
BLOODVEIN FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

BLOODVEIN FIRST NATION

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MARCH 31, 2025

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards prescribed for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Chief and Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the consolidated financial statements.

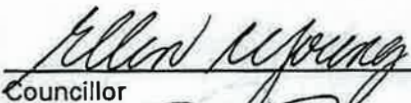
Chief and Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the consolidated financial statements and the external auditor's report.

The external auditors, Baker Tilly HMA LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to the financial management of Bloodvein First Nation and meet when required.


Chief


Councillor

Councillor


Councillor


Councillor

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INDEPENDENT AUDITOR'S REPORT

To the Chief, Council and Membership
Bloodvein First Nation

Opinion

We have audited the consolidated financial statements of Bloodvein First Nation, which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations and accumulated surplus, changes in net debt and cash flows for the year 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 consolidated financial position of Bloodvein First Nation as at March 31, 2025, and its consolidated financial performance and its consolidated 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 Financial Statements section of our report. We are independent of Bloodvein 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 consolidated 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 Bloodvein First Nation'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 Bloodvein First Nation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Bloodvein First Nation's financial reporting process.

(continued.....)

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.

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

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.

Baker Tilly HMA LLP

Chartered Professional Accountants

Winnipeg, Manitoba
February 25, 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MARCH 31

2025

2024

FINANCIAL ASSETS

Cash - unrestricted	\$ 10,892,160	\$ 10,547,130
Restricted cash (Note 4)	2,597,774	3,339,583
Accounts receivable (Note 5)	3,547,922	1,282,925
Long term investments (Note 6)	<u>4,222,847</u>	<u>3,689,421</u>
	<u>21,260,703</u>	<u>18,859,059</u>

LIABILITIES

Accounts payable and accrued liabilities (Note 7)	750,410	1,081,296
Deferred revenue (Note 8)	19,008,688	14,174,955
Long term debt (Note 9)	<u>8,008,414</u>	<u>8,617,328</u>
	<u>27,767,512</u>	<u>23,873,579</u>

NET DEBT	(6,506,809)	(5,014,520)
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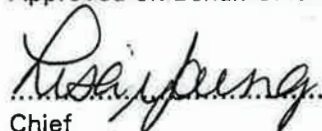
NON-FINANCIAL ASSETS

Tangible capital assets (Note 10)	52,146,842	22,718,922
Construction in progress (Note 11)	2,819,051	30,965,574
Prepaid expenses	<u>140,536</u>	<u>49,417</u>
	<u>55,106,429</u>	<u>53,733,913</u>

ACCUMULATED SURPLUS (Note 12)	\$ <u>48,599,620</u>	\$ <u>48,719,393</u>
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CONTINGENT LIABILITIES (Note 13)

Approved on behalf of Chief and Council:


 Chief


 Councillor


 Councillor


 Councillor

.....
 Councillor

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 5	2 0 2 4
REVENUE			
Indigenous Services Canada (ISC) <i>(Note 14)</i>	\$ 25,237,010	\$ 25,238,451	\$ 23,174,298
Canada Mortgage and Housing Corporation (CMHC)	480,484	589,473	1,397,701
South Beach Casino Limited Partnership - net	1,300,000	1,684,801	1,439,721
Assembly of Manitoba Chiefs - ELCC		1,570,559	247,826
Southeast Resource Development Council Corp.		323,737	838,280
Private funds	242,000	642,313	1,080,333
Province of Manitoba	70,000	70,000	63,000
Rental income	213,121	236,326	383,777
Sales - fuel farm	350,000	437,035	415,379
Norwin Construction Ltd.	204,605	226,587	234,104
Interest income	144,000	532,223	338,440
Canada Post	47,000	40,411	43,396
ISC funding recovery		(177,904)	
Deferred from prior year	14,142,879	14,174,955	10,452,948
Deferred to following year	(11,320,612)	(19,008,688)	(14,174,955)
	<u>31,110,487</u>	<u>26,580,279</u>	<u>25,934,248</u>
EXPENDITURES			
Administration	1,198,267	2,098,150	1,512,836
Capital	694,373	1,807,644	740,585
Economic Development	1,421,351	1,861,753	1,984,935
Education	764,813	370,373	323,198
Employment and Training	249,932	246,079	248,456
First Nation Programs	471,297	730,189	802,127
Health	9,520,501	8,171,377	8,210,234
Housing	6,866,443	3,055,896	1,388,272
Operations and Maintenance	1,464,986	1,781,525	2,276,756
Prevention	4,586,773	4,101,111	2,208,777
Social Assistance	<u>2,365,097</u>	<u>2,475,955</u>	<u>3,215,855</u>
	<u>29,603,833</u>	<u>26,700,052</u>	<u>22,912,031</u>
ANNUAL SURPLUS (DEFICIT)	1,506,654	(119,773)	3,022,217
ACCUMULATED SURPLUS, <i>beginning of year</i>	<u>48,719,393</u>	<u>48,719,393</u>	<u>45,697,176</u>
ACCUMULATED SURPLUS, <i>end of year</i>	<u>\$ 50,226,047</u>	<u>\$ 48,599,620</u>	<u>\$ 48,719,393</u>

CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT

YEAR ENDED MARCH 31

	BUDGET (UNAUDITED)	2 0 2 5	2 0 2 4
Annual surplus (deficit)	\$ <u>1,506,654</u>	\$(<u>119,773</u>)	\$ <u>3,022,217</u>
Acquisition of tangible capital assets	(2,900,000)	(<u>2,931,665</u>)	(2,888,299)
Amortization of tangible capital assets	3,900,000	<u>3,988,266</u>	2,192,687
Acquisition of construction in progress	(<u>2,500,000</u>)	(<u>2,337,998</u>)	(<u>2,286,430</u>)
	(<u>1,500,000</u>)	(<u>1,281,397</u>)	(<u>2,982,042</u>)
Acquisition of prepaid expenses	(140,000)	(<u>140,536</u>)	(49,417)
Use of prepaid expenses	<u>49,000</u>	<u>49,417</u>	<u>60,668</u>
	(<u>91,000</u>)	(<u>91,119</u>)	<u>11,251</u>
CHANGE IN NET DEBT FOR YEAR	(84,346)	(<u>1,492,289</u>)	51,426
NET DEBT, <i>beginning of year</i>	(<u>5,014,520</u>)	(<u>5,014,520</u>)	(<u>5,065,946</u>)
NET DEBT, <i>end of year</i>	\$(<u>5,098,866</u>)	\$(<u>6,506,809</u>)	\$(<u>5,014,520</u>)

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

	2025	2024
CASH FLOW FROM		
<i>OPERATING ACTIVITIES</i>		
Cash received from Indigenous Services Canada (ISC)	\$ 24,212,886	\$ 23,174,298
Cash received from other sources	4,402,703	2,492,970
Cash paid to suppliers	(15,922,143)	(10,050,109)
Cash paid to employees	(6,345,441)	(5,979,449)
Interest on long term debt	(301,874)	(277,836)
Distributions to the community	(564,333)	(483,569)
	<u>5,481,798</u>	<u>8,876,305</u>
<i>INVESTING ACTIVITIES</i>		
Acquisition of tangible capital assets	(2,931,665)	(2,888,299)
Acquisition of construction in progress	(2,337,998)	(2,286,430)
	<u>(5,269,663)</u>	<u>(5,174,729)</u>
<i>FINANCING ACTIVITIES</i>		
Proceeds of long term debt		991,223
Repayment of long term debt	(608,914)	(532,226)
	<u>(608,914)</u>	<u>458,997</u>
NET INCREASE (DECREASE) IN CASH DURING YEAR	(396,779)	4,160,573
CASH, <i>beginning of year</i>	<u>13,886,713</u>	<u>9,726,140</u>
CASH, <i>end of year</i>	<u>\$ 13,489,934</u>	<u>\$ 13,886,713</u>
Cash consists of the following:		
Cash - unrestricted	\$ 10,892,160	\$ 10,547,130
Restricted cash	<u>2,597,774</u>	<u>3,339,583</u>
	<u>\$ 13,489,934</u>	<u>\$ 13,886,713</u>

BLOODVEIN FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

1. NATURE OF OPERATIONS

The Bloodvein First Nation ("the First Nation") is located in the province of Manitoba and provides various services to its members.

The Bloodvein First Nation reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The Bloodvein First Nation ("the First Nation") is located in the province of Manitoba and provides various services to its members.

The Bloodvein First Nation reporting entity includes all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation.

REPORTING ENTITY

The consolidated financial statements report the financial activities of all entities and departments comprising the reporting entity of the First Nation.

PRINCIPLES OF CONSOLIDATION

All entities controlled by the First Nation are fully consolidated on a line-by-line basis except for the commercial enterprises that meet the definition of a government business enterprise, which are included in the consolidated financial statements using the modified equity method of accounting.

These consolidated financial statements combine the assets, liabilities, revenue and expenditures of the following entities and departments:

- Bloodvein First Nation
- Bloodvein First Nation Health Authority
- Bloodvein First Nation Housing Authority

All inter-entity balances have been eliminated on consolidation.

However, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

Incorporated and unincorporated business entities which are owned and controlled by the First Nation but which are not dependent on the First Nation for their continuing operations are included in the consolidated financial statements using the modified equity method of accounting whereby only the First Nation's investment in the government business enterprise and the business enterprise's net income and other changes in equity are recorded.

The enterprise's accounting principles are not adjusted to conform to those of the First Nation.

Entities accounted for by the modified equity method include:

- South Beach Casino Limited Partnership (which includes South Beach Capital Partners Limited Partnership and South Beach Management Services Ltd.)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**MARCH 31, 2025**

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)****ASSET CLASSIFICATION***

Assets are classified as either financial or non-financial.

Financial assets are assets that could be used to discharge existing liabilities or finance future operations.

Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale.

Non-financial assets include tangible capital assets, construction in progress and prepaid expenses.

CASH - UNRESTRICTED

Cash - unrestricted includes cash on hand, balances with banks net of bank overdrafts and short-term investments having a maturity of three months or less at acquisition which are held for the purpose of meeting short term cash commitments.

RESTRICTED CASH

Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

NET DEBT

The First Nation's consolidated financial statements are presented so as to highlight net debt as the measurement of financial position.

The net debt of the First Nation is determined by its liabilities less its financial assets.

Net debt is comprised of two components, non-financial assets and accumulated surplus.

NON-FINANCIAL ASSETS

The First Nation's tangible capital assets and other non-financial assets are accounted for as assets because they can be used to provide government services in future periods.

These assets do not normally provide resources to discharge the liabilities of the First Nation unless they are sold.

LONG-LIVED ASSETS

Long-lived assets consist of tangible capital assets.

Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable.

Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount.

Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value.

Any impairment is included in the statement of operations and accumulated surplus for the year in which the asset becomes impaired.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)**TANGIBLE CAPITAL ASSETS*

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for producing goods or delivering services.

Tangible capital assets acquired are reported at net book value.

Residential buildings acquired under Canada Mortgage and Housing Corporation ("CMHC") sponsored programs are amortized at a rate equivalent to the annual principal reduction in the related long term debt.

