

**Swan River First Nation  
Consolidated Financial Statements  
March 31, 2019**

# Swan River First Nation

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# Swan River First Nation



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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of the Swan River First Nation are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The First Nation maintains systems of internal accounting and administrative controls of high quality. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and the First Nation's Assets are appropriately accounted for and adequately safeguarded.

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

The financial statements have been audited by Doyle & Company in accordance with Canadian auditing standards on behalf of the members. Doyle & Company have full and free access to the Council.



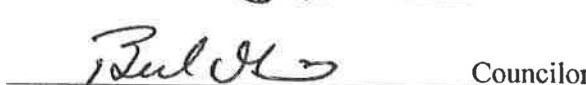
Chief



Councilor



Councilor



Councilor

Allan J. Grykuliak, CPA, CA\*  
Scott T. Mockford, CPA, CA\*  
Allen Lee, CPA, CMA\*  
Jason Bondarevich, CPA, CA\*  
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## INDEPENDENT AUDITORS' REPORT

### To the Chief and Council

#### Opinion

We have audited the consolidated financial statements of **Swan River First Nation** (the Entity), which comprise the consolidated statement of financial position as at March 31, 2019, and the results of its operations, changes in its net financial assets and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Swan River First Nation as at March 31, 2019, the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

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

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

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

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

Those charged with governance are responsible for overseeing the Entity's financial reporting process

#### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

- Identify and assess the risks of material misstatement of the 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

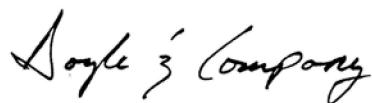
## INDEPENDENT AUDITORS' REPORT - continued

- 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Group to express an opinion on the 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Scott Mockford, CPA, CA.



11210 - 107 Avenue NW  
Edmonton, Alberta  
T5H 0Y1

July 25, 2019

Chartered Professional Accountants

**Swan River First Nation**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2019**

	2019 \$	2018 \$
<b>FINANCIAL ASSETS</b>		
Cash	750,853	1,056,360
Restricted cash (Note 3)	4,351,727	35,138,253
Investments (Note 4)	31,975,396	
Accounts receivable (Note 5)	1,401,805	1,954,534
Investment in First Nation controlled entities (Note 6)	567,386	488,114
	<b>39,047,167</b>	<b>38,637,261</b>
<b>LIABILITIES</b>		
Accounts payable (Note 8)	1,117,546	768,749
Deferred contributions (Note 9)	1,340,735	2,990,981
Long-term liabilities (Note 10)	4,026,844	1,306,952
Replacement reserve	93,640	81,640
	<b>6,578,765</b>	<b>5,148,322</b>
<b>NET FINANCIAL ASSETS</b>	<b>32,468,402</b>	<b>33,488,939</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	12,635,965	7,384,197
Prepaid expenses	133,288	101,692
	<b>12,769,253</b>	<b>7,485,889</b>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 14)</b>	<b>45,237,655</b>	<b>40,974,828</b>

Approved by the First Nation:



