



**FISHER RIVER CREE NATION  
COMMUNITY TRUST**

**2023 Annual Report**



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# TRUST BACKGROUND

## Settlement of the Trust

Fisher River Cree Nation ("FRCN") and the Federal Government of Canada entered into a Consent Settlement Order, dated April 23, 2021, with respect to the 1896 Alienation Specific Claim. This secured FRCN's long outstanding right to compensation for the failure to ensure that the Southeast Addition and Southwest Addition were set aside as reserve land. FRCN established the Fisher River Cree Nation Community Trust (the "Trust") to receive the monies settled into the Trust Account for purposes of promoting the long-term benefit of FRCN and its Members. The Fisher River Cree Nation Community Trust Agreement was approved by a Ratification Band Council Resolution and signed by a Board of Trustees dated August 6, 2021 to formally establish the Trust. The settlement payment of \$10,500,000 was deposited into the Trust Account on November 16, 2021 which officially creates the Effective Date of the Trust.

## Trustee Governance

Early in 2021, Chief and Council initiated the development of the Community Trust by establishing a Board of Trustees who have a fiduciary duty to act in the best interests of the Beneficiary and whom have legal ownership of the Trust Property. The Board of Trustees is made up of two (2) on-reserve and two (2) off-reserve Community Member Trustees and a Corporate Trustee.

Trustees hold and invest the Trust Property for the long-term benefit of the FRCN and it's Members and will transfer or release Trust Property as directed and authorized by the Trust Agreement through the form of an Annual Payment.

## Investment Governance

To ensure the goals and objectives of the Trust Agreement for capital growth and protection of the Trust Property, T.E. Wealth was retained as the Trust's Investment Consultant and established the Trust's governance structure in December 2021. The Trustees and Chief and Council, in consultation with the Investment Consultant, approved a Statement of Investment Policy and Guidelines ("SIP&G") that provides the investment goals, objectives, and rules of the Trust's investments. A competitive interview search was conducted in 2021 to select two Investment Managers to achieve the investment strategy goals. Fiera Capital Corporate and Beutel Goodman Investment Counsel, being two top tier global Investment Managers, were retained to manage the Trust's investments.

## Asset Custodian

The Investment Managers do not physically hold the Trust funds within their account. To provide additional security for the segregation and safekeeping of the Trust funds, RBC Investor and Treasury Services ("RBC ITS") was retained by the Trustees as the asset custodian. The custodian adheres to the guidelines as set out by the Investment Managers with regard to the investment accounts. RBC ITS produces monthly and quarterly statements to monitor and report on the investments.

## Reporting & Audits

The Fiscal Year of the Trust is January 1st to December 31st each year. The Trustees established regular reporting to include quarterly unaudited financial statements and investment performance results and budget reports. In accordance with the Trust Agreement, an independent auditor is required to audit the Trust's annual financial statements within 120 days of the end of the Fiscal Year and make those available for Membership. This also includes the Annual Report. MNP LLP, Edmonton office, has been appointed as the Trust's auditor since 2021.

# MESSAGE FROM CHIEF AND COUNCIL



*As Chief and Council of the Fisher River Cree Nation, we are privileged to address you in the 2023 Annual Report of the Fisher River Community Trust. This report serves as a reflection of our collective efforts, achievements, and aspirations for the betterment of our community over the past year.*

*The Fisher River Community Trust stands as a cornerstone of support, empowerment, and progress for our Nation for the future. Through the dedication and collaboration of our community members and the diligent work of the trust.*

*As Chief and Council, we extend our deepest appreciation to the members of the Fisher River Community Trust for your unwavering dedication, passion, and advocacy. Together, we have achieved significant milestones and navigated challenges with determination and solidarity. Looking ahead, we are committed to continuing our collaborative efforts with the Trust and the entire community to build on our successes, address emerging needs, and create a sustainable and prosperous future for all Fisher River Cree Nation members.*

