

**Swan River First Nation**  
**Consolidated Financial Statements**  
**March 31, 2024**

# Swan River First Nation

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

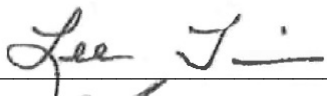
The accompanying consolidated financial statements of the Swan River First Nation are the responsibility of management and have been approved by the Chief and Council.

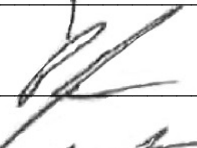
The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management 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.

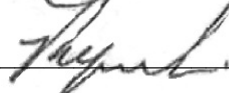
The First Nation Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

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

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**

#### **Qualified 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, 2024, 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Swan River First Nation as at March 31, 2024, 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 Qualified Opinion**

Canadian Public Sector Accounting Standards ("PSAS") Section PS 3280 Asset Retirements Obligations ("ARO") which was adopted by the Nation as of April 1, 2022 requires the recognition of an ARO liability when there is a legal obligation that establishes a clear responsibility to incur retirement costs in relation to a tangible capital asset. The Nation has not identified ARO liabilities as of March 31, 2024 and we were unable to satisfy ourselves concerning those liabilities by alternative means. Consequently, we were not able to determine whether any adjustments would be necessary to liabilities, net financial assets, tangible capital assets, accumulated surplus, expenses, annual surplus and change in net financial assets for the years-ended March 31, 2024 and 2023, and accumulated surplus as of April 1, 2022 and March 31, 2023 and 2024.

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

## INDEPENDENT AUDITORS' REPORT - continued

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

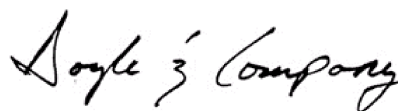
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not 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.
- 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



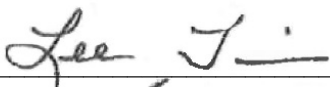
Chartered Professional Accountants


October 15, 2024  
11210 - 107 Avenue NW  
Edmonton, Alberta T5H 0Y1


**Swan River First Nation**  
**Consolidated Statement of Financial Position**  
**As at March 31, 2024**

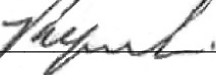
	2024	2023
	\$	\$
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	8,523,453	5,743,570
Restricted cash (Note 3)	418,259	2,606,248
Investments (Note 4)	36,604,999	34,614,776
Accounts receivable (Note 5)	2,014,149	1,622,918
Investment in First Nation controlled entities (Note 6)	4,697,957	4,677,750
	<b>52,258,817</b>	<b>49,265,262</b>
<b>LIABILITIES</b>		
Accounts payable (Note 8)	120,887	335,632
Deferred contributions (Note 9)	14,207,723	9,675,132
Long-term liabilities (Note 10)	4,778,023	3,262,123
	<b>19,106,633</b>	<b>13,272,887</b>
<b>NET FINANCIAL ASSETS</b>	<b>33,152,184</b>	<b>35,992,375</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2)	19,830,850	14,673,491
Prepaid expenses	63,590	47,177
	<b>19,894,440</b>	<b>14,720,668</b>
<b>ACCUMULATED SURPLUS (Schedule 1 and Note 15)</b>	<b>53,046,624</b>	<b>50,713,043</b>

**Approved by the First Nation:**

 Chief

 Councilor

 Councilor

 Councilor

The accompanying notes form part of these financial statements.