Assets under construction are not amortized until the asset is available to be put into service.

Contributions received to assist in the acquisition of tangible capital assets are reported as deferred revenue and amortized at the same rate as the related asset.

Amortization of tangible capital assets is provided for on the declining balance basis at the following annual rates:

Environmental infrastructure	2.50%
Equipment	10.00 - 33.33%
Facilities	2.50 - 5.00%
Transportation infrastructure	2.50%
Vehicles	20.00%

Amortization is computed at one-half of the annual rate in the year of acquisition.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)**REVENUE RECOGNITION*Government Transfers

Government transfers are recognized as revenue when the transfer is authorized and all eligibility criteria are met, except to the extent that funding stipulations give rise to an obligation that meets the definition of a liability. Transfers with stipulations that result in a liability are recorded as deferred revenue on the statement of financial position and are subsequently recognized as revenue in the statement of operations as the liability is settled.

Fees, Rental, Sales and Other Revenue

Revenues are recognized for transactions with performance obligations when or as the performance obligations are satisfied by delivering the promised goods or services to the payor. If a transaction has multiple performance obligations the transaction price is allocated to each distinct good or service based on the stand-alone selling price as the basis of allocation. For transactions without performance obligations, revenues are recognized when the authority to claim or retain an inflow of economic resources and a past transaction or event that gives rise to an asset is present.

The components of hybrid transactions containing those with and without performance obligations are recognized separately. Variable or contingent consideration, concessionary terms and non-cash consideration in the determination of the transaction price, are considered when these elements are present.

For transactions when acting as Principal and with control of the goods or services prior to satisfying the performance obligation to the payor, revenue is recognized on a gross basis. For instances when acting as Agent and is only arranging for the provision of goods or services to a payor on behalf of another party, only the fee or commission, if any, is recognized as revenue.

Refund liabilities are recognized when there is an expectation to refund some or all of the consideration received from a payor.

Taxation

Revenue from taxation is recognized when the tax amount is authorized by Council, a taxable event has occurred, and the amount meets the definition of an asset. Taxes received in advance of the recognition criteria being met are recorded as a liability until the recognition criteria are satisfied.

Voluntary and Non-Reciprocal Contributions

These amounts which are substantially comprised of donations and non-government grants and are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. If there are external restrictions associated with the amount, revenue is recognized when the terms of the restrictions are met.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)**SEGMENTS*

The First Nation conducts its business through eleven reportable segments as identified in Note 17.

These operating segments are established by senior management to facilitate the achievement of the First Nation's long term objectives to aid in resource allocation decisions, and to assess operational performance.

For each segment separately reported, the segment revenue and expenditures represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in the Basis of Presentation and Summary of Significant Accounting Policies.

ASSET RETIREMENT OBLIGATION

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at management's best estimate at the present fair value of the estimated future cash flows required to settle the retirement obligation. In subsequent periods, the liability is adjusted for the accretion of discount and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and the discount accretion is included in determining the results of operations.

*FINANCIAL INSTRUMENTS*Measurement

The First Nation measures all of its financial assets and financial liabilities at cost or amortized cost, except for the following, which are measured at fair value without any adjustment for transaction costs: derivatives, marketable securities in equity instruments that are quoted in an active market and marketable securities that the Nation has elected to measure at fair value. The effective interest rate method is used to determine interest revenue or expenses for financial instruments measured at amortized cost.

Financial assets measured at amortized cost include cash, accounts receivable and federal trust funds. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and long term debt.

No financial assets are measured at fair value.

Transaction costs

Transaction costs attributable to financial instruments measured at fair value are recognized in the Statement of Operations in the period incurred. Transaction costs for financial instruments measured at cost or amortized cost are recognized in the original cost of the instrument

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*Impairment

At the end of each reporting period, management assesses financial assets or groups of financial assets for evidence of objective impairment. An impairment loss is recognized in the Statement of Operations when there is a loss in value that is other than temporary. Future recoveries of impaired financial assets are recognized in the Statement of Operations when received.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of certain revenue and expenditures during the reporting year.

Accounts receivable are stated after estimates as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

Amortization of tangible capital assets is provided for on the declining balance basis.

Asset retirement obligations are estimated based on the present value of the required cost at retirement of specific assets.

Capitalization of labour costs is based on an estimate of the proportionate share of direct labour and overhead labour.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the statement of operations and accumulated surplus in the year in which they become known.

3. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Pronouncement effective for fiscal years beginning on or after April 1, 2026

In December 2022, the PSAB's Conceptual Framework for Financial Reporting in the Public Sector (Conceptual Framework) replaced the conceptual aspects of PS 1000, Financial Statement Concepts, and PS 1100, Financial Statement Objectives. This Conceptual Framework is to be applied prospectively. Consequential amendments arising from the Conceptual Framework have been made to several other Public Sector Standards. Most of the consequential amendments are editorial in nature. However, there are a few consequential amendments where new requirements are introduced. New requirements are accompanied by a new transitional paragraph in the respective affected Section. Earlier adoption is permitted.

In October 2023, the PSAB issued new Section PS 1202, Financial Statement Presentation, which introduces a new reporting model and replaces Section PS 1201, Financial Statement Presentation. Under the new reporting model, the financial statements include a statement of financial position, statement of net financial assets or net financial liabilities, statement of operations, statement of changes in net assets or net liabilities, statement of cash flows, and accompanying notes and schedules. Consequential amendments arising from the new Section have been made to many other Public Sector Standards. Although many of the consequential amendments are editorial in nature, most will change practice in relation to the presentation of financial statements. In addition, some consequential amendments introduce new requirements. Consequential amendments are accompanied by new transitional paragraphs in the affected Sections and Guidelines. Earlier adoption is permitted.