*With gratitude and optimism, we look forward to the continued growth and success of the Fisher River Community Trust in the upcoming year.*

*~ Chief David Crate and Council*

# YOUR BOARD OF TRUSTEES

## Message from the Trustees

*"As Trustees of the Fisher River Community Trust, we are honored to present our 2023 Annual Report. This year, we have remained steadfast in our commitment to safeguarding and enhancing the well-being of our community. Through strategic investments and transparency, we have continued to uphold the values that define us.*

*Despite challenges posed by external factors, we have navigated with resilience and adaptability. Our dedication to prudent financial management has ensured the sustainability of our trust for future generations. We take pride in the positive impact our initiatives have had on our community members, fostering growth, opportunity and empowerment.*

*Additionally, we extend a heartfelt thank you to Jennifer Garson for her years of service as On-Reserve Trustee for the Fisher River Community Trust. Jen's dedication, insights and unwavering support have been invaluable to the trust and the community. As she embarks on a new educational journey, we express our deepest gratitude for her contributions and wish her continued success and growth in her endeavors.*

*Looking ahead, we are energized by the possibilities that the future holds. By staying true to our mission and working collaboratively with our stakeholders, we are confident in our ability to drive positive change and prosperity within the Fisher River Cree Nation community. As Trustees, we are grateful for the trust placed in us and remain committed to serving our community with integrity, transparency and a vision for a brighter tomorrow. "*

*~ Board of Trustees*

### Jeremy Neault

Community Member Trustee  
(on-reserve)



### Taylor Wilson

Community Member Trustee  
(off-reserve)



### Edward Kidd

Community Member Trustee  
(off-reserve)



# YOUR BOARD OF TRUSTEES

**FNB Trust** is your Corporate Trustee, as represented by Suzanne Trottier and Priscille Buors. We are humbled to serve as your Corporate Trustee of the Fisher River Cree Nation Community Trust in partnership with the talented Community Trustees.

As your Corporate Trustee, it is our responsibility to uphold the legal terms and conditions set out in the Trust Agreement, including the governance structure of the Board of the Trustee. We support the Board of Trustees to make informed decisions. FNB Trust administers the day-to-day operations of the Trust, which includes quarterly financial reporting, Trust Account payment administration, monitor the investment results and record and store Trust documents such as meeting minutes.

With over 50 years of combined trustee and trust service experience, we support to ensure the Trust Agreement objectives of long-term sustainability and transparency and accountability to the Members are met. We only serve Indigenous trust clients, have only Indigenous employees and are focused on supporting the Fisher River Cree Nation to govern your Trust.



## Suzanne Trottier

**CFA, MA, ICD.D**

Suzanne is the President of FNB Trust and has over 20 years of professional finance and investment experience.

She is a proud Métis woman with maternal family ties to the Lake Manitoba First Nation.



## Priscille Buors

**CPA, CGA, CAFM**

Priscille is the Senior Trust Officer and Business Development of FNB Trust. She has a background in Indigenous Trust Agreements along with 15 years of professional accounting experience. She is a proud member of the Manitoba Métis Federation.



# YOUR TRUST INVESTMENT TEAM

## Your Investment Consultant



**T.E. Wealth Indigenous Services** provides comprehensive investment and trust advisory services to assist in planning and implementation of customized wealth management strategies for Indigenous communities across Canada. T.E. Wealth was selected in 2021 to be your Trust Investment Consultant.

T.E. Wealth is the firm that has professionals who possess a Chartered Financial Analyst designation. They provide independent financial advice to the Trust, including the development and annual reviews of the Investment Policy, monitoring and evaluating the Trust's Investment Managers as well as producing quarterly investment performance reports.

## Your Investment Managers



**Fiera Capital Corporation** is your Growth Investment Manager. They invest in high-quality, successful companies that have strong performance and are expected to continue to do well. The firm manages over \$161 billion in assets that services 39 Indigenous groups representing over \$1.8 billion in assets.



