

**Swan River First Nation  
Consolidated Financial Statements  
March 31, 2021**

# 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.

*Original Signed By* \_\_\_\_\_ Chief

*Original Signed By* \_\_\_\_\_ Councilor

*Original Signed By* \_\_\_\_\_ Councilor

*Original Signed By* \_\_\_\_\_ 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, 2021, 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, 2021, 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 First Nation'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 First Nation'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.

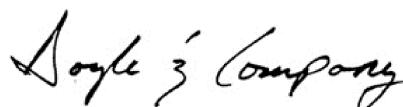
## INDEPENDENT AUDITORS' REPORT - continued

- 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 First Nation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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

September 23, 2021

Chartered Professional Accountants

**Swan River First Nation**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2021**

	2021	2020 (Restated)
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	4,287,452	1,161,274
Restricted cash (Note 3)	4,049,920	3,664,107
Investments (Note 4)	35,607,222	32,223,559
Accounts receivable (Note 5)	729,170	1,152,528
Investment in First Nation controlled entities (Note 6)	2,083,741	1,015,835
	<b>46,757,505</b>	<b>39,217,303</b>
<b>LIABILITIES</b>		
Accounts payable (Note 8)	625,150	683,119
Deferred contributions (Note 9)	3,975,982	2,105,641
Long-term liabilities (Note 10)	4,020,729	4,324,230
	<b>8,621,861</b>	<b>7,112,990</b>
<b>NET FINANCIAL ASSETS</b>	<b>38,135,644</b>	<b>32,104,313</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	13,439,322	13,347,206
Prepaid expenses	56,602	98,493
	<b>13,495,924</b>	<b>13,445,699</b>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 14)</b>	<b>51,631,568</b>	<b>45,550,012</b>

**Approved by the First Nation:**

*Original Signed By* \_\_\_\_\_ Chief

*Original Signed By* \_\_\_\_\_ Councilor

*Original Signed By* \_\_\_\_\_ Councilor

*Original Signed By* \_\_\_\_\_ Councilor

**Swan River First Nation**  
**Consolidated Statement of Financial Activities**  
**For the year ended March 31, 2021**

	2021 Budget	2021 Actual	2020 Actual (Restated)
	\$	\$	\$
<b>REVENUE</b>			
Indigenous Services Canada	9,161,512	9,161,512	8,178,281
Lesser Slave Lake Indian Regional Council	30,000	30,000	30,000
Health Canada	3,261,973	3,261,972	2,688,940
First Nations Development Fund	-	288,156	475,160
Indigenous Skills and Employment Training	441,558	441,558	375,180
Canada Mortgage and Housing Corporation	-	1,961,467	94,753
Other revenue	643,857	2,429,759	3,108,323
Revenue deferred from previous period	1,402,933	2,105,641	1,340,737
Revenue deferred to subsequent period	(1,966,847)	(3,975,982)	(2,105,641)
	<b>12,974,986</b>	<b>15,704,083</b>	14,185,733
<b>EXPENDITURES</b>			
Administration	3,432,150	3,516,715	1,960,626
CMHC Housing	-	134	-
CMHC Multi-plex	-	47,846	52,287
Child Welfare Committee	44,457	26,302	30,923
Consultation	-	715,321	925,363
Cultural Activities	-	120,516	189,704
Economic Development	1,526,911	79,302	562,878
Education - Post Secondary	628,183	540,419	624,824
First Nations Development Fund	-	211,961	226,357
Health Services	1,910,447	1,711,312	1,770,776
Honouring Life	288,153	294,178	11,913
Housing	1,228,520	1,599,103	1,236,753
Indigenous skills and Employment Training	-	474,184	415,729
School	2,243,233	2,339,651	2,182,826
Social Services	1,318,935	1,340,031	1,138,305
Water Treatment Plant	353,997	384,840	384,737
Agricultural Benefit Trust	-	-	1,283,703
	<b>12,974,986</b>	<b>13,401,815</b>	12,997,704
<b>Excess of Revenue Over Expenditures</b>			
<b>Before Other Expenditures</b>	-	2,302,268	1,188,029
<b>Other Expenditures</b>			
Amortization	-	(799,181)	(789,616)
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>-</b>	<b>1,503,087</b>	398,413