The First Nation is assessing these new requirements and their impact.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

4. RESTRICTED CASH

CAPITAL PROJECTS

Capital projects funding provided by Indigenous Services Canada (ISC) whereby monies are held in a separate joint bank account with a contracted capital projects manager is restricted for project related expenditures as approved by ISC in accordance with the applicable agreement.

CMHC REPLACEMENT RESERVE

Under the terms of the operating agreements with Canada Mortgage and Housing Corporation (CMHC), the replacement reserve is to be credited with an annual allocation of \$80,145 (March 31, 2024 - \$77,445).

The annual replacement reserve allocation for new CMHC housing projects during the year is pro-rated consistent with the interest adjustment date established for the corresponding mortgage.

These funds, along with accumulated interest, must be held in a separate bank account and/or invested in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by CMHC from time to time.

The funds in the account may only be used as approved by CMHC.

Expenditures are charged to accumulated interest first and then to principal.

As of March 31, 2025, the accumulated balance of \$1,072,249 (March 31, 2024 - \$1,059,110) in this reserve was underfunded by \$644,227 (March 31, 2024 - \$636,135) and due from operating.

OTTAWA TRUST FUND

The Ottawa Trust Fund arises from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act.

Capital trust monies are derived from non-renewable resource transactions on the sale of lands or other First Nation tangible capital assets.

Capital trust monies are expended on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Chief and Council.

Revenue trust monies are generated primarily through land-leasing transactions or interest earned on deposits in the Consolidated Revenue Fund of the Government of Canada.

Revenue trust monies are, in most cases, managed and expended under the provisions of Sections 63 to 69 of the Indian Act.

	2 0 2 5	2 0 2 4
Capital Project - Lake Winnipeg School Bundle	\$ 256,557	\$ 246,741
Capital Project - Prevention Building	1,882,265	2,640,933
CMHC Replacement Reserve	427,422	422,374
Ottawa Trust Fund	<u>31,530</u>	<u>29,535</u>
	<u>\$ 2,597,774</u>	<u>\$ 3,339,583</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

5. ACCOUNTS RECEIVABLE

	2 0 2 5	2 0 2 4
Indigenous Services Canada (ISC):		
Band Support Funding	\$	\$ 24,772
CPP/QPP and Pension - FN Employer		3,040
Pension Plan Admin and Non-Stat		1,178
Design - Construction		233,833
Government Development Capacity	152,500	
FNCFS Renovation	134,288	
Capacity Planning Project- Infrastructure	13,197	
Water Systems	13,196	
Education Planning Design and Construction < 1.5 M	13,196	
Firesmart	27,500	27,500
Social - Service Delivery		132,182
Social - Basic Needs	154,000	229,295
Social - Special Needs	422,929	
JP Education Assistance	256,000	
JP Service Coordination	143,205	
JP Cultural Activities	100,000	
MT- CA Driver Salary	42,078	
MT- CA Coordinator Salary	14,027	
MT- CA Vans O&M	13,345	-
	<u>1,499,461</u>	<u>651,800</u>
Assembly of Manitoba Chiefs - ELCC	1,570,559	
Canada Mortgage and Housing Corporation (CMHC)	83,630	72,230
Trade and other	394,272	558,895
	<u>2,048,461</u>	<u>631,125</u>
	<u>\$ 3,547,922</u>	<u>\$ 1,282,925</u>

6. LONG TERM INVESTMENTS

	2 0 2 5	2 0 2 4
South Beach Casino Limited Partnership	<u>\$ 4,222,847</u>	<u>\$ 3,689,421</u>

The First Nation's investment in South Beach Casino Limited Partnership (which includes South Beach Capital Partners Limited Partnership and South Beach Management Services Ltd.) represents a one-seventh ownership that was established for the purpose of operating a casino and hotel on the Brokenhead Ojibway Nation land at Scanterbury, Manitoba.

The investment in this partnership is accounted for in accordance with the modified equity method.

The First Nation's investment in the partnership is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and withdrawals.

Summary information for South Beach Casino Limited Partnership has not been disclosed in the notes to these consolidated financial statements due to its sensitive nature.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2 0 2 5	2 0 2 4
Trade payables and accrued liabilities	\$ 205,652	\$ 354,697
Accrued interest payable	24,447	23,377
Accrued payroll and employee source deductions payable	134,553	109,852
Accrued liabilities - capital projects	384,672	593,370
ISC funding payable	<u>1,086</u>	<u>-</u>
	<u>\$ 750,410</u>	<u>\$ 1,081,296</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

