

**Swan River First Nation  
Consolidated Financial Statements  
March 31, 2023**

# 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

Edward Cheung, 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 "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2023, 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, 2023, 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 First Nation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 consolidated 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement 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 from one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

## INDEPENDENT AUDITORS' REPORT - continued

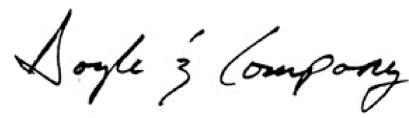
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the First Nation's internal control.
- Evaluate the appropriateness of accounting 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 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 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.

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,

October 5, 2023  
11210 - 107 Avenue NW  
Edmonton, Alberta T5H 0Y1



Chartered Professional Accountants

**Swan River First Nation**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	5,743,570	6,075,441
Restricted cash (Note 3)	2,606,248	4,215,720
Investments (Note 4)	34,614,776	36,204,012
Accounts receivable (Note 5)	1,622,918	1,337,820
Investment in First Nation controlled entities (Note 6)	4,677,750	2,141,821
	<b>49,265,262</b>	<b>49,974,814</b>
<b>LIABILITIES</b>		
Accounts payable (Note 8)	335,632	259,899
Deferred contributions (Note 9)	9,675,132	8,198,049
Long-term liabilities (Note 10)	3,262,123	3,631,573
	<b>13,272,887</b>	<b>12,089,521</b>
<b>NET FINANCIAL ASSETS</b>	<b>35,992,375</b>	<b>37,885,293</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	14,673,491	14,636,062
Prepaid expenses	47,177	58,402
	<b>14,720,668</b>	<b>14,694,464</b>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 14)</b>	<b>50,713,043</b>	<b>52,579,757</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, 2023**

	2023 Budget \$	2023 Actual \$	2022 Actual \$
<b>REVENUE</b>			
Indigenous Services Canada	4,274,540	10,946,203	11,189,182
Lesser Slave Lake Indian Regional Council	474,154	604,820	30,000
Trust Funds - Revenue	-	-	519,000
Health Canada	-	2,579,359	3,152,855
First Nations Development Fund	-	640,129	478,792
Indigenous Skills and Employment Training	-	321,826	576,655
Canada Mortgage and Housing Corporation	46,950	137,782	330,832
Government of Alberta	341,575	462,760	-
Other revenue	2,731,478	3,359,039	3,143,724
Revenue deferred from previous period	-	8,198,049	3,975,982
Revenue deferred to subsequent period	-	(9,675,132)	(8,198,049)
	<b>7,868,697</b>	<b>17,574,835</b>	<b>15,198,973</b>
<b>EXPENDITURES</b>			
Administration	-	3,884,899	2,352,131
CMHC Housing	-	-	365
CMHC Multi-plex	46,950	44,790	42,778
Child & Family Services Team	650,000	313,972	2,882
Child Welfare Committee	-	64,251	39,161
Consultation	1,868,870	1,818,940	1,643,582
Cultural Activities	257,000	268,549	145,556
Economic Development	-	73,089	88,587
Education - Post Secondary	902,915	776,161	598,989
First Nations Development Fund	-	56,167	11,916
Health Services	2,589,086	2,849,456	2,196,280
Honouring Life	-	143,217	238,091
Housing	519,925	2,731,435	2,169,911
Indigenous skills and Employment Training	234,375	442,682	542,381
School	2,576,507	2,417,685	2,368,351
Social Services	-	1,426,148	1,497,496
Water Treatment Plant	295,200	306,167	267,802
	<b>9,940,828</b>	<b>17,617,608</b>	<b>14,206,259</b>
<b>Excess of Revenue Over Expenditures</b>			
Before Other Expenditures	(2,072,131)	(42,773)	992,714
<b>Other Expenditures</b>			
Amortization	-	(986,372)	(854,792)
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>(2,072,131)</b>	<b>(1,029,145)</b>	<b>137,922</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, 2023**