**Swan River First Nation**  
**Consolidated Statement of Financial Activities**  
**For the year ended March 31, 2024**

	<b>2024 Budget \$</b>	<b>2024 Actual \$</b>	<b>2023 Actual \$</b>
<b>REVENUE</b>			
Indigenous Services Canada	4,274,541	16,802,129	10,946,203
Lesser Slave Lake Indian Regional Council	-	30,000	604,820
Health Canada	-	2,481,889	2,579,359
First Nations Development Fund	-	683,644	640,129
Indigenous Skills and Employment Training	-	704,671	321,826
Canada Mortgage and Housing Corporation	46,950	74,157	137,782
Government of Alberta	341,575	522,165	462,760
Other revenue	3,205,632	3,327,515	3,359,039
Trust fund revenue	-	835,764	-
Revenue deferred from previous period	-	9,675,132	8,198,049
Revenue deferred to subsequent period	-	(14,207,723)	(9,675,132)
	<b>7,868,698</b>	<b>20,929,343</b>	<b>17,574,835</b>
<b>EXPENDITURES</b>			
Administration	-	4,641,062	3,739,303
CMHC Multi-plex	46,950	28,999	44,790
Child & Family Services Team	650,000	528,606	313,972
Child Welfare Committee	-	16,773	64,251
Consultation	1,862,870	1,458,847	1,818,940
Cultural Activities	257,000	178,575	268,549
Economic Development	-	96,117	73,089
Education - Post Secondary	902,916	782,532	776,161
First Nation Representative	-	97,237	-
First Nations Development Fund	-	68,758	56,167
Health Services	300,000	2,817,008	2,849,456
Honouring Life	-	112,772	143,217
Housing	517,375	3,282,310	2,731,435
Indigenous skills and Employment Training	234,375	567,225	442,682
Pathways	-	41,124	145,596
Public Works	301,000	756,473	306,167
School	2,579,058	2,380,806	2,417,685
Social Services	-	1,780,548	1,426,148
	<b>7,651,544</b>	<b>19,635,772</b>	<b>17,617,608</b>
<b>Excess of Revenue Over Expenditures Before Other Expenditures</b>	<b>217,154</b>	<b>1,293,571</b>	<b>(42,773)</b>
<b>Other Expenditures</b>			
Amortization	-	(1,132,975)	(986,372)
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>217,154</b>	<b>160,596</b>	<b>(1,029,145)</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, 2024**

	2024 \$	2023 \$
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>2,333,581</b>	<b>(1,866,714)</b>
Acquisition of tangible capital assets	<b>(6,290,334)</b>	<b>(1,100,293)</b>
Proceeds on disposal of tangible capital assets	-	76,495
Amortization of tangible capital assets	<b>1,132,974</b>	986,371
	<b>(5,157,360)</b>	<b>(37,427)</b>
Acquisition of prepaid assets	<b>(63,589)</b>	<b>(47,176)</b>
Use of prepaid assets	<b>47,177</b>	58,399
	<b>(16,412)</b>	11,223
<b>DECREASE IN NET ASSETS</b>	<b>(2,840,191)</b>	<b>(1,892,918)</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<b>35,992,375</b>	<b>37,885,293</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>33,152,184</b>	<b>35,992,375</b>

The accompanying notes form part of these financial statements.



**Swan River First Nation**  
**Consolidated Statement of Cash Flows**  
**For the year ended March 31, 2024**

	2024 \$	2023 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from funding agencies and other income	25,070,703	18,766,820
Cash paid to suppliers and employees	(17,693,945)	(18,291,727)
	7,376,758	475,093
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Decrease in long-term liabilities	(384,100)	(369,450)
New long-term loan acquired	1,900,000	-
	1,515,900	(369,450)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Decrease (increase) in investments	(1,990,223)	1,589,236
Increase in investment in First Nation controlled entities	(20,207)	(2,535,929)
Tangible capital assets acquired	(6,290,334)	(1,100,293)
	(8,300,764)	(2,046,986)
<b>INCREASE (DECREASE) IN CASH DURING THE YEAR</b>	591,894	(1,941,343)
<b>CASH, Beginning of year</b>	8,349,818	10,291,161
<b>CASH, End of year</b>	8,941,712	8,349,818
<b>Cash is Comprised of:</b>		
Cash	8,523,453	5,743,570
Restricted cash	418,259	2,606,248
	8,941,712	8,349,818

The accompanying notes form part of these financial statements.