**Beutel Goodman** is your Value Investment Manager. They invest in mid and large companies at bargain prices as they have fallen out of favour but still have strong fundamentals and competitive edge over their peers. The firm is based in Toronto, Ontario and they manage over \$45 billion in assets that service over 37 Indigenous communities representing \$895 million in assets.

Investment Managers directly manage the Trust's investment funds in the stock and bond markets in accordance with the Trust's approved Statement of Investment Policy & Guidelines, which outlines the objectives and framework for the invested funds.



# YOUR TRUST INVESTMENTS

## Investment Policy

The Investment Policy of your Trust sets out the Trust's investment objectives, constraints, benchmarks and other rules for investing and reporting on the Trust's funds. The Trust's investment objectives focus on capital protection with modest capital growth. The goal of the Trust investments is to earn an average annual rate of return equal to the Consumer Price Index (CPI) plus 4.0%.

Target asset class mix of the investment portfolio:

- 5% Cash & cash equivalents
- 10% Alternatives
- 25% Fixed income
- 60% Equities

Each asset class has a percentage range to work within, which allows the Investment Managers to reallocate the asset mix based on the market conditions, while remaining within the respective range.

The investment structure for the Trust effectively splits the Trust funds between the Value investment style of Beutel Goodman and the Growth investment style of Fiera under a balanced portfolio. By doing so, the Trust can achieve a degree of manager diversification and minimize the risk of periodic underperformance producing less volatility associated with a structure that allocates all Trust funds to a single style manager.


## Investment Performance

In 2022, the Trust invested \$10.5 million equally to both Investment Managers and since the second quarter of 2022, which was a difficult time to enter the market because global markets significantly declined in the first six months of Fiscal Year 2022 and the Trust experienced an unrealized loss of \$718,153, most of which was recouped in the latter half of 2022, ending Fiscal Year 2022 with a loss of \$204,037.

**At the beginning of 2023**, your Trust's Investments were valued at \$10,181,243. Throughout 2023, the Trust's Investments **grew by \$1,064,882**, which after withdrawals to cover operating expenses, ended the year at \$11,166,126. This represented a **11.17% growth** in the Trust's Investments in 2023. Market volatility in 2023 proved to be challenging globally, even after recovering from 2022.

**Since inception of the Trust**, the Trust's Investments have grown by a **total of \$860,845**, which represents an average annual return of **5.27%**, which is higher than the average annual benchmark return of 3.70%.

The Trust's multi-manager and multi-style diversification continues to ensure that the portfolio is well positioned to take advantage of all market environments which creates a smoother pattern of returns.



**Growth in Your Trust Fund by 11.17% over Fiscal Year 2022**  
**Ending December 31, 2023 at**  
**\$11,166,126**

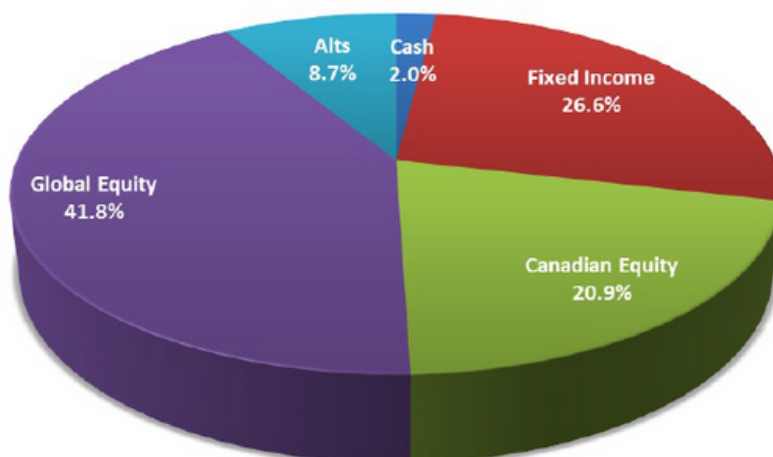
# YOUR TRUST INVESTMENTS

## Your Trust Asset Mix at December 31, 2023

Asset Class	Market Value	Percentage
Cash & Equivalents	\$ 223,322	2.0%
Alternatives	\$ 971,453	8.7%
Fixed Income	\$ 2,970,190	26.6%
Canadian Equity	\$ 2,333,720	20.9%
Global Equity	\$ 4,667,441	41.8%
<b>Total Investments</b>	<b>\$ 11,166,126</b>	<b>100.0%</b>