8. DEFERRED REVENUE

	Balance March 31, 2024	Funding received 2025	Revenue recognized 2025	Balance March 31, 2025
Indigenous Services Canada				
IM/IT Gov Cap Dev (IT Assessment and Upgrades)	\$	\$ 32,500	\$	\$ 32,500
Capacity Development - Information Technology	50,000		50,000	
Capacity Development - Financial Management		77,500		77,500
Capacity Development - Membership	30,000		30,000	
Capacity Development - Law Making	42,500			42,500
Cost Capacity Building - Family Law		415,600	18,363	397,237
Capacity Development - HR Policy Review		75,000		75,000
Special Claim Submission		90,000	58,500	31,500
Capital - Planning Project- Infrastructure		131,967	26,877	105,090
Capital - A&C Water Systems (Water Treatment Plant Repair)	109,872		109,872	
Edu Planning Design and Construction < 1.5M		131,967		131,967
Construction - Lake Winnipeg School	320,568	148,862	81,655	387,775
Environmental Site Assessment No. 1	14,453			14,453
Environmental Site Assessment No. 2	54,000			54,000
Economic Development	216,746	44,422	157,133	104,035
Education and Innovation	18,622	12,056	7,085	23,593
Education - O&M	1,253	49,416	50,669	
FN and Inuit - Skills Link Program	31,892	183,629	31,934	183,587
First Nations and Inuit Youth Employment Strategy (IAFNYES)		125,000	87,054	37,946
Summer Work Experience		60,055	49,055	11,000
Health Planning Management	617,319	1,176,782	786,727	1,007,374
Community Health Facilities - Security		339,988	283,318	56,670
Canada Prenatal Nutrition Program (CPNP)		38,635	28,086	10,549
Community Health Representative	27,752	95,454	68,583	54,623
Building Healthy Communities	10,121	112,977	123,098	
Brighter Futures Initiative (BFI)	40,621	134,085	169,120	5,586
National Native Alcohol and Drug Abuse Program (NNADAP)	4,209	130,047	134,256	
Mental Wellness Program		60,025	37,166	22,859

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

8. DEFERRED REVENUE *(continued)*

	Balance March 31, 2024	Funding received 2025	Revenue recognized 2025	Balance March 31, 2025
Mental Wellness Program - NNADAP Land Based		30,723	3,072	27,651
Aboriginal Diabetes Initiative	4,515	75,366	63,778	16,103
Accreditation Services	167,988	40,245	18,745	189,488
Family Violence	17,900	63,000	78,683	2,217
Drinking Water and Wastewater	8,598	17,803	16,824	9,577
Home and Community Care	13,000	502,223	482,998	32,225
Medical Transportation - Client- Insured Services	88,583	53,124	141,707	
Medical Transportation - Administration	57,054	13,804	70,858	
Capital Investments Health Facilities	24,789		24,789	
Jordan's Principal - Service Coordination		143,205		143,205
Jordan's Principle - Education Assistance		359,887	22,246	337,641
Jordan's Principle - Child/Life Necessities		2,268,809	1,531,328	737,481
Jordan's Principle - Allied Health		365,000	242,636	122,364
Jordan's Principle - Mental Wellness	16,849	1,702,915	1,554,204	165,560
Jordan's Principle - Education	138,317	300,000	300,000	138,317
Jordan's Principle - Cultural Activities		1,286,850	877,246	409,604
Jordan's Principle - Respite Care	10,372	356,485	366,857	
Jordan's Principle - Transportation Other		400,000	383,766	16,234
Communicable Disease Control and Management	39,191	32,922	40,253	31,860
HIV/AIDS Prevention Promotion and Education	118,750		57,500	61,250
Immediate Needs Housing (CSM33) - 2024-25		1,725,000		1,725,000
On-Reserve Housing Planning Design and Construction	657,816	393,424	1,051,240	
FNCFS Renovation	942,470	1,342,876	1,204,652	1,080,694
Major Renovations, Extensions and Repairs	488,686		488,686	
Housing Capacity Innovations	47,291		37,976	9,315
Housing Capacity Enhancement		70,000	2,596	67,404
Fire Protection	25,467	28,825	5,078	49,214
Maintenance Management	6,193	44,621	44,477	6,337
Wastewater Systems	314,611	496,191	587,701	223,101
Community Development Infrastructure Plan	25,000			25,000

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

8. DEFERRED REVENUE *(continued)*

	Balance March 31, 2024	Funding received 2025	Revenue recognized 2025	Balance March 31, 2025
Community Service - Community Landfill	102,663		87,482	15,181
Community Service - Community Landfill (O&M)	32,080		32,080	
Capacity Building	169,077	50,000		219,077
Firesmart	13,392			13,392
Social - Basic Needs	1,133,788	2,121,252	2,026,450	1,228,590
Social - Special Needs	19,294	467,929	100,550	386,673
Social - Service Delivery	533,770	349,314	462,994	420,090
Prevention - CFS Prevention (Least Disruptive Measures)	2,379,201	4,038,305	3,260,605	3,156,901
Prevention - FNCFS Capital (Prevention Building)	2,452,304	134,232	590,372	1,996,164
Prevention - CFS FN Representative Services	495,302	457,133	688,380	264,055
Prevention - ISC Operations (CFS)	138,111		138,111	
Prevention - ISC Operations (CFS Emergency)	25,111		25,111	
Prevention - ISC Operations (CFS Poverty)	110,531	-	110,531	-
	<u>12,407,992</u>	<u>23,397,430</u>	<u>19,611,113</u>	<u>16,194,309</u>
Other sources	<u>1,766,963</u>	<u>2,899,118</u>	<u>1,851,702</u>	<u>2,814,379</u>
	<u>\$ 14,174,955</u>	<u>\$ 26,296,548</u>	<u>\$ 21,462,815</u>	<u>\$ 19,008,688</u>

9. LONG TERM DEBT

	2025	2024
CMHC mortgage #19 342 070 001, repayable in monthly installments of \$3,344 including interest at the rate of 2.01%, matures July 2026.	\$ 52,764	\$ 91,420
CMHC mortgage #19 342 070 002, repayable in monthly installments of \$1,724 including interest at the rate of 3.29%, renews September 2027, matures September 2032.	137,396	153,316
CMHC mortgage #19 342 070 003, repayable in monthly installments of \$3,332 including interest at the rate of 3.74%, renews June 2028, matures May 2033.	281,297	310,276
CMHC mortgage #19 342 070 004, repayable in monthly installments of \$2,677 including interest at the rate of 3.30%, renews September 2029, matures July 2034.	257,995	282,308