Chief



Councilor



Councilor



Councilor

**Swan River First Nation**  
**Consolidated Statement of Financial Activities**  
**For the year ended March 31, 2019**

	2019 Budget \$	2019 Actual \$	2018 Actual \$
<b>REVENUE</b>			
Indigenous Services Canada	6,185,550	6,150,145	4,985,335
Agricultural Benefit Claim	-	-	58,527,796
Lesser Slave Lake Indian Regional Council	30,000	30,000	30,000
Trust Funds - Revenue	265,500	7,042	-
Health Canada	1,500,553	1,651,862	3,054,647
First Nations Development Fund	867,287	532,463	482,325
Human Resource Development Canada	-	465,107	392,143
Canada Mortgage and Housing Corporation	189,300	195,138	348,960
Other revenue	1,766,800	4,923,310	2,223,548
Revenue deferred from previous period	2,321,801	2,990,982	467,775
Revenue deferred to subsequent period	-	(1,340,737)	(2,990,981)
	<b>13,126,791</b>	<b>15,605,312</b>	<b>67,521,548</b>
<b>EXPENDITURES</b>			
Aboriginal Skills and Employment Training	-	260,110	217,660
Administration	1,677,769	1,794,050	1,747,083
CMHC Housing #1	-	59,281	66,705
CMHC Multi-plex	-	128,616	195,162
Child Care	-	146,498	151,106
Child Welfare Committee	36,700	38,068	43,507
Consultation	680,900	675,032	354,398
Cultural Activities	-	101,619	-
Economic Development	829,400	774,769	52,463
Education - Post Secondary	458,651	446,951	302,471
First Nations Development Fund	867,287	120,000	171,384
Health Services	1,337,081	1,352,606	1,237,141
Housing	1,044,200	906,250	872,394
National Indian Brotherhood	102,000	102,895	120,000
School	1,958,819	1,954,232	1,861,888
Social Services	1,048,057	944,313	937,486
Water Treatment Plant	228,030	227,746	406,294
Agricultural Benefit Trust	228,030	562,921	23,882,914
	<b>10,496,924</b>	<b>10,595,957</b>	<b>32,620,056</b>
<b>Excess of Revenue Over Expenditures</b>			
<b>Before Other Expenditures</b>	<b>2,629,867</b>	<b>5,009,355</b>	<b>34,901,492</b>
<b>Other Expenditures</b>			
Amortization	-	(834,741)	(634,049)
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>2,629,867</b>	<b>4,174,614</b>	<b>34,267,443</b>

The accompanying notes form part of these financial statements.

**Swan River First Nation**  
**Consolidated Statement of Change in Net Financial Assets**  
**For the year ended March 31, 2019**

	<b>2019</b> \$	<b>2018</b> \$
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>4,262,826</b>	34,388,476
Acquisition of tangible capital assets	(6,086,509)	(187,152)
Amortization of tangible capital assets	834,741	634,048
	<b>(5,251,768)</b>	446,896
Acquisition of prepaid assets	(133,287)	(101,692)
Use of prepaid assets	101,692	77,964
	<b>(31,595)</b>	(23,728)
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(1,020,537)</b>	34,811,644
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>	<b>33,488,939</b>	(1,322,705)
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>32,468,402</b>	33,488,939

**Swan River First Nation**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from funding agencies and other income	14,507,795	69,259,094
Cash paid to suppliers and employees	(10,178,543)	(33,052,596)
	<b>4,329,252</b>	<b>36,206,498</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase (decrease) in long-term liabilities	2,719,892	(527,650)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in investments	(31,975,396)	-
Increase in investment in First Nation controlled entities	(79,272)	(95,397)
Tangible capital assets acquired	(6,086,509)	(187,152)
	<b>(38,141,177)</b>	<b>(282,549)</b>
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	<b>(31,092,033)</b>	35,396,299
<b>CASH, Beginning of year</b>	<b>36,194,613</b>	798,314
<b>CASH, End of year</b>	<b>5,102,580</b>	36,194,613
<b>Cash is Comprised of:</b>		
Cash	750,853	1,056,360
Restricted cash	4,351,727	35,138,253
	<b>5,102,580</b>	<b>36,194,613</b>

**Swan River First Nation**  
**Consolidated Statement of Changes in Accumulated Surplus - Schedule 1**  
**For the year ended March 31, 2019**

	Unrestricted Surplus	Equity in Tangible Capital Assets	Equity in Enterprise Fund	Equity in Trust Funds	2019	2018
	\$	\$	\$	\$	\$	\$
<b>Balance, Beginning of Year</b>	<b>(39,522)</b>	<b>6,077,245</b>	<b>488,114</b>	<b>34,448,991</b>	<b>40,974,828</b>	<b>6,586,352</b>
Excess of revenue over expenditures	4,174,614	-	79,272	8,940	4,262,826	34,388,476
Excess of revenue over expenditures - Trust Funds	(1,124,340)	-	-	1,124,340	-	-
Current years funds used for tangible capital assets	(6,086,509)	6,086,509	-	-	-	-
Annual amortization expense	834,741	(834,741)	-	-	-	-
Long-term liabilities obtained	2,770,346	(2,770,346)	-	-	-	-
Long-term liabilities repaid	(50,453)	50,453	-	-	-	-
Change in accumulated surplus	518,399	2,531,875	79,272	1,133,280	4,262,826	34,388,476
<b>Balance, End of Year</b>	<b>478,877</b>	<b>8,609,120</b>	<b>567,386</b>	<b>35,582,271</b>	<b>45,237,654</b>	<b>40,974,828</b>

The accompanying notes form part of these financial statements.