# Swan River First Nation

## Consolidated Statement of Changes in Accumulated Surplus - Schedule 1

For the year ended March 31, 2024

	Unrestricted Surplus \$	Equity in Tangible Capital Assets \$	Equity in Enterprise Fund \$	Equity in Trust Funds \$	Equity in Reserves \$	2024 \$	2023 \$
<b>Balance, Beginning of Year</b>	<b>(2,520,432)</b>	<b>11,411,368</b>	<b>2,473,850</b>	<b>38,942,403</b>	<b>405,854</b>	<b>50,713,043</b>	<b>52,579,757</b>
Excess of revenue over expenditures	160,596	-	178,171	4,081	-	342,848	(789,808)
Excess of revenue over expenditures - Trust Funds	-	-	-	1,990,733	-	1,990,733	(1,076,906)
Restricted funds used for operations	(112,000)	-	-	-	112,000	-	-
Current years funds used for tangible capital assets	(4,390,334)	4,390,334	-	-	-	-	-
Annual amortization expense	1,132,974	(1,132,974)	-	-	-	-	-
Long-term liabilities repaid	(384,100)	384,100	-	-	-	-	-
Transfer	1,955,632	-	-	(1,955,632)	-	-	-
<b>Change in accumulated surplus</b>	<b>(1,637,232)</b>	<b>3,641,460</b>	<b>178,171</b>	<b>39,182</b>	<b>112,000</b>	<b>2,333,581</b>	<b>(1,866,714)</b>
<b>Balance, End of Year</b>	<b>(4,157,664)</b>	<b>15,052,828</b>	<b>2,652,021</b>	<b>38,981,585</b>	<b>517,854</b>	<b>53,046,624</b>	<b>50,713,043</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, 2024**

	Land	Automotive	Buildings & Infrastructure	Furniture & Equipment	2024	2023
	\$	\$	\$	\$	\$	\$
<b>COST:</b>						
Balance, Beginning of Year	-	1,265,657	20,485,549	615,620	22,366,826	21,343,026
Acquisition of tangible capital assets	1,925,000	236,262	3,609,027	520,045	6,290,334	1,100,293
Disposal of tangible capital assets	-	-	-	-	-	(76,493)
Balance, End of Year	1,925,000	1,501,919	24,094,576	1,135,665	28,657,160	22,366,826
<b>ACCUMULATED AMORTIZATION:</b>						
Balance, Beginning of Year	-	610,516	6,869,249	213,570	7,693,335	6,706,964
Annual amortization	-	231,981	766,541	134,452	1,132,974	986,371
Balance, End of Year	-	842,497	7,635,790	348,022	8,826,309	7,693,335
<b>NET BOOK VALUE</b>	<b>1,925,000</b>	<b>659,422</b>	<b>16,458,786</b>	<b>787,643</b>	<b>19,830,851</b>	<b>14,673,491</b>
2023 NET BOOK VALUE	-	655,141	13,616,300	402,050	14,673,491	

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, 2024

	2024					2023
	LSLIRC Revenue \$	ISC Revenue \$	Other Revenue \$	Total Revenue \$	Total Expenditures \$	Surplus (Deficit) \$
Administration	-	2,542,832	1,397,330	3,940,162	4,641,062	(700,900)
CMHC Multi-plex	-	-	96,371	96,371	28,999	67,372
Child & Family Services Team	-	1,095,384	(566,778)	528,606	528,606	-
Child Welfare Committee	30,000	-	16,676	46,676	16,773	29,903
Consultation	-	-	1,537,835	1,537,835	1,458,847	78,988
Cultural Activities	-	-	178,575	178,575	178,575	-
Economic Development	-	113,681	(28,932)	84,749	96,117	(11,368)
Education - Post Secondary	-	558,287	417,882	976,169	782,532	193,637
First Nation Representative	-	1,096,342	(999,105)	97,237	97,237	-
First Nation Development Fund	-	-	494,722	494,722	68,758	425,964
Health Services	-	-	2,966,834	2,966,834	2,817,008	149,826
Honouring Life	-	-	112,772	112,772	112,772	-
Housing	-	3,750,215	457,664	4,207,879	3,282,310	925,569
Indigenous Skills and Employment	-	-	567,225	567,225	567,225	-
Pathways	-	769,228	(639,094)	130,134	41,124	89,010
Public Works	-	3,029,749	(1,793,883)	1,235,866	756,473	479,393
School	-	2,576,217	(118,880)	2,457,337	2,380,806	76,531
Social Services	-	1,270,194	-	1,270,194	1,780,548	(510,354)
	30,000	16,802,129	4,097,214	20,929,343	19,635,772	1,293,571