	<b>2023</b> \$	<b>2022</b> \$
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(1,866,714)</b>	1,467,189
Acquisition of tangible capital assets	(1,100,293)	(2,051,532)
Proceeds on disposal of tangible capital assets	76,495	-
Amortization of tangible capital assets	986,371	854,792
Trust funds used in year	-	(519,000)
	<b>(37,427)</b>	(1,715,740)
Acquisition of prepaid assets	(47,176)	(58,399)
Use of prepaid assets	58,399	56,599
	<b>11,223</b>	(1,800)
<b>DECREASE IN NET ASSETS</b>	<b>(1,892,918)</b>	(250,351)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>37,885,293</b>	38,135,644
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>35,992,375</b>	37,885,293

**Swan River First Nation**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from funding agencies and other income	18,766,820	18,812,390
Cash paid to suppliers and employees	(18,291,545)	(13,763,043)
	<b>475,275</b>	<b>5,049,347</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net decrease in long-term liabilities	(369,450)	(389,156)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in investments	1,589,236	(596,790)
Decrease in investment in First Nation controlled entities	(2,535,929)	(58,080)
Tangible capital assets acquired	(1,100,293)	(2,051,532)
	<b>(2,046,986)</b>	<b>(2,706,402)</b>
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	<b>(1,941,161)</b>	1,953,789
<b>CASH, Beginning of year</b>	<b>10,291,161</b>	8,337,372
<b>CASH, End of year</b>	<b>8,350,000</b>	10,291,161
<b>Cash is Comprised of:</b>		
Cash	5,743,570	6,075,441
Restricted cash	2,606,248	4,215,720
	<b>8,349,818</b>	<b>10,291,161</b>

**Swan River First Nation**  
**Consolidated Statement of Changes in Accumulated Surplus - Schedule 1**  
**For the year ended March 31, 2023**

	Unrestricted Surplus	Equity in Tangible Capital Assets	Equity in Enterprise Fund	Equity in Trust Funds	Equity in Reserves	2023	2022
	\$	\$	\$	\$	\$	\$	\$
<b>Balance, Beginning of Year</b>	(871,113)	11,004,489	2,141,821	40,015,227	289,333	52,579,757	51,631,568
Excess of revenue over expenditures	(1,023,543)	-	229,653	4,082	-	(789,808)	206,084
Excess of revenue over expenditures - Trust Funds	-	-	-	(1,076,906)	-	(1,076,906)	1,261,105
Unrestricted funds transferred to reserve	(116,521)	-	-	-	116,521	-	-
Current years funds used for tangible capital assets	(1,100,293)	1,100,293	-	-	-	-	(519,000)
Disposal of tangible capital assets	76,493	(76,493)	-	-	-	-	-
Annual amortization expense	986,371	(986,371)	-	-	-	-	-
Long-term liabilities repaid	(369,450)	369,450	-	-	-	-	-
Transfer	(102,376)	-	102,376	-	-	-	-
Change in accumulated surplus	(1,649,319)	406,879	332,029	(1,072,824)	116,521	(1,866,714)	948,189
<b>Balance, End of Year</b>	(2,520,432)	11,411,368	2,473,850	38,942,403	405,854	50,713,043	52,579,757

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, 2023**

	Automotive	Buildings & Infrastructure	Furniture & Equipment	2023	2022
	\$	\$	\$	\$	\$
<b>COST:</b>					
Balance, Beginning of Year	745,033	19,982,373	615,620	21,343,026	19,854,581
Acquisition of tangible capital assets	520,624	579,669	-	1,100,293	2,051,532
Disposal of tangible capital assets	-	(76,493)	-	(76,493)	(563,087)
Balance, End of Year	<b>1,265,657</b>	<b>20,485,549</b>	<b>615,620</b>	<b>22,366,826</b>	<b>21,343,026</b>
<b>ACCUMULATED AMORTIZATION:</b>					
Balance, Beginning of Year	441,304	6,152,602	113,058	6,706,964	6,415,259
Annual amortization	169,212	716,647	100,512	986,371	854,792
Accumulated amortization on disposals	-	-	-	-	(563,087)
Balance, End of Year	<b>610,516</b>	<b>6,869,249</b>	<b>213,570</b>	<b>7,693,335</b>	<b>6,706,964</b>
<b>NET BOOK VALUE</b>	<b>655,141</b>	<b>13,616,300</b>	<b>402,050</b>	<b>14,673,491</b>	<b>14,636,062</b>
2022 NET BOOK VALUE	303,729	13,829,771	502,562	14,636,062	