**Swan River First Nation**  
**Consolidated Statement of Tangible Capital Assets - Schedule 2**  
**For the year ended March 31, 2019**

	Automotive	Buildings & Infrastructure	Furniture & Equipment	2019	2018
	\$	\$	\$	\$	\$
<b>COST:</b>					
Balance, Beginning of Year	955,929	15,142,201	854,339	16,952,469	16,765,317
Acquisition of tangible capital assets	310,043	5,776,466	-	6,086,509	187,152
Disposal of tangible capital assets	(685,515)	(4,032,678)	(791,284)	(5,509,477)	-
Balance, End of Year	580,457	16,885,989	63,055	17,529,501	16,952,469
<b>ACCUMULATED AMORTIZATION:</b>					
Balance, Beginning of Year	828,000	7,908,806	831,466	9,568,272	8,934,224
Annual amortization	125,292	696,838	12,611	834,741	634,048
Accumulated amortization on disposals	(685,515)	(4,032,678)	(791,284)	(5,509,477)	-
Balance, End of Year	267,777	4,572,966	52,793	4,893,536	9,568,272
<b>NET BOOK VALUE</b>	<b>312,680</b>	<b>12,313,023</b>	<b>10,262</b>	<b>12,635,965</b>	<b>7,384,197</b>

The accompanying notes form part of these financial statements.

**Swan River First Nation**  
**Consolidated Statement of Financial Activities by Program - Schedule 3**  
**For the year ended March 31, 2019**

	LSLIRC Revenue \$	ISC Revenue \$	Other Revenue \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$	2018 Surplus (Deficit) \$
Aboriginal Skills and Employment	-	-	258,426	258,426	260,110	(1,684)	(9,367)
Administration	-	1,159,843	685,372	1,845,215	1,794,050	51,165	(47,788)
CMHC Housing - #1	-	-	58,500	58,500	59,281	(781)	2,119
CMHC Multi-plex	-	-	140,362	140,362	128,616	11,746	(30,026)
Child Care Incentives	-	-	146,489	146,489	146,498	(9)	27,142
Child Welfare Committee	30,000	-	21,701	51,701	38,068	13,633	950
Consultation	-	-	1,246,243	1,246,243	675,032	571,211	426,302
Cultural Activities	-	-	144,344	144,344	101,619	42,725	-
Economic Development	-	333,643	415,699	749,342	774,769	(25,427)	38,818
Education - Post Secondary	-	384,132	74,519	458,651	446,951	11,700	-
First Nation Development Fund	-	-	870,653	870,653	120,000	750,653	-
Health Services	-	-	3,279,746	3,279,746	1,352,606	1,927,140	121,264
Housing	-	739,941	105,480	845,421	906,250	(60,829)	(127,660)
National Indian Brotherhood	-	-	102,000	102,000	102,895	(895)	-
School	-	2,017,306	344,309	2,361,615	1,954,232	407,383	-
Social Services	-	1,055,690	-	1,055,690	944,313	111,377	(78,595)
Water Treatment Plant	-	459,590	(163,070)	296,520	227,746	68,774	(74,020)
Agriculture Benefit Trust	-	-	1,694,394	1,694,394	562,921	1,131,473	34,652,353
	30,000	6,150,145	9,425,167	15,605,312	10,595,957	5,009,355	34,901,492

The accompanying notes form part of these financial statements.