## Allocation by Investment Manager

Investment Manager	Market Value	Percentage
Fiera	\$ 5,633,314	50.5%
Beutel Goodman	\$ 5,532,812	49.5%
<b>Total</b>	<b>\$ 11,166,126</b>	<b>100%</b>



# YOUR TRUST INVESTMENTS

## Highlights

Trust Investments – Overall Combined		
	2023	Since Inception (Q2 of 2022)
Beginning Value	\$10,181,243	\$10,468,280
Cash Spent on Operations	-\$80,000	-\$160,000
Total Invested	\$10,101,243	\$10,305,280
Increase in Value of Investments	\$1,064,882	\$860,845
Ending Value	\$11,166,126	\$11,166,126

Trust Investments – Beutel Goodman Only		
	2023	Since Inception (Q2 of 2022)
Beginning Value	\$5,157,029	\$5,219,338
Cash Spent on Operations	-\$84,118	-\$84,118
Total Invested	\$5,072,911	\$5,135,219
Increase in Value of Investments	\$459,900	\$397,592
Ending Value	\$5,532,812	\$5,532,812

Trust Investments – Holdings at Dec 31, 2023 – Beutel Goodman Only		
	Investment	In Canadian Dollars
1.	Beutel Goodman Fixed Income Fund	\$1,885,245
2.	Beutel Goodman American Equity Fund	\$1,341,781
3.	Beutel Goodman Canadian Equity Fund	\$1,215,922
4.	Beutel Goodman Intl Equity Fund	\$1,089,843
5.	Canadian Dollar	\$18

Trust Investments – Fiera Capital Only		
	2023	Since Inception (Q2 of 2022)
Beginning Value	\$5,024,213	\$5,245,941
Cash Spent on Operations	\$4,118	-\$75,881
Total Invested	\$5,028,332	\$5,170,060
Increase in Value of Investments	\$604,981	\$463,253
Ending Value	\$5,633,314	\$5,633,314

Trust Investments – Holdings at Dec 31, 2023 – Fiera Capital Only		
	Investment	In Canadian Dollars
1.	Fiera Atlas Global Co Fund C-A	\$2,228,666
2.	Fiera Canadian Equity Fund A	\$1,113,482
3.	Fiera ASFI Cdn Short/Mid Term Bond F	\$433,992
4.	Fiera Integrated Fixed Income Universe	\$429,877
5.	Fiera Diversified Lending Fund Series AA	\$342,505

# YEAR IN REVIEW

2023 represents the 3rd year of the Community Trust and the 2nd full year of operations and investing. During 2023, the Trustees were active and carried out the following activities:

## Annual Income

- The Trust Agreement allows for an Annual Income amount that can be paid to FRCN subject to Chief and Council's decision to accept or decline the Annual Income payment from the Trust. The Trustees determined the 2022 amount to be \$406,868 calculated at 4% closing market value of the Authorized Investments being the amount of \$0 net income. Because 2022 was not a full year of being invested and the volatility experienced in the markets, income for the Trust was not realized. The Trustees provided a recommendation to Chief and Council that the 2022 Annual Income amount remain invested in the Trust for future growth in the long-term investment strategy.
- Council Resolution was received by FRCN that declined the 2022 Annual Income payment and was not payable from the Trust to FRCN. The funds remained invested for Fiscal Year 2023.