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

9. LONG TERM DEBT *(continued)*

	2 0 2 5	2 0 2 4
CMHC mortgage #19 342 070 005, repayable in monthly installments of \$3,100 including interest at the rate of 1.57%, renews December 2026, matures July 2036.	386,042	416,947
CMHC mortgage #19 342 070 006, repayable in monthly installments of \$2,587 including interest at the rate of 3.04%, renews June 2027, matures October 2036.	303,062	324,614
CMHC mortgage #19 342 070 007, repayable in monthly installments of \$3,943 including interest at the rate of 3.96%, renews July 2028, matures January 2038.	476,316	504,359
CMHC mortgage #19 342 070 008, repayable in monthly installments of \$2,583 including interest at the rate of 3.63%, renews November 2029, matures November 2039.	352,643	371,583
CMHC mortgage #19 342 070 009, repayable in monthly installments of \$1,504 including interest at the rate of 1.13%, renews June 2026, matures November 2040.	260,398	275,430
CMHC mortgage #19 342 070 010, repayable in monthly installments of \$3,237 including interest at the rate of 1.12%, renews October 2026, matures April 2041.	571,479	603,750
CMHC mortgage #19 342 070 011, repayable in monthly installments of \$2,009 including interest at the rate of 3.12%, renews April 2028, matures April 2043.	333,413	346,981
CMHC mortgage #19 342 070 012, repayable in monthly installments of \$8,215 including interest at the rate of 4.08%, renews May 2029, matures May 2039.	1,061,571	1,117,819
CMHC mortgage #19 342 070 013, repayable in monthly installments of \$4,625 including interest at the rate of 2.87%, renews April 2030, matures April 2040.	696,262	738,912
CMHC mortgage #19 342 070 014, repayable in monthly installments of \$3,452 including interest at the rate of 1.01%, renews August 2026, matures August 2041.	626,461	661,391
CMHC mortgage #26716647, repayable in monthly installments of \$4,769 including interest at the rate of 3.58%, renews January 2029, matures January 2044.	784,782	813,623
First Nations Bank of Canada loan, repayable in monthly installments of \$2,810 plus interest at the rate of prime (4.95%) plus 1.85%, matures May 2037.	410,217	443,934
First Nations Bank of Canada loan, repayable in monthly installments of \$5,089 plus interest at the rate of prime (4.95%) plus 1.85%, matures December 2029.	290,078	344,659
First Nations Bank of Canada loan, repayable in monthly installments of \$2,447 including interest at the rate of 6.80%, renews September 2029, matures September 2034.	190,955	206,458

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

9. LONG TERM DEBT *(continued)*

	2 0 2 5	2 0 2 4
First Nations Bank of Canada loan, repayable in monthly installments of \$1,809 including interest at the rate of 6.80%, renews September 2029, matures September 2034.	141,126	152,584
First Nations Bank of Canada loan, repayable in monthly installments of \$655 plus interest at the rate of prime (4.95%) plus 1.85%, matures September 2033.	66,844	74,708
First Nations Bank of Canada loan, repayable in yearly installments of \$44,400 plus interest at the rate of prime (4.95%) plus 1.85%, matures April 2028.	133,200	177,600
First Nations Bank of Canada loan, repayable in monthly installments of \$1,129 plus interest the rate of prime (4.95%) plus 1.85%, renews July 2029, matures July 2039.	<u>194,113</u>	<u>204,656</u>
	<u>\$ 8,008,414</u>	<u>\$ 8,617,328</u>

CMHC mortgages are secured by a ministerial guarantee from the Minister of Indigenous Services Canada and assignment of fire insurance and are insured by CMHC.

First Nations Bank of Canada loans are secured by a general security agreement, assignment of designated property, Band Council Resolutions authorizing the borrowing and assignment of all risks insurance.

The aggregate of principal payments required within the next five years to meet retirement provisions, assuming long term debt subject to refinancing is renewed, is estimated as follows:

March 31, 2026	\$ 619,614
2027	606,899
2028	607,479
2029	577,539
2030	577,306
Thereafter	<u>5,019,577</u>
	<u>8,008,414</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

10. TANGIBLE CAPITAL ASSETS

	Cost			Accumulated Amortization			Net Book Value	
	Opening Balance	Additions, Adjustments and Disposals	Closing Balance	Opening Balance	Amortization	Closing Balance	Total 2025	Total 2024
CMHC housing	\$ 11,149,912	\$	\$ 11,149,912	\$ 3,671,772	\$ 430,849	\$ 4,102,621	\$ 7,047,291	\$ 7,478,140
Environmental infrastructure	5,671,502		5,671,502	4,747,391	109,438	4,856,829	814,673	924,111
Equipment	1,775,785	346,369	2,122,154	811,960	178,385	990,345	1,131,809	963,825
Facilities	49,177,866	32,444,785	81,622,651	38,616,880	2,657,445	41,274,325	40,348,326	10,560,986
Land	1,716,192		1,716,192	1,023,069	106,972	1,130,041	586,151	693,123
Transportation infrastructure	2,417,273		2,417,273	1,580,871	42,270	1,623,141	794,132	836,402
Vehicles	<u>5,062,015</u>	<u>625,032</u>	<u>5,687,047</u>	<u>3,799,680</u>	<u>462,907</u>	<u>4,262,587</u>	<u>1,424,460</u>	<u>1,262,335</u>
	<u>\$ 76,970,545</u>	<u>\$ 33,416,186</u>	<u>\$ 110,386,731</u>	<u>\$ 54,251,623</u>	<u>\$ 3,988,266</u>	<u>\$ 58,239,889</u>	<u>\$ 52,146,842</u>	<u>\$ 22,718,922</u>