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, 2023**

	LSLIRC Revenue	ISC Revenue	Other Revenue	2023		Surplus (Deficit)	2022 Surplus (Deficit) (Restated)
				Total Revenue	Total Expenditures		
	\$	\$	\$	\$	\$	\$	\$
Administration	574,820	1,754,563	1,195,576	3,524,959	3,884,899	(359,940)	538,551
CMHC Multi-plex	-	-	330,832	330,832	44,790	286,042	68,854
CMHC Housing - #1	-	-	-	-	-	-	1,345,768
Child & Family Services Team	-	550,000	(236,028)	313,972	313,972	-	(2,882)
Child Welfare Committee	30,000	-	21,337	51,337	64,251	(12,914)	-
Consultation	-	-	1,918,250	1,918,250	1,818,940	99,310	(527,037)
Cultural Activities	-	190,119	17,215	207,334	268,549	(61,215)	68,445
Economic Development	-	171,452	(98,363)	73,089	73,089	-	-
Education - Post Secondary	-	612,161	-	612,161	776,161	(164,000)	(50,414)
First Nation Representative	-	809,760	(809,760)	-	-	-	-
First Nation Development Fund	-	-	482,131	482,131	56,167	425,964	425,964
Health Services	-	11,554	2,887,678	2,899,232	2,849,456	49,776	40,476
Honouring Life	-	-	143,217	143,217	143,217	-	-
Housing	-	2,214,045	46,950	2,260,995	2,731,435	(470,440)	(871,466)
Indigenous Skills and Employment	-	-	441,357	441,357	442,682	(1,325)	(3,858)
School	-	2,273,108	94,857	2,367,965	2,417,685	(49,720)	(39,687)
Social Services	-	1,231,320	234,128	1,465,448	1,426,148	39,300	-
Water Treatment Plant	-	1,128,121	(645,565)	482,556	306,167	176,389	-
	604,820	10,946,203	6,023,812	17,574,835	17,617,608	(42,773)	992,714

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, 2023**

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>EXPENDITURES</b>		
Administration	<b>597,566</b>	605,036
Contract labour	<b>2,181,605</b>	1,243,128
Donations	<b>104,832</b>	32,338
Honorarium	<b>279,426</b>	174,625
Insurance	<b>145,247</b>	105,823
Interest and bank charges	<b>150,812</b>	164,844
Office	<b>151,168</b>	152,302
Professional fees	<b>382,330</b>	333,471
Program expenditures	<b>2,813,678</b>	2,797,539
Repairs and maintenance	<b>225,560</b>	163,013
Supplies and materials	<b>1,435,620</b>	1,014,901
Training	<b>349,608</b>	152,919
Travel	<b>556,649</b>	276,293
Tuition	<b>1,885,543</b>	1,685,980
Utilities	<b>1,396,910</b>	1,142,738
Wages and employee benefits	<b>4,961,054</b>	4,161,309
<b>TOTAL EXPENDITURES</b>	<b>17,617,608</b>	14,206,259

# Swan River First Nation

## Notes to the Consolidated Financial Statements

### March 31, 2023

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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, 2023**

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

**(d) 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.
- Swan River Land Corporation
- Swan River Grocery Limited Partnership
- Swan River Liquor Limited Partnership
- 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, 2023**

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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, 2023**

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**3. RESTRICTED CASH**

	<b>2023</b>	<b>2022</b>
	\$	\$
Trust Funds		
Band Revenue	133,231	129,149
Agricultural Benefits Trust Fund		
Royal Bank	1,955,632	3,676,463
First Nation Development Fund	247,647	71,037
Canada Mortgage and Housing Corporation	164,772	234,105
Government of Alberta - Education grant funding	<u>104,966</u>	104,966
	<b>2,606,248</b>	4,215,720

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**4. INVESTMENTS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Agricultural Benefits Trust Fund		
RBC Wealth Management - Minors Trust	5,749,274	6,218,734
RBC Wealth Management - Agricultural Benefits	<u>28,865,502</u>	29,985,278
	<b>34,614,776</b>	36,204,012