## Operational Activities

- The Board of Trustees held quarterly meetings throughout the year to conduct regular Trust business, including quarterly investment performance reviews presented by T.E. Wealth, quarterly unaudited financial reviews, budget reporting, and payment approval of Trust operating expenses. Additionally, a member of Council acting as the liaison between Council and the Trustees attended each of the quarterly meetings.
- At the April 2022 quarterly meeting, the Trustees approved the 2022 audited financial statements and 2022 Annual Report and they were submitted to Chief and Council within the 120 day deadline in accordance with the Trust Agreement. Printed copies were made available at the FRCN administration office upon a member's request of the reports.
- The 2023 Trust operating budget was approved totaling \$179,100 and by year-end December 31st, the budget was underspent by 11% with actual expenses totaling \$158,937.
- The Trustees released a poster notice for the second Annual Trust Membership meeting that was held on May 30, 2023 in FRCN to present the 2022 Annual Report.
- The accounting firm MNP LLP was re-appointed as the independent auditor for the 2023 Trust financials and tax filings.

## Audited Financial Statements December 31, 2023

- The audited financial statement show that as of December 31, 2023, the Net Assets of the Trust is \$11.1 million (2022 - \$10.2 million)
- The Trust earned investment income of \$306,698 and an unrealized gain of \$824,860 on the change of fair market of the investments, totaling revenue of \$1.1 million (2022 - (\$158,714)). Offset by operating expenses totaling \$159,937 mainly made up of investment management fees of \$97,933, professional trustee fees of \$29,778, audit fees \$15,015 and Community Trustee travel and honoraria of \$13,500. Lastly, an inflation protection hedge of \$193,514 for 2023 is to be retained in the Trust to grow it at the rate of inflation.

# LOOKING AHEAD

## January - March 2024

- Quarter 1 Trustee meeting
- Complete 2023 Audit
- 2024 Trust Operating Budget
- Determine 2023 Annual Income amount and recommend to Council

## April - June 2024

- Quarter 2 Trustee meeting
- Release 2023 Annual Report and audited financials
- May 2024 Trust Annual Membership meeting

## July - September 2024

- Quarter 3 Trustee meeting
- Appoint auditor

## October - December 2024

- Quarter 4 Trustee meeting
- Close Fiscal year 2024



# AUDITED FINANCIAL STATEMENTS



## Independent Auditor's Report

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To the Trustees of Fisher River Cree Nation Community Trust:

### Opinion

We have audited the financial statements of Fisher River Cree Nation Community Trust (the "Trust"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### 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 Financial Statements section of our report. We are independent of the Trust 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

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

### Auditor's Responsibilities for the Audit of the 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.

# AUDITED FINANCIAL STATEMENTS

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust'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 Trust'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 Trust 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Edmonton, Alberta

April 23, 2024

*MNP LLP*

Chartered Professional Accountants

# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Statement of Financial Position

As at December 31, 2023

	Capital Fund	Revenue Fund	2023	2022
<b>Assets</b>				
Cash	21,488	-	21,488	427,800
Portfolio Investments (Note 3)	11,168,664	-	11,168,664	9,787,694
Due (to) from fund - Fund rebalancing	(690,152)	690,152	-	-
Due (to) from fund - Inflation (Note 4)	1,061,405	(1,061,405)	-	-
	11,561,405	(371,253)	11,190,152	10,215,494
<b>Liabilities</b>				
Accounts payable and accruals	-	45,185	45,185	43,801
<b>Net Assets</b>	11,561,405	(416,438)	11,144,967	10,171,693
	11,561,405	(371,253)	11,190,152	10,215,494

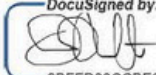
### Approved on behalf of the Trustees

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Suzanne Trottier  
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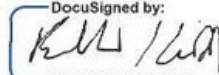
FNB Trust, Corporate Trustee

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Taylor Wilson  
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Taylor Wilson, Community Trustee