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, 2024**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>EXPENDITURES</b>		
Administration	947,015	597,566
Contract labour	2,262,033	2,181,605
Donations	170,614	104,832
Honorarium	324,523	279,426
Insurance	226,920	145,247
Interest and bank charges	128,802	150,812
Office	156,763	151,168
Professional fees	278,622	382,330
Program expenditures	3,869,321	2,813,678
Repairs and maintenance	290,699	225,560
Supplies and materials	1,968,310	1,435,620
Training	460,096	349,608
Travel	1,031,012	556,649
Tuition	1,896,007	1,885,543
Utilities	1,248,147	1,396,910
Wages and employee benefits	4,376,888	4,961,054
<b>TOTAL EXPENDITURES</b>	<b>19,635,772</b>	<b>17,617,608</b>

The accompanying notes form part of these financial statements.

# Swan River First Nation

## Notes to the Consolidated Financial Statements

March 31, 2024

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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, 2024**

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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 and partnerships, 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 resources 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, 2024**

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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) 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, 2024**

**3. RESTRICTED CASH**

	<b>2024</b>	<b>2023</b>
	\$	\$
Trust Funds		
Band Revenue	<b>137,822</b>	133,231
Agricultural Benefits Trust Fund		
Royal Bank		1,955,632
First Nation Development Fund	<b>65,432</b>	247,647
Canada Mortgage and Housing Corporation	<b>110,427</b>	164,772
Government of Alberta - Education grant funding	<b>104,578</b>	104,966
	<b>418,259</b>	2,606,248

**4. INVESTMENTS**

	<b>2024</b>	<b>2023</b>
	\$	\$
Agricultural Benefits Trust Fund		
RBC Wealth Management - Minors Trust	<b>5,920,297</b>	5,749,274
RBC Wealth Management - Agricultural Benefits	<b>30,684,702</b>	28,865,502
	<b>36,604,999</b>	34,614,776

The RBC Wealth Management investment consists of mutual funds and shares.  
The amount of unrealized gains included in these fair values are \$4,410,817 (2023 - \$2,685,727).  
The difference between the opening and closing unrealized amount is \$1,725,090 and has been recorded to income.

**5. ACCOUNTS RECEIVABLE**

	<b>2024</b>	<b>2023</b>
	\$	\$
Trade	<b>1,732,362</b>	1,686,166
Indigenous Services Canada	<b>306,694</b>	-
Indigenous Skills Employment Training Strategy	<b>239,493</b>	60,317
First Nation Development Fund	<b>61,194</b>	-
Government of Alberta	<b>28,216</b>	-
Canada Housing and Mortgage Corporation	<b>493</b>	-
Goods and Service Tax	<b>134,844</b>	91,496
Members		
Rent and other	<b>886,655</b>	886,655
Less: Allowance for doubtful accounts	<b>(1,375,802)</b>	(1,101,716)
	<b>2,014,149</b>	1,622,918

