	-	-	-	1,070,813	-	110,000	163,214	231,769
Other revenue	-	188,958	-	-	-	-	800,000	486,067	569,676
Total revenue	6,513,768	10,547,204	8,023,693	2,584,482	5,242,309	4,575,270	2,745,485	2,843,995	3,054,951
Expenses									
Wages and subcontractors	3,494,188	3,429,137	3,494,303	1,454,737	1,490,454	1,716,283	1,134,762	1,025,187	801,559
Travel and meetings	7,200	9,540	7,200	21,600	29,446	24,659	52,792	63,673	28,963
Repairs and maintenance	1,398,416	897,765	1,677,326	9,667	227,559	3,876	24,936	1,428	21,147
Interest and bank charges	28,800	12,718	76,027	-	-	-	-	-	-
Telephone and utilities	711,572	1,067,171	154,001	171,649	165,419	166,943	16,200	9,108	5,700
Materials and supplies	33,760	77,003	45,332	10,500	92,820	28,424	48,622	70,846	99,855
Professional fees	223,521	29,679	137,117	-	-	3,000	157,481	529,297	506,636
Other expenses	616,311	278,500	153,183	916,037	2,584,081	1,923,627	1,390,692	960,528	1,192,466
Total expenses	6,513,768	5,801,513	5,744,489	2,584,190	4,589,779	3,866,812	2,825,485	2,660,067	2,656,326
Annual surplus (deficit)	-	4,745,691	2,279,204	292	652,530	708,458	(80,000)	183,928	398,625

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

37. Segmented information, continued

	First Responders			Maskekosak Newowacistewan Natamakewin			River Cree Homes		
	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual	2024 Budget	2024 Actual	2023 Actual
Revenues									
Indigenous Services Canada	457,448	751,577	3,218,655	5,265,436	2,268,536	1,596,193	259,600	1,415,579	(245,787)
Resource and investment income	-	-	-	-	-	-	-	(234,774)	(201,073)
Mechet Charities Limited	1,035,033	1,480,121	1,052,522	94,351	71,940	68,802	6,805,043	17,702,655	8,989,310
First Nations Development Fund	675,492	1,324,888	616,987	-	-	-	-	913,389	268,770
Government of Alberta	-	-	41,726	130,290	123,558	-	-	-	-
Other revenue	-	380,580	171,078	-	88,172	175,220	4,026,907	2,932,760	2,579,865
Total revenue	2,167,973	3,937,166	5,100,968	5,490,077	2,552,206	1,840,215	11,091,550	22,729,609	11,391,085
Expenses									
Wages and subcontractors	1,965,904	2,472,457	1,919,751	3,110,815	1,335,396	1,170,754	3,691,731	3,366,121	3,647,433
Travel and meetings	435	39,999	37,424	-	53,142	50,675	14,400	14,400	17,700
Repairs and maintenance	41,922	81,874	27,651	70,000	-	42,658	1,316,158	2,581,223	3,728,747
Interest and bank charges	-	42,180	44,595	-	-	-	1,687,563	997,224	877,706
Telephone and utilities	12,940	34,578	49,009	19,000	12,768	24,135	144,900	192,846	244,292
Materials and supplies	46,106	165,353	187,187	160,500	71,109	91,154	76,500	156,316	110,415
Professional fees	-	5,278	8,252	450,000	180,165	172,029	142,440	59,740	9,633
Other expenses	135,515	446,392	2,131,488	8,148,212	691,395	288,810	976,088	4,298,469	4,366,663
Total expenses	2,202,822	3,288,111	4,405,357	11,958,527	2,343,975	1,840,215	8,049,780	11,666,339	13,002,589
Annual surplus (deficit)	(34,849)	649,055	695,611	(6,468,450)	208,231	-	3,041,770	11,063,270	(1,611,504)

Enoch Cree Nation

Notes to Consolidated Financial Statements

March 31, 2024

37. Segmented information, continued

		2024 Budget	2024 Actual	Consolidated totals 2023 Actual
Revenues				
Indigenous Services Canada		22,686,117	36,164,847	35,452,761
Business enterprises & Taxation		868,000	29,167,151	38,283,789
Equity income - Business enterprises		-	(12,730,876)	(14,265,113)
Resource and investment income		295,236	18,763,354	13,209,024
Mechet Charities Limited		33,171,546	43,808,185	38,222,532
First Nations Development Fund		18,076,584	39,111,754	24,488,763
Government of Alberta		509,760	2,602,651	534,124
ISC and FNDF - Resort		-	20,327,096	20,323,255
Other revenue		8,646,583	12,150,964	8,900,783
Total revenue		84,253,826	189,365,126	165,149,918
Expenses				
Wages and subcontractors		45,252,551	53,638,424	48,546,460
Travel and meetings		624,130	1,179,497	935,044
Repairs and maintenance		4,053,827	5,998,604	6,801,003
Interest and bank charges		2,232,746	17,342,962	13,771,337
Amortization - capital assets and accretion		12,000	9,478,012	8,654,721
Telephone and utilities		2,555,838	3,588,914	2,749,413
Materials and supplies		1,413,185	22,748,030	29,055,218
Professional fees		2,768,546	4,797,830	3,561,801
Other expenses		30,125,571	103,521,587	38,288,641
Total expenses		89,038,394	222,293,860	152,363,638
Annual surplus (deficit)		(4,784,568)	(32,928,734)	12,786,280