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Jeremy Neault, Community Trustee

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Edward Kidd, Community Trustee



# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Statement of Operations and Changes in Net Assets

For the year ended December 31, 2023

	Capital Fund	Revenue Fund	2023	2022
<b>Revenue</b>				
Interest	-	1,653	1,653	6,037
Investment income	-	306,698	306,698	317,244
Unrealized gain (loss) on change in fair value of investments	-	824,860	824,860	(481,995)
	-	1,133,211	1,133,211	(158,714)
<b>Expenses</b>				
Investment management fees	-	97,933	97,933	83,743
Professional trustee fees	-	29,778	29,778	24,803
Audit fees	-	15,015	15,015	16,348
Travel and honoraria	-	13,500	13,500	15,737
Trust membership meeting	-	2,272	2,272	2,500
Communications	-	775	775	1,736
Bank charges	-	664	664	634
Professional development	-	-	-	4,160
	-	159,937	159,937	149,661
<b>Excess (deficiency) of revenue over expenses</b>	-	973,274	973,274	(308,375)
<b>Net assets beginning of year</b>	11,367,891	(1,196,198)	10,171,693	10,480,068
<b>Interfund transfers - inflation protection (Note 4)</b>	193,514	(193,514)	-	-
<b>Net assets (deficit), end of year</b>	11,561,405	(416,438)	11,144,967	10,171,693

# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Statement of Cash Flows

For the year ended December 31, 2023

	Capital Fund	Revenue Fund	2023	2022
<b>Cash provided by (used for) the following activities</b>				
<b>Operating</b>				
Excess (deficiency) of revenue over expenses	-	973,274	973,274	(308,375)
Unrealized (gain) loss on investments	-	(824,860)	(824,860)	481,995
Changes in working capital accounts	-	148,414	148,414	173,620
Accounts payable and accruals	-	1,384	1,384	20,100
	-	149,798	149,798	193,720
<b>Investing</b>				
Investments purchased during the year	(556,110)	-	(556,110)	(10,269,690)
<b>Decrease in cash resources</b>	<b>(556,110)</b>	<b>149,798</b>	<b>(406,312)</b>	<b>(10,075,970)</b>
Cash resources, beginning of year	427,800	-	427,800	10,503,770
Interfund adjustments	149,798	(149,798)	-	-
<b>Cash resources, end of year</b>	<b>21,488</b>	<b>-</b>	<b>21,488</b>	<b>427,800</b>

# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Notes to the Financial Statements

For the year ended December 31, 2023

### 1. Purpose and status

Fisher River Cree Nation ("FRCN") and Her Majesty the Queen in Right of Canada ("Canada") executed a Consent Settlement Order, dated April 23, 2021, with respect to the 1896 Alienation Specific Claim SCT-4002-14 (the "Consent Settlement Order") which secured the long outstanding right to compensation for the failure to ensure the Southeast Addition and Southwest Addition were set aside as reserve. FRCN established the Fisher River Cree Nation Community Trust (the "Trust") to receive the monies settled into the Trust Account for purposes of promoting the long-term benefit of FRCN and its Members. The Fisher River Cree Nation Community Trust Agreement was approved by a Ratification Band Council Resolution and signed by a Board of Trustees dated August 6, 2021 to formally establish the Trust.

The Trustees shall hold and invest the Trust Property, as defined in the Trust Agreement, for the benefit of the Fisher River Cree Nation and will transfer or release Trust Property as directed and authorized by the Trust Agreement.

### 2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the following significant accounting policies:

#### ***Fund accounting***

The Trust follows the restricted fund method of accounting for contributions, and maintains 2 funds:

#### Revenue Fund

The Revenue Fund will pay all operating expenses of the Trust. In addition, each year the Trustees may pay Fisher River Cree Nation the earnings from the Fund, including earnings transferred to the Revenue Fund from the Capital Fund, as the Trustees in their discretion deem appropriate for the Annual Payment, as prescribed in the Trust Agreement.