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2024**

**6. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES**

	<b>2024</b>	<b>2023</b>
	\$	\$
<b>Creeland Resources Inc.</b>		
Shares	<b>1,800,100</b>	1,800,100
Advances	<b>20,599</b>	20,599
Accumulated surplus in earnings	<b>44,101</b>	35,282
	<b>1,864,800</b>	1,855,981
<b>Wapsewsepi Enterprises Ltd.</b>		
Shares	<b>100</b>	100
Advances	<b>2,513,709</b>	2,413,709
Accumulated deficit in earnings	<b>(2,367,287)</b>	(2,163,025)
	<b>146,522</b>	250,784
<b>SRFN Land Holdings Corporation</b>		
Advances	-	205,000
<b>Swan River Liquor Limited Partnership</b>		
Advances	<b>85,923</b>	85,923
Accumulated surplus (deficit) in earnings	<b>3,763</b>	(35,982)
	<b>89,686</b>	49,941
<b>Swan River Grocery Corporation</b>		
Advances	<b>853,865</b>	853,865
<b>Swan River Grocery Limited Partnership</b>		
Advances	<b>1,108,524</b>	1,161,488
Accumulated surplus in earnings	<b>528,160</b>	194,291
	<b>1,636,684</b>	1,355,779
<b>18805424 Alberta Ltd.</b>		
Advances	<b>106,400</b>	106,400
Total investment in controlled entities	<b>4,697,957</b>	4,677,750

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2024**

**6. INVESTMENTS IN FIRST NATION CONTROLLED ENTITIES - Continued**

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.	1,866,353	22,152	11,910	8,819
Wapsewsepi Enterprises Ltd.	265,633	2,632,820	782,969	(204,264)
SRFN Land Holdings Corporation	2,105,000	2,104,900	-	-
Swan River Liquor Corporation	100	-	-	-
Swan River Liquor LP	144,133	140,370	518,580	39,745
Swan River Grocery Corporation	1,128,965	1,128,865	-	-
Swan River Grocery LP	1,665,694	1,137,534	3,756,799	333,869

**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, 2024 none of the line of credit was used.

**8. ACCOUNTS PAYABLE**

	2024	2023
	\$	\$
Trade	50,495	207,437
Wages and employee benefits	70,392	128,195
	120,887	335,632

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2024**

**9. DEFERRED CONTRIBUTIONS**

	<b>2024</b>	<b>2023</b>
	<b>\$</b>	<b>\$</b>
Child and Family Services		
ISC - Cost capacity - building (Q2HL)	<b>395,421</b>	786,028
ISC - Capital (Q2C6)	<b>958,173</b>	-
Cultural Activities		
LSLIRC	<b>235,790</b>	574,820
Government of Alberta	<b>210,455</b>	-
Economic Development		
ISC - Capacity / Innovation - capital (Q3TO)	<b>482,415</b>	555,925
ISC - Transfer Station - capital (Q3OB)	<b>60,000</b>	60,000
ISC - Lands and economic development (Q3W3)	<b>198,485</b>	96,043
First Nations Development Fund	<b>387,832</b>	198,910
First Nation Representative		
ISC - CFS prevention (Q2C3)	<b>1,421,553</b>	680,147
ISC - FN representative service (Q2C7)	<b>387,314</b>	129,614
Health		
Health Canada		
Aboriginal Head Start On-Reserve	<b>6,029</b>	100,739
Maternal Child Health	<b>9,864</b>	
Community Health Representative		2,129
Mental Wellness	<b>553,868</b>	750,501
Aboriginal Diabetes Initiative	<b>32,897</b>	86,166
HIV/AIDS Program	<b>56,800</b>	62,766
Public Health Nursing Service Delivery and Clerk	<b>113,624</b>	99,993
Drinking Water Safety Program	<b>118,773</b>	126,408
Health Planning and Management	<b>139,841</b>	158,501
Jordan's Principle	<b>1,645,954</b>	1,619,000
Operations and Maintenance	<b>67,271</b>	90,168
Medical Transportation	<b>94,891</b>	134,791
Honouring Life		
Government of Alberta	<b>174,554</b>	286,071
Indigenous Skills and Employment Training		
IELCC	<b>156,987</b>	-
Land Stewardship		
Government of Canada		
FRIP Ember	<b>20,000</b>	-
Aquatic Habitat Restoration Fund	<b>79,417</b>	-
Terrestrial Cumulative Effects Initiative	<b>199,983</b>	-
Forestry	<b>85,182</b>	-
Pathways		
ISC - Pathways (Q2N1)	<b>728,104</b>	-
Public Works		
Indigenous Services Canada	<b>4,880,610</b>	3,076,412
School		
ISC - School formula	<b>305,636</b>	-
	<b>14,207,723</b>	9,675,132