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, 2021**

	2021	2020 (Restated)
	\$	\$
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>6,081,556</b>	218,717
Acquisition of tangible capital assets	(891,297)	(1,620,392)
Proceeds on disposal of tangible capital assets	-	119,524
Amortization of tangible capital assets	799,181	789,618
	<b>(92,116)</b>	(711,250)
Acquisition of prepaid assets	(56,599)	(98,490)
Use of prepaid assets	98,490	133,294
	<b>41,891</b>	34,804
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>6,031,331</b>	(457,729)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>32,104,313</b>	32,562,042
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>38,135,644</b>	32,104,313

**Swan River First Nation**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2021**

	2021	2020 (Restated)
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from funding agencies and other income	17,997,782	15,199,916
Cash paid to suppliers and employees	(8,839,424)	(13,577,021)
	<b>9,158,358</b>	1,622,895
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase (decrease) in long-term liabilities	(303,501)	297,386
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Increase in investments	(3,383,663)	(248,163)
Increase in investment in First Nation controlled entities	(1,067,906)	(448,449)
Tangible capital assets acquired	(891,297)	(1,620,392)
Proceeds on sale of capital assets	-	119,524
	<b>(5,342,866)</b>	(2,197,480)
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	<b>3,511,991</b>	(277,199)
<b>CASH, Beginning of year</b>	<b>4,825,381</b>	5,102,580
<b>CASH, End of year</b>	<b>8,337,372</b>	4,825,381
<b>Cash is Comprised of:</b>		
Cash	4,287,452	1,161,274
Restricted cash	4,049,920	3,664,107
	<b>8,337,372</b>	4,825,381

**Swan River First Nation**  
**Consolidated Statement of Changes in Accumulated Surplus - Schedule 1**  
**For the year ended March 31, 2021**

	Unrestricted Surplus	Equity in Tangible Capital Assets	Equity in Enterprise Fund	Equity in Trust Funds	Equity in Reserve	2021	2020 (Restated)
	\$	\$	\$	\$	\$	\$	\$
<b>Balance, Beginning of Year, as originally stated</b>	<b>1,446,863</b>	<b>9,022,976</b>	<b>367,709</b>	<b>33,958,698</b>	<b>105,640</b>	<b>44,901,886</b>	<b>45,331,295</b>
Prior Period Adjustment (Note 15)	-	-	648,126	-	-	648,126	-
<b>Balance, Beginning of Year, as restated</b>	<b>1,446,863</b>	<b>9,022,976</b>	<b>1,015,835</b>	<b>33,958,698</b>	<b>105,640</b>	<b>45,550,012</b>	<b>45,331,295</b>
Excess of revenue over expenditures	1,503,087	-	(83,968)	7,919	-	1,427,038	218,717
Excess of revenue over expenditures - Trust Funds	(641,905)	-	-	5,296,423	-	4,654,518	-
Unrestricted funds transferred to reserve	(1,231,901)	-	1,151,874	-	80,027	-	-
Current years funds used for tangible capital assets	(891,297)	891,297	-	-	-	-	-
Annual amortization expense	799,181	(799,181)	-	-	-	-	-
Long-term liabilities repaid	(303,501)	303,501	-	-	-	-	-
Change in accumulated surplus	(766,336)	395,617	1,067,906	5,304,342	80,027	6,081,556	218,717
<b>Balance, End of Year</b>	<b>680,527</b>	<b>9,418,593</b>	<b>2,083,741</b>	<b>39,263,040</b>	<b>185,667</b>	<b>51,631,568</b>	<b>45,550,012</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, 2021**