#### Capital Fund

The Capital Fund holds the Compensation Balance as defined by the Trust Agreement, plus any other monies that may be invested by or on behalf of the beneficiary less any amounts distributed to the beneficiary subject to the conditions in the Trust Agreement.

The Trust monitors the Capital Fund in accordance with the Trust Agreement and requires Trust Property to be invested and held in accordance with the Investment Policy Statement.

Per Article 14.0 of the Trust Agreement, the Trustees shall provide funds from the Trust to the FRCN, in the form of the Annual Payment. Income generated from the Capital Fund shall be transferred to the Revenue Fund and distributed in the form of an Annual Payment to FRCN Income Account for the Permitted Uses as outlined in the Trust Agreement. For presentation purposes, the income is shown as revenue of the revenue fund rather than a due (to) from fund transfer.

#### ***Revenue recognition***

The Trust follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when it is earned and is unrestricted.

#### ***Portfolio investments***

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. All the investments in the Financial statements are recorded at Fair market value.

#### ***Cash***

Cash includes balances with banks.

# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Notes to the Financial Statements

For the year ended December 31, 2023

### 2. Significant accounting policies (Continued from previous page)

#### Financial instruments

The Trust recognizes financial instruments when the Trust becomes party to the contractual provisions of the financial instrument.

#### Related party financial instruments

The Trust initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value.

All other related party financial instruments are measured at cost on initial recognition.

At initial recognition, the Trust may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value. The Trust has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

The Trust subsequently measures investments in equity instruments quoted in an active market and all derivative instruments at fair value.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

#### Financial asset impairment

The Trust assesses impairment of all its financial assets measured at cost or amortized cost. The Trust reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Trust reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

#### Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

### 3. Portfolio investments

Portfolio investments consist of funds managed by various investment managers. The portfolio investments are denominated in Canadian funds.

	2023	2022
Cost	10,809,106	10,269,689
Cumulative unrealized gain (loss)	359,558	(481,995)
	<b>11,168,664</b>	<b>9,787,694</b>

# AUDITED FINANCIAL STATEMENTS

## Fisher River Cree Nation Community Trust Notes to the Financial Statements

For the year ended December 31, 2023

### 3. Portfolio investments (Continued from previous page)

	2023 Fair value	2023 Cost	2023 Fair Value	2022 Cost
Fiera Capital	5,635,852	5,298,453	4,634,717	4,812,152
Beutel Goodman	5,532,812	5,510,653	5,152,977	5,457,537
	<b>11,168,664</b>	<b>10,809,106</b>	<b>9,787,694</b>	<b>10,269,689</b>

### 4. Due (to) from Fund - Inflation

The Trust Agreement states that inflation protection will be calculated and accumulated for the calculation of inflation adjusted income regarding Article 19, General Capital Encroachments. Inflation protection should be returned to the Capital Fund from the Revenue Fund in an effort to protect it from impact of inflation on the purchasing power of the Trust Property.

During the year, \$193,514 (2022 - \$829,055) was transferred from the Revenue Fund to the Capital Fund.

	2023	2022
<b>Accumulated inflation protection hedge</b>		
Balance, beginning of year	867,891	38,836
Current year inflation protection hedge	193,514	829,055
Balance, end of year	<b>1,061,405</b>	867,891
<b>Due (to) from fund</b>		
Due (to) from fund - Fund rebalancing	(690,152)	284,506
Due (to) from fund - Inflation	1,061,405	867,891
	<b>371,253</b>	1,152,397

### 5. Filing of trust returns

The T3 trust return is filed on a cash basis. These financial statements are prepared on an accrual basis.

### 6. Financial instruments

The Trust, as part of its operations, carries a number of financial instruments. It is management's opinion that the Trust is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust enters into transactions to purchase a diversified selection of funds, for which the market price fluctuates.





**Fisher River**  
CREE NATION

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