11. CONSTRUCTION IN PROGRESS

	2025	2024
Lake Winnipeg School bundle	\$	\$ 29,415,907
Immediate Needs Housing		518,460
ELCC Daycare	714,103	714,103
FNCFS Capital - Prevention Building	903,348	317,104
CMHC Housing - 1-2 and & 2-3 bed units	549,500	
CMHC Housing - 3-4 bed units	<u>652,100</u>	<u>-</u>
	<u>\$ 2,819,051</u>	<u>\$ 30,965,574</u>

The costs of construction in progress for these projects will be transferred to tangible capital assets upon completion and subsequently amortized accordingly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

12. ACCUMULATED SURPLUS

	2 0 2 5	2 0 2 4
Accumulated surplus from operations	\$ 979,011	\$ 3,209,862
Equity in tangible capital assets and construction in progress	46,548,360	44,450,421
Replacement reserve	<u>1,072,249</u>	<u>1,059,110</u>
	<u>\$ 48,599,620</u>	<u>\$ 48,719,393</u>

13. CONTINGENT LIABILITIES

The First Nation receives funding from various government agencies based on specified program needs and budgets and allocates certain expenses to the various programs.

In many cases the funding agent has the right to review the accounting records to ensure compliance with the terms and conditions of their funding agreements.

At this time, it was not yet determined to what extent any funding amounts related to the fiscal year ended March 31, 2025 might be recovered.

For accounting purposes, any amounts assessed or claims paid will be accounted for in the year of determination.

14. RECONCILIATION OF INDIGENOUS SERVICES CANADA (ISC) REVENUE

	2 0 2 5	2 0 2 4
ISC funding per agreement #2122-MB-000005 (MANITOBA)	\$ <u>25,238,451</u>	\$ <u>23,174,298</u>
Total ISC revenue per financial statements	\$ <u>25,238,451</u>	\$ <u>23,174,298</u>

15. ECONOMIC DEPENDENCE

Bloodvein First Nation receives a majority of its revenue from Indigenous Services Canada (ISC) pursuant to funding arrangements with the Government of Canada.

The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by the funding arrangements.

16. RELATED PARTY TRANSACTIONS

In the normal course of operations, the First Nation enters into transactions with related parties.

Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Due to the significant volume of transactions between the First Nation and its related parties, aggregate revenue and expenditures derived from related party transactions is not determinable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

17. SEGMENTS

The First Nation has eleven reportable segments.

These segments are differentiated by the major activities or services they provide.

The First Nation's segments are as follows:

Administration - activities include the governance function relating to decisions that define expectations, grant power or verify performance consisting of decision-making and leadership processes.

Capital - activities include the planning, managing and delivery of large scale infrastructure and capital projects to the community.

Economic Development - benefits include better access to more and larger businesses and business opportunities both within and beyond the community and a better economic environment.

Education - activities include overseeing many aspects of educational opportunities for community members at all levels of learning both within the community and externally.

Employment and Training - activities include the delivery of culturally sensitive employment services to assist community members in identifying and overcoming potential barriers to employment and to find and maintain meaningful employment.

Prevention - activities include the delivery of programs to ensure the safety, well-being, and cultural connection of children by supporting families, providing prevention services, and intervening when necessary to protect children.

First Nation Programs - activities include the management and expenditure of revenue generated within the community.

Health - activities include the delivery of programs to promote community health and to address environmental issues and non-insured health benefits.

Housing - activities include the provision of residential housing opportunities for community members.

Operations and Maintenance - activities include the development and maintenance of the community's infrastructure, buildings, roads, bridges and related equipment and the provision of other more specialized community services.

Social Assistance - activities include satisfying the economic, social or health related needs of community members who require assistance.

18. BUDGET INFORMATION

The disclosed budget information has been approved by Chief and Council of Bloodvein First Nation.

The budget figures have not been audited, reviewed or otherwise verified and consequently we do not express an opinion on those figures.

19. COMPARATIVE FIGURES

Certain prior year comparative figures have been reclassified where necessary to conform to the financial statement presentation adopted for the current year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

20. FINANCIAL INSTRUMENTS

Management of risks arising from financial instruments

Bloodvein First Nation's principal financial liabilities comprise of trade and other payables, loans and borrowings. The main purpose of these financial liabilities to finance and support Bloodvein's operations. Bloodvein has trade and other receivables, cash, and restricted cash that are derived directly from its operations. It also holds deposits and investments in government business partnerships as part of its investing activities.

Bloodvein's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including interest risk) and fair value risk. Bloodvein's overall management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on Bloodvein's financial performance. Risk management is the responsibility of the financial management team who have the appropriate skills, experience, and supervision. The financial management team identify, evaluate, and, where appropriate, mitigate financial risks. Material risks are monitored and are discussed regularly with Chief and Council.

The risks associated with Bloodvein's financial instruments are as follows:

CREDIT RISK

Credit risk arises from the potential that a counter party will fail to perform its obligations.

Bloodvein is exposed to credit risk from the possibility that parties may default on their financial obligations, or if the government fails to meet its obligations in accordance with agreed terms. Bloodvein considers a financial asset in default when internal or external information indicates that it is unlikely to receive the outstanding contractual amounts in full. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Cash and cash equivalents, restricted cash, and portfolio investments are subject to credit risk however it is substantially reduced from these assets being held by low-risk institutions such as governments, and high-credit quality financial institutions that have been graded by third party agencies.