	Automotive	Buildings & Infrastructure	Furniture & Equipment	2021	2020
	\$	\$	\$	\$	\$
<b>COST:</b>					
Balance, Beginning of Year	841,838	18,058,391	63,055	18,963,284	17,529,501
Acquisition of tangible capital assets	-	891,297	-	891,297	1,620,392
Disposal of tangible capital assets	-	-	-	-	(186,609)
Balance, End of Year	<b>841,838</b>	<b>18,949,688</b>	<b>63,055</b>	<b>19,854,581</b>	18,963,284
<b>ACCUMULATED AMORTIZATION:</b>					
Balance, Beginning of Year	410,101	5,151,131	54,846	5,616,078	4,893,536
Annual amortization	129,521	668,018	1,642	799,181	789,618
Accumulated amortization on disposals	-	-	-	-	(67,076)
Balance, End of Year	<b>539,622</b>	<b>5,819,149</b>	<b>56,488</b>	<b>6,415,259</b>	5,616,078
<b>NET BOOK VALUE</b>	<b>302,216</b>	<b>13,130,539</b>	<b>6,567</b>	<b>13,439,322</b>	13,347,206
2020 NET BOOK VALUE	431,737	12,907,260	8,209	13,347,206	

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, 2021**

	2021			2020			
	LSLIRC Revenue \$	ISC Revenue \$	Other Revenue \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$	Surplus (Deficit) \$
Administration	-	2,733,061	1,169,299	3,902,360	3,516,715	385,645	358,111
CMHC Housing - #1	-	-	524,502	524,502	134	524,368	-
CMHC Multi-plex	-	-	108,832	108,832	47,846	60,986	56,195
Child Welfare Committee	30,000	-	14,457	44,457	26,302	18,155	13,534
Consultation	-	-	688,192	688,192	715,321	(27,129)	211,308
Cultural Activities	-	-	120,516	120,516	120,516	-	81,000
Economic Development	-	1,107,331	419,582	1,526,913	79,302	1,447,611	482,412
Education - Post Secondary	-	525,588	14,831	540,419	540,419	-	-
First Nation Development Fund	-	-	288,156	288,156	211,961	76,195	248,803
Health Services	-	-	1,781,434	1,781,434	1,711,312	70,122	85,818
Housing	-	879,367	719,736	1,599,103	1,599,103	-	859,848
Honouring Life	-	-	288,153	288,153	294,178	(6,025)	-
Indigenous Skills and Employment	-	-	474,184	474,184	474,184	-	-
School	-	2,243,233	19,278	2,262,511	2,339,651	(77,140)	313,124
Social Services	-	1,318,935	(127,001)	1,191,934	1,340,031	(148,097)	(40,864)
Water Treatment Plant	-	353,997	8,420	362,417	384,840	(22,423)	162,294
Agriculture Benefit Trust	-	-	-	-	-	-	(1,643,554)
	30,000	9,161,512	6,512,571	15,704,083	13,401,815	2,302,268	1,188,029

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, 2021**

	<b>2021</b>	<b>2020</b>
	\$	\$
<b>EXPENDITURES</b>		
Administration	1,087,619	610,881
Contract labour	765,613	1,254,749
Distributions to members	-	345,221
Donations	10,000	16,744
Honorarium	117,256	138,578
Insurance	121,233	180,620
Interest and bank charges	43,884	47,700
Office	223,452	312,155
Professional fees	52,777	273,665
Program expenditures	3,555,329	3,037,674
Repairs and maintenance	123,454	72,893
Supplies and materials	1,011,035	714,457
Training	117,587	114,613
Travel	212,253	302,644
Tuition	1,627,502	1,673,454
Utilities	801,711	787,982
Wages and employee benefits	3,531,110	3,113,674
<b>TOTAL EXPENDITURES</b>	<b>13,401,815</b>	<b>12,997,704</b>

# Swan River First Nation

## Notes to the Consolidated Financial Statements

### March 31, 2021

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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) Investments**

Investments are recorded at fair market value.

##### **(d) 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, 2021**

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

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

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:

- Wapsewsepi Enterprises Ltd.
- Creeland Resources Inc.
- 18805424 Alberta Ltd.