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

**5. ACCOUNTS RECEIVABLE**

	<b>2023</b>	<b>2022</b>
	\$	\$
Trade	1,686,166	1,024,168
Indigenous Skills Employment Training Strategy	<u>60,317</u>	60,776
First Nation Development Fund	-	52,408
Government of Canada	-	131,900
Canada Housing and Mortgage Corporation	-	240,000
Goods and Service Tax	<u>91,496</u>	43,629
Members		
Rent and other	886,655	886,655
Less: Allowance for doubtful accounts	<u>(1,101,716)</u>	(1,101,716)
	<b>1,622,918</b>	1,337,820

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

	<b>2023</b>	<b>2022</b>
	\$	\$
<b>Creeland Resources Inc.</b>		
Shares	1,800,100	1,800,100
Advances	20,599	20,599
Accumulated surplus in earnings	35,282	20,433
	<b>1,855,981</b>	1,841,132
<b>Wapsewsepi Enterprises Ltd.</b>		
Shares	100	100
Advances	2,413,709	2,413,709
Accumulated deficit in earnings	(2,163,025)	(2,219,520)
	<b>250,784</b>	194,289
<b>SRFN Land Holdings Corporation</b>		
Advances	<b>205,000</b>	-
<b>Swan River Liquor Corporation</b>		
Advances	<b>85,923</b>	-
<b>Swan River Liquor Limited Partnership</b>		
Accumulated deficit in earnings	(35,982)	-
<b>Swan River Grocery Corporation</b>		
Advances	<b>2,015,353</b>	-
<b>Swan River Grocery Limited Partnership</b>		
Accumulated surplus in earnings	<b>194,291</b>	-
<b>18805424 Alberta Ltd.</b>		
Advances	<b>106,400</b>	106,400
<b>Total investment in controlled entities</b>	<b>4,677,750</b>	2,141,821

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

	Assets	Liabilities	Revenues	Net Earnings (Loss)
	\$	\$	\$	\$
Creeland Resources Inc.	1,857,758	22,376	16,927	14,849
Wapsewsepi Enterprises Ltd.	340,263	2,503,186	339,677	56,495
SRFN Land Holdings Corporation	205,000	204,900	-	-
Swan River Liquor LP	83,113	119,095	267,292	(35,982)
Swan River Grocery Corporation	853,965	853,965	-	-
Swan River Grocery LP	2,142,844	1,948,553	1,695,025	194,291

**Swan River First Nation**  
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**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, 2023 none of the line of credit was used.

**8. ACCOUNTS PAYABLE**

	<b>2023</b>	<b>2022</b>
	\$	\$
Trade	207,437	148,064
<u>Wages and employee benefits</u>	<u>128,195</u>	<u>111,835</u>
	<b>335,632</b>	<b>259,899</b>