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2024**

**10. LONG-TERM LIABILITIES**

	2024 \$	2023 \$
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	985,402	1,041,101
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	1,892,621	2,221,022
Royal Bank of Canada land loan, is due February 2029 and is repayable in monthly instalments of \$12,137 including interest charged at 5.91%.	1,900,000	-
	<b>4,778,023</b>	<b>3,262,123</b>

The Nation has provided a general security agreement and a guarantee for the CMHC and the Bank of Montreal mortgages.

The Royal Bank loan is secured by:

- 6 parcels of land, as covered by the mortgage
- A guarantee from Swan River First Nation pledging all property of the First Nation
- A guarantee from Swan River Agricultural Benefits Settlement Trust pledging the investment portfolio of securities and all mutual funds held on account

Interest paid on long-term liabilities amounted to \$122,624 (2023 - \$150,812) during the year.

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

	\$
2025	446,901
2026	457,714
2027	478,798
2028	500,933
2029	521,683
Thereafter	2,371,994
	<b>4,778,023</b>

# Swan River First Nation

## Notes to the Consolidated Financial Statements

### March 31, 2024

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#### 11. FINANCIAL RISKS

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.

##### **Currency Risk**

The Nation is exposed to risk that the fair value of financial instruments or future cash flows associated with the instrument will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

##### **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.

#### 12. EQUITY IN TANGIBLE CAPITAL ASSETS

	2024	2023
	\$	\$
Tangible capital assets (Schedule 2)	28,657,160	22,366,826
Accumulated amortization (Schedule 2)	(8,826,309)	(7,693,335)
Long-term liabilities (Note 10)	(4,778,023)	(3,262,123)
	<b>15,052,828</b>	11,411,368

#### 13. EQUITY IN ENTERPRISE FUND

	2024	2023
	\$	\$
Balance, beginning of year	2,473,850	2,141,821
Advances to controlled entities	-	102,376
Earnings from controlled entities	178,171	229,653
Balance, end of year	<b>2,652,021</b>	2,473,850

**Swan River First Nation**  
**Notes to the Consolidated Financial Statements**  
**March 31, 2024**

**14. EQUITY IN TRUST FUND**

**Federal Funds**

	<b>Capital</b>	<b>Revenue</b>	<b>Total</b>
	\$	\$	\$
Balance, beginning of year	-	133,231	133,231
Earnings	-	4,082	4,082
Balance, end of year	-	137,313	137,313

**Agriculture Benefit Funds**

	<b>2024</b>	<b>2023</b>
	\$	\$
Balance, beginning of year	38,809,172	39,886,078
Investment income	1,295,274	1,411,743
Realized capital gains	394,330	403,141
Unrealized capital gains (losses)	1,725,089	(2,304,454)
Expenditures	(216,223)	(191,371)
Distributions - Nation	(835,763)	-
Distributions - members	(371,974)	(395,965)
Transfer to Nation	(1,955,633)	-
Balance, end of year	38,844,272	38,809,172
<b>Total Trust Funds</b>	<b>38,981,585</b>	<b>38,942,403</b>

**15. ACCUMULATED SURPLUS**

	<b>2024</b>	<b>2023</b>
	\$	\$
Unrestricted surplus	(4,157,664)	(2,520,432)
Equity in tangible capital assets	15,052,828	11,411,368
Equity in enterprise fund	2,652,021	2,473,850
Equity in trust funds	38,981,585	38,942,403
CMHC replacement reserve	130,000	118,000
Insurance reserve	387,854	287,854
	<b>53,046,624</b>	<b>50,713,043</b>