**Swan River First Nation**  
**Consolidated Statement of Expenditures by Object - Schedule 4**  
**For the year ended March 31, 2019**

	<b>2019</b>	<b>2018</b>
	\$	\$
<b>EXPENDITURES</b>		
Administration	575,614	385,841
Contract labour	637,426	416,457
Distributions to members	391,331	22,770,000
Donations	11,696	4,997
Equipment	-	1,020
Honorarium	75,329	105,036
Insurance	120,525	89,025
Interest and bank charges	44,957	364,577
Office	102,931	70,404
Professional fees	60,264	34,429
Program expenditures	1,627,668	1,417,038
Repairs and maintenance	86,551	142,750
Supplies and materials	720,127	608,210
Training	588,416	100,865
Travel	332,394	557,040
Tuition	1,405,401	1,244,076
Utilities	827,179	911,612
Wages and employee benefits	2,988,148	3,396,679
<b>TOTAL EXPENDITURES</b>	<b>10,595,957</b>	<b>32,620,056</b>

# Swan River First Nation

## Notes to the Consolidated Financial Statements

### March 31, 2019

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#### **NATURE OF OPERATIONS**

Swan River First Nation provides local government, education and social development services to its members and was established under the Indian Act (Canada)

#### **1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These consolidated financial statements include the assets, liabilities, and results of operations of Swan River First Nation (the "First Nation") and all related entities and organizations subject to control by Chief and Council. No inclusion has been made of assets, liabilities, revenues or expenses of First Nations members, individually or collectively, incorporated or unincorporated, that are not controlled by or the responsibility of Chief and Council.

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles for local government, as established by the Public Sector Accounting and Audit Boards ("PSAB"), which encompasses the following principles:

##### **(a) Fund Accounting**

The Swan River First Nation uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal, contractual or voluntary actions. The various funds have been amalgamated for the purpose of presentation in the financial statements. Details of the operations of each fund are set out in the supplementary schedules. The Swan River First Nation maintains the following funds:

- The Operating Fund which reports the general activities of the First Nation Administration.
- The Tangible Capital Assets Fund which reports the capital Assets of the First Nation, together with their related financing.
- The Enterprise Fund which reports the investment made in controlled entities.
- The Trust Fund which reports on trust funds owned by the First Nation and held by third parties.

##### **(b) Cash and Cash Equivalents**

Cash and cash equivalents consist of bank accounts and temporary investments with maturities of three months or less.

##### **(c) Reporting Entity and Principles of Financial Reporting**

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

These financial statements consolidate the Assets, liabilities and results of operations for the following entities which lend themselves to consolidation.

- Swan River First Nation Operating Fund
- Swan River First Nation Trust Funds

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2019**

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**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - continued**

**(c) Reporting Entity and Principles of Financial Reporting**

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

Incorporated business entities, which are owned or controlled by the Swan River First Nation and which are not dependent on the First Nation for their continuing operations are included in the summary financial statements using the modified equity method. These include:

- Swan River Tribal Enterprises Ltd.
- Wapsewsepi Enterprises Ltd.
- Creeland Resources Inc.
- 18805424 Alberta Ltd.

**(d) Revenue Recognition**

Government transfers and grant revenue are recognized as the First Nations becomes entitled to the funding under the terms of applicable funding agreements and are recorded in the period in which the recourses are used for the purpose specified in the agreements. Restricted funding received which relates to a subsequent fiscal period or which stipulations that give rise to an obligation are reported as deferred revenue until the resources are used for the purpose or purposes specified and/or the stipulations giving rise to an obligation have been met.

Other revenue, including rent and lease revenue, sales of goods and provision of services are recognized in the period the goods or services are provided and the related proceeds are received or receivable.

**(e) Non-Financial Assets**

Non-financial Assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

**Tangible Capital Assets**

Tangible capital Assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital Assets are amortized on a declining balance basis over the estimated useful life as follows:

	Years
Automotive	3-10
Buildings and infrastructure	25-50
Furniture and equipment	5-20

Annual amortization is charged in the year of acquisition and not in the year of disposal.

Assets under construction are not amortized until the asset is available for productive use.