**Swan River First Nation**  
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**9. DEFERRED CONTRIBUTIONS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Administration		
LSLIRC	<b>574,820</b>	-
C.M.H.C. Multi-Plex	-	240,000
Child and Family Services		
ISC - Cost capacity - building (Q2HL-001)	<b>786,028</b>	-
Child Welfare Committee		
ISC - Cost capacity - building (Q2HL-001)	-	550,000
Government of Alberta	-	5,296
Consultation		
Government of Canada		
Indigenous Habitat Protection Program	-	75,552
Aquatic Habitat Restoration Fund	-	46,628
Indigenous Environmental Monitor	-	64,784
Terrestrial Studies Initiative	-	185,602
Forestry	-	61,502
Cultural Activities		
Government of Alberta	-	13,615
Economic Development		
ISC - Capacity / Innovation - capital (Q3TO-001)	<b>555,925</b>	613,605
ISC - Transfer Station - capital (Q3OB-001)	<b>60,000</b>	-
ISC - Lands and economic development (Q3W3-001)	<b>96,043</b>	-
Education - Post Secondary		
First Nations Development Fund	<b>198,910</b>	40,912
First Nation Representative		
ISC - CFS prevention (Q2C3-001)	<b>680,147</b>	-
ISC - FN representative service (Q2C7-001)	<b>129,614</b>	-
Health		
Aboriginal Head Start On-Reserve	<b>100,739</b>	119,285
Canada Prenatal Nutrition Program	-	6,183
Maternal Child Health		
Community Health Representative	<b>2,129</b>	8,568
Mental Wellness	<b>750,501</b>	907,719
Aboriginal Diabetes Initiative	<b>86,166</b>	72,479
HIV/AIDS Program	<b>62,766</b>	35,939
Public Health Nursing Service Delivery and Clerk	<b>99,993</b>	72,160
COVID	-	167,634
Drinking Water Safety Program	<b>126,408</b>	135,412
First Nations and Inuit Home and Community Care	-	81,935
Health Planning and Management	<b>158,501</b>	180,529
Jordan's Principle	<b>1,619,000</b>	1,430,277
Operations and Maintenance	<b>90,168</b>	100,594
Medical Transportation	<b>134,791</b>	180,438
Honouring Life		
Government of Alberta	<b>286,071</b>	19,462
Indigenous Skills and Employment Training		
Consolidated Revenue Funds (CRF)	-	107,751
Social Services		
ISC - Income assistance (Q29T-001)	-	234,128
Water Treatment Plant		
Indigenous Services Canada	<b>3,076,412</b>	2,420,504
	<b>9,675,132</b>	8,198,049

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

	<b>2023</b>	<b>2022</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>1,041,101</b>	1,096,966
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>2,221,022</b>	2,534,607
	<b>3,262,123</b>	3,631,573

Interest paid on long-term liabilities amounted to \$150,812 (2022 - \$164,843) during the year.

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

	\$
2024	385,536
2025	402,751
2026	420,760
2027	439,600
2028	459,355
Thereafter	<b>1,154,121</b>
	<b>3,262,123</b>

**11. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Tangible capital assets (Schedule 2)	<b>22,366,826</b>	21,343,026
Accumulated amortization (Schedule 2)	<b>(7,693,335)</b>	(6,706,964)
Long-term liabilities (Note 10)	<b>(3,262,123)</b>	(3,631,573)
	<b>11,411,368</b>	11,004,489

**Swan River First Nation**  
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**12. EQUITY IN ENTERPRISE FUND**

	<b>2023</b> \$	<b>2022</b> \$
Balance, beginning of year	<b>2,141,821</b>	2,083,741
Advances to controlled entities	<b>102,376</b>	-
<u>Earnings from controlled entities</u>	<b>229,653</b>	58,080
Balance, end of year	<b>2,473,850</b>	2,141,821

**13. EQUITY IN TRUST FUND**

**Federal Funds**

	<b>Capital</b> \$	<b>Revenue</b> \$	<b>Total</b> \$
Balance, beginning of year	-	<b>129,149</b>	<b>129,149</b>
<u>Earnings</u>	-	<b>4,082</b>	<b>4,082</b>
Balance, end of year	-	<b>133,231</b>	<b>133,231</b>

**Agriculture Benefit Funds**

	<b>2023</b> \$	<b>2022</b> \$
Balance, beginning of year	<b>39,886,078</b>	38,624,973
Investment income	<b>1,411,743</b>	982,762
Capital gains	<b>403,141</b>	102,481
Unrealized gain (loss)	<b>(2,304,454)</b>	726,082
Expenditures	<b>(191,371)</b>	(152,947)
Distributions - members	<b>(395,965)</b>	(397,273)
Balance, end of year	<b>38,809,172</b>	39,886,078
<b>Total Trust Funds</b>	<b>38,942,403</b>	40,015,227

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**14. ACCUMULATED SURPLUS**

	<b>2023</b>	<b>2022</b>
	\$	\$
Unrestricted surplus	<b>(2,520,432)</b>	(871,113)
Equity in tangible capital assets	<b>11,411,368</b>	11,004,489
Equity in enterprise fund	<b>2,473,850</b>	2,141,821
Equity in trust funds	<b>38,942,403</b>	40,015,227
CMHC replacement reserve	<b>118,000</b>	106,000
Insurance reserve	<b>287,854</b>	183,333
	<b>50,713,043</b>	52,579,757