**(e) 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.

**(f) 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 prescribed rates:

	Percentage
Automotive	30%
Buildings and infrastructure	5%
Furniture and equipment	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, 2021**

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

**(g) 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.

**(h) 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.

**(i) 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.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible and intangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the revenue and expenses in the years in which they become known. 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, 2021**

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**3. RESTRICTED CASH**

	<b>2021</b>	<b>2020</b>
	\$	\$
Trust Funds		
Band Capital	342,694	342,694
Band Revenue	295,373	287,454
Agricultural Benefits Trust Fund		
Royal Bank	3,017,752	2,337,858
First Nation Development Fund	70,042	422,683
Canada Mortgage and Housing Corporation	219,093	168,356
Government of Alberta - Education grant funding	104,966	105,062
	<b>4,049,920</b>	3,664,107

**4. INVESTMENTS**

	<b>2021</b>	<b>2020</b>
	\$	\$
Agricultural Benefits Trust Fund		
RBC Wealth Management - Minors Trust	6,283,583	5,830,170
RBC Wealth Management - Agricultural Benefits	29,323,639	25,393,389
Guaranteed Investment Certificate	-	1,000,000
	<b>35,607,222</b>	32,223,559

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

**5. ACCOUNTS RECEIVABLE**

	<b>2021</b>	<b>2020</b>
	\$	\$
Trade	994,988	576,217
Indigenous Services Canada	10,000	203,169
First Nation's & Inuit Health Branch	-	71,128
First Nation Development Fund	-	127,636
Government of Alberta	-	192,000
Canada Housing and Mortgage Corporation	-	95,530
Goods and Service Tax	1,317	6,480
Members		
Rent and other	886,655	907,580
Water	-	36,749
Less: Allowance for doubtful accounts	<b>(1,163,790)</b>	(1,063,961)
	<b>729,170</b>	1,152,528

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

	<b>2021</b> \$	<b>2020</b> \$
<b>Creeland Resources Inc.</b>		
Shares	1,800,100	648,226
Advances	20,599	20,599
Accumulated surplus (deficit) in earnings	9,303	(15,403)
	<b>1,830,002</b>	653,422
<b>Wapsewsepi Enterprises Ltd.</b>		
Shares	100	100
Advances	2,413,709	2,413,709
Accumulated deficit in earnings	(2,266,470)	(2,157,796)
	<b>147,339</b>	256,013
<b>18805424 Alberta Ltd.</b>		
Advances	<b>106,400</b>	106,400
Total investment in controlled entities	<b>2,083,741</b>	1,015,835

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%)	32,712	23,309	34,797	24,707
Wapsewsepi Enterprises Ltd. (100%)	236,739	2,503,109	171,678	(108,674)
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%).

As at March 31, 2021 none of the line of credit was used.

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
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**8. ACCOUNTS PAYABLE**

	<b>2021</b>	<b>2020</b>
	\$	\$
Trade	<b>532,598</b>	361,406
Agricultural trust distributions	-	240,000
Wages and employee benefits	<b>92,552</b>	81,713
	<b>625,150</b>	683,119

**9. DEFERRED CONTRIBUTIONS**

	<b>2021</b>	<b>2020</b>
	\$	\$
Consultation		
Government of Alberta	-	192,000
Cultural Activities		
Government of Alberta	<b>44,436</b>	164,952
Economic Development		
ISC - Infrastructure Transfer Station (QZIA-001)	-	372,282
Canada Housing and Mortgage Corporation	<b>1,346,133</b>	-
Education - Post Secondary		
Trust Funds	-	102,595
Health Canada	<b>1,051,613</b>	175,560
Jordan's Principle	<b>1,332,400</b>	727,914
Honouring Life		
Government of Alberta	-	288,153
Indigenous Skills and Employment Training		
FNICCI	<b>55,399</b>	57,601
Consolidated Revenue Funds (CRF)	-	24,584
Social Services		
ISA - Community based initiative (Q2BW-001)	<b>146,001</b>	-
	<b>3,975,982</b>	2,105,641