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2019**

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**1. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES - continued**

**(f) Trust Funds**

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

First Nation trust funds are included as revenue in these statements only to the extent they have been received from the First Nation's trust funds.

**(g) Financial Instruments**

The Nation initially measures financial assets and financial liabilities at their fair value. It subsequently measures its financial assets and financial liabilities, other than investments, at amortized cost. The financial assets subsequently measured at amortized cost include cash and cash equivalents and accounts receivable. The financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities. Investments are recorded at fair value.

The Nation's risk exposures related to its financial instruments are outlined as follows:

**Credit Risk**

The Nation is exposed to credit risk resulting from the possibility that parties may default on their financial obligations.

**Interest Rate Risk**

The Nation is exposed to risk that the fair value of financial instruments or future cash flows associated with the instrument will fluctuate due to changes in market interest rates.

**(h) Measurement Uncertainty**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**2. ECONOMIC DEPENDENCE**

The Swan River First Nation receives a major portion of its revenues pursuant to a funding arrangement with Indigenous Services Canada.

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2019**

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**3. RESTRICTED CASH**

	<b>2019</b>	<b>2018</b>
	\$	\$
Trust Funds		
Band Capital	334,756	339,728
Band Revenue	275,411	261,498
Agricultural Benefits Trust Fund		
Royal Bank	2,594,029	9,290,299
RBC Wealth Management	702,680	25,007,466
First Nation Development Fund	125,339	1,820
Canada Mortgage and Housing Corporation	214,354	196,774
Government of Alberta - Education grant funding	105,158	40,668
	<b>4,351,727</b>	35,138,253

**4. INVESTMENTS**

	<b>2019</b>	<b>2018</b>
	\$	\$
Agricultural Benefits Trust Fund		
RBC Wealth Management - Minors Trust	6,179,975	-
RBC Wealth Management - Agricultural Benefits	25,795,421	-
	<b>31,975,396</b>	-

The RBC Wealth Management investment consists of mutual funds and shares.

**5. ACCOUNTS RECEIVABLE**

	<b>2019</b>	<b>2018</b>
	\$	\$
Trade	818,581	533,133
Indigenous Services Canada	57,633	180,076
First Nation's & Inuit Health Branch	71,128	600,000
Lesser Slave Lake Indian Regional Council	-	65,816
First Nation Development Fund	127,636	334,825
Government of Alberta	364,512	-
Canada Housing and Mortgage Corporation	95,530	179,350
Goods and Service Tax	7,700	49,382
Members		
Rent and other	907,580	856,089
Water	39,167	39,167
Less: Allowance for doubtful accounts	(1,087,662)	(883,304)
	<b>1,401,805</b>	1,954,534

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
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**6. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES**

	<b>2019</b> \$	<b>2018</b> \$
<b>Creeland Resources Inc.</b>		
Shares	100	100
Advances	20,599	20,599
Accumulated surplus in earnings	4,512	(14,414)
	<b>25,211</b>	6,285
<b>Wapsewsepi Enterprises Ltd.</b>		
Shares	100	100
Advances	2,413,709	2,413,709
Accumulated deficit in earnings	(1,978,034)	(2,038,380)
	<b>435,775</b>	375,429
<b>18805424 Alberta Ltd.</b>		
Advances	<b>106,400</b>	106,400
Total investment in controlled entities	<b>567,386</b>	488,114

Unaudited financial information for each of the entities for their respective years ended are as follows:

	<b>Assets</b> \$	<b>Liabilities</b> \$	<b>Revenues</b> \$	<b>Net Earnings (Loss)</b> \$
Creeland Resources Inc. (100%)	27,260	22,648	33,270	18,926
Wapsewsepi Enterprises Ltd. (100%)	526,367	2,504,301	1,041,457	60,346
18805424 Alberta Ltd. (100%)	<b>106,400</b>	-	-	-

**7. BANK INDEBTEDNESS**

Bank indebtedness represents cheque written in excess of the bank balance.

Swan River First Nation has a \$200,000 line of credit with Peace Hills Trust, which bears interest at prime plus 2% (5.75%).

**Swan River First Nation**  
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**8. ACCOUNTS PAYABLE**

	<b>2019</b>	<b>2018</b>
	\$	\$
Trade	771,970	274,349
Agricultural trust distributions	300,000	450,000
Wages and employee benefits	45,576	-
Wapsewsepi Enterprise Ltd.	-	44,400
	<b>1,117,546</b>	768,749

Wapsewsepi Enterprises Ltd. is a corporation 100% owned by Swan River First Nation.

**9. DEFERRED CONTRIBUTIONS**

	<b>2019</b>	<b>2018</b>
	\$	\$
Aboriginal Skills and Employment Training	-	35,082
Administration		
Indigenous Services Canada	215,776	163,233
Industry	330,000	330,000
Child Care		
ASETS	108,134	-
Cultural Activities		
Lesser Slave Lake Indian Regional Council	55,656	-
Government of Alberta	180,000	-
Economic Development		
Indigenous Services Canada	12,246	-
Education - Post Secondary		
Indigenous Services Canada	-	74,519
First Nation Development Fund	-	338,190
Health Canada		
Head Start building	-	1,698,012
Jordan's Principle	71,128	-
School		
Government of Alberta	147,925	351,945
Water Treatment Plant		
Indigenous Services Canada	219,870	-
	<b>1,340,735</b>	2,990,981

**Swan River First Nation**  
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**10. LONG-TERM LIABILITIES**

	<b>2019</b> \$	<b>2018</b> \$
Canada Mortgage and Housing Corporation mortgage loan, is due May, 2038 and is repayable in monthly instalments of \$6,266 including interest charged at 1.52%.		
- Multi-plex loan	1,256,499	1,306,952
Bank of Montreal, secured by ministerial guarantee of the Minister of Indigenous Services Canada, is repayable in monthly instalments of \$28,979 including interest charged at 4.70%.		
- Housing	<u>2,770,345</u>	-
	<b>4,026,844</b>	1,306,952

Interest paid on long-term liabilities amounted to \$19,458 (2018 - \$15,393) during the year.

Future minimum principal repayments required to meet existing obligations are as follows:

	\$
2020	278,831
2021	290,423
2022	302,491
2023	315,110
2024	328,265
Thereafter	<u>2,511,724</u>
	<b>4,026,844</b>

**11. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<b>2019</b> \$	<b>2018</b> \$
Tangible capital assets (Schedule 2)	17,529,501	16,952,469
Accumulated amortization (Schedule 2)	(4,893,536)	(9,568,272)
Long-term liabilities (Note 10)	<u>(4,026,844)</u>	(1,306,952)
	<b>8,609,121</b>	6,077,245

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
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**12. EQUITY IN ENTERPRISE FUND**

	<b>2019</b> \$	<b>2018</b> \$
Balance, beginning of year	488,114	392,717
Earnings from controlled entities	79,272	95,397
Balance, end of year	<b>567,386</b>	488,114

**13. EQUITY IN TRUST FUND**

**Federal Funds**

	Capital \$	Revenue \$	Total \$
Balance, beginning of year	339,728	261,498	601,226
Earnings	(4,972)	13,913	8,941
Balance, end of year	<b>334,756</b>	<b>275,411</b>	<b>610,167</b>

**Agriculture Benefit Funds**

	<b>2019</b> \$
Balance, beginning of year	33,847,765
Income	1,550,610
Expenditures	(1,840)
Distributions - adults	(150,000)
Distributions - minors	(274,431)
Balance, end of year	<b>34,972,104</b>
<b>Total Trust Funds</b>	<b>35,582,271</b>

**14. ACCUMULATED SURPLUS**

	2019 \$	2018 \$
Unrestricted surplus	478,877	(39,522)
Equity in tangible capital assets	8,609,121	6,077,245
Equity in enterprise fund	567,386	488,114
Equity in trust funds	<b>35,582,271</b>	<b>34,448,991</b>
	<b>45,237,655</b>	<b>40,974,828</b>