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

	<b>2021</b>	<b>2020</b>
	\$	\$
Canada Mortgage and Housing Corporation Canada mortgage, secured by ministerial guarantee of the Minister of Indigenous Services, is due May, 2038 and is repayable in monthly instalments of \$6,853 including interest charged at 2.49%.		
- Multi-plex loan	<b>1,151,465</b>	1,204,692
Bank of Montreal mortgage, secured by ministerial guarantee of the Minister of Indigenous Services Canada, is repayable in monthly instalments of \$35,497 including interest charged at 4.70%.		
- Housing	<b>2,869,264</b>	3,119,538
	<b>4,020,729</b>	4,324,230

Interest paid on long-term liabilities amounted to \$32,845 (2020 - \$37,287) during the year.

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

	\$
2022	353,386
2023	369,119
2024	385,577
2025	402,792
2026	420,802
Thereafter	<b>2,089,053</b>
	<b>4,020,729</b>

**11. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<b>2021</b>	<b>2020</b>
	\$	\$
Tangible capital assets (Schedule 2)	<b>19,854,581</b>	18,963,284
Accumulated amortization (Schedule 2)	<b>(6,415,259)</b>	(5,616,078)
Long-term liabilities (Note 10)	<b>(4,020,729)</b>	(4,324,230)
	<b>9,418,593</b>	9,022,976

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

	<b>2021</b>	<b>2020</b>
	\$	(Restated) \$
Balance, beginning of year	<b>1,015,835</b>	567,386
Advances to controlled entities	<b>1,151,874</b>	648,126
Earnings (losses) from controlled entities	<b>(83,968)</b>	(199,677)
Balance, end of year	<b>2,083,741</b>	1,015,835

**13. EQUITY IN TRUST FUND**

**Federal Funds**

	<b>Capital</b>	<b>Revenue</b>	<b>Total</b>
	\$	\$	\$
Balance, beginning of year	<b>342,694</b>	<b>287,454</b>	<b>630,148</b>
Earnings	-	<b>7,919</b>	<b>7,919</b>
Balance, end of year	<b>342,694</b>	<b>295,373</b>	<b>638,067</b>

**Agriculture Benefit Funds**

	<b>2021</b>	<b>2020</b>
	\$	\$
Balance, beginning of year	<b>33,328,550</b>	34,972,104
Investment income	<b>1,479,387</b>	712,889
Capital gains	<b>82,525</b>	-
Unrealized gain (loss)	<b>5,142,167</b>	(1,072,740)
Expenditures	<b>(180,029)</b>	(179,552)
Distributions - Nation	<b>(649,039)</b>	(758,930)
Distributions - members	<b>(578,588)</b>	(345,221)
Balance, end of year	<b>38,624,973</b>	33,328,550
<b>Total Trust Funds</b>	<b>39,263,040</b>	33,958,698

**Swan River First Nation**  
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**14. ACCUMULATED SURPLUS**

	<b>2021</b>	<b>2020</b>
	\$	(Restated) \$
Unrestricted surplus	680,527	1,446,863
Equity in tangible capital assets	9,418,593	9,022,976
Equity in enterprise fund	2,083,741	1,015,835
Equity in trust funds	39,263,040	33,958,698
CMHC replacement reserve	94,000	105,640
Insurance reserve	91,667	-
	<b>51,631,568</b>	<b>45,550,012</b>

**15. PRIOR PERIOD ADJUSTMENT**

In the prior year we expensed a payment to Kanaskiy Services Ltd. in the amount of \$648,126. Kanaskiy Services Ltd. is 50% owned by Creeland Resources Inc.

The \$648,126, that was previously expensed, should have been recorded as an investment in Creeland Resources Inc.

We have restated prior years financial statements to increase the investment in Creeland Resources Inc. by \$648,126 with an offsetting increase in Equity in Enterprise Fund.