The credit risk associated with balances outstanding is minimized as the larger part of the balances would be from Provincial and Federal government funding, Bloodvein partners, and parties that sustain a good relationship with the organization. Security arrangements to secure funding are also arranged through multi year agreements between the government and Bloodvein. Additionally, accounts receivable is measured at amortized cost and analyzed by means of aging analysis. The maximum exposure to credit risk is represented by the carrying value of financial assets in the balance sheet.

LIQUIDITY RISK

Liquidity risk is the risk that Bloodvein will not be able to provide sufficient cash and cash equivalents to meet its financial obligations when they come due. Bloodvein meets its liquidity requirements by preparing cash flows from operations, anticipating investing and financing activities, and holding assets that can be readily converted into cash. As of year-end March 31, 2025, Bloodvein does not have sufficient assets from cash and cash equivalents, accounts receivable and investments to cover the total outstanding accounts payable, deferred revenue, and demand loan payable, respectively. Bloodvein has investments that are not readily convertible into cash, as well as no credit facilities available to meet temporary fluctuations in cash requirements. To address the potential liquidity risk, management is actively working with evaluating new economic development initiatives.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

20. FINANCIAL INSTRUMENTS *(continued)**MARKET RISK*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is composed of currency risk, interest rate risk, and equity price risk.

FOREIGN CURRENCY RISK

Foreign currency risk refers to the changes in cash flows or fair values as a result of fluctuations in the value of various foreign currencies and exposure. The functional currency of Bloodvein is the Canadian Dollar. Bloodvein First Nation does not engage in significant foreign currency transactions, nor does it hold any foreign investments; therefore, foreign currency risk is minimal and Bloodvein has not entered into any foreign exchange hedging contracts.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Bloodvein's exposure to rate risk primarily stems from holdings of debt instruments with a variable rate component.

EQUITY RISK

Equity price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market price of equity instruments. Bloodvein has investments in government business partnerships that are accounted for using the equity method however, equity price risk is minimal as these are privately held entities.

FAIR VALUE

The First Nation accounts for its portfolio investments at fair value. Financial instruments reported at fair value are then categorized under a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The three levels of the fair value hierarchy are as follows:

- Level 1 - Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that management has the ability to access at the measurement date
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 - Inputs that are not observable. There is little if any market activity. Inputs into the determination of fair value require significant judgement or estimation.

All financial instruments accounted for at fair value on the statement of financial position are Level 1.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

21. EXPENDITURES BY OBJECT

	2 0 2 5	2 0 2 4
Amortization	\$ 3,988,266	\$ 2,192,687
Community events and cultural activities	1,566,298	1,329,137
Contract services	2,150,996	1,550,065
Hydro	641,199	1,098,530
Insurance	449,884	363,810
Interest and bank charges	301,874	277,836
Member distribution	564,333	483,569
Professional fees	574,690	349,773
Purchased goods and services	1,843,578	1,477,921
Repairs and maintenance	2,179,705	1,308,174
Salaries, wages, and benefits	6,370,142	5,976,949
Social assistance	2,763,385	2,790,229
Supplies	2,075,630	2,633,457
Training and workshops	201,285	189,491
Travel	1,028,787	890,403
	<u>26,700,052</u>	<u>22,912,031</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

22. SEGMENT DISCLOSURE

Bloodvein First Nation provides a range of services to its community members. For management reporting purposes, operations and activities are reported by department. For each segment separately reported, the segment revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The presentation by segment is based on the same accounting policies as described in the Basis of Presentation and Summary of Significant Accounting Policies as described in Note 2. The segment results for the year are as follows:

	Administration		Capital		Economic Development		Education		Employment and Training	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue:										
Federal Government										
ISC	\$ 1,243,576	\$ 727,691	\$ 2,120,900	\$ 395,900	\$ -	\$ -	\$ 61,469	\$ 61,469	\$ 368,684	\$ 88,524
CMHC	-	-	-	-	-	-	-	-	-	-
Subtotal	1,243,576	727,691	2,120,900	395,900	-	-	61,469	61,469	368,684	88,524
Other revenue	245,376	221,183	148,862	95,098	2,236,319	2,476,577	1,570,563	247,826	282,622	203,980
ISC funding recovery									(1,086)	
Deferred from prior year	122,500		523,681	832,129	216,746	256,105	698,635	1,202,211	31,892	178,540
Deferred to following year	(656,236)	(122,500)	(2,418,284)	(498,892)	(104,035)	(216,746)	(2,241,007)	(698,635)	(436,033)	(31,892)
Total revenue	955,216	826,374	375,159	824,235	2,349,030	2,515,936	89,660	812,871	246,079	439,152
Expenditures:										
Amortization	962,123	757,442	1,538,929	64,051	477,308	427,736	253,431	253,431		
Interest on long term debt	6,764	10,565			1,076		8,097	6,154		
Salaries, wages, and benefits	363,099	269,797			191,602	271,674	944		246,079	239,872
Other	766,164	475,032	268,715	676,534	1,191,766	1,285,525	107,900	63,613	-	8,584
Total expenditures	2,098,150	1,512,836	1,807,644	740,585	1,861,752	1,984,935	370,372	323,198	246,079	248,456
Annual Surplus (Deficit)	\$(1,142,934)	\$(686,462)	\$(1,432,485)	\$ 83,650	\$ 487,278	\$ 531,001	\$(280,712)	\$ 489,673	\$ -	\$ 190,696

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

22. SEGMENT DISCLOSURE (continued)

	First Nation Programs		Health		Housing		Operations and Maintenance	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Revenue:								
Federal Government								
ISC	\$	\$	\$ 10,365,249	\$ 7,964,383	\$ 2,081,300	\$ 1,675,138	\$ 1,441,949	\$ 1,573,306
CMHC	-	-	-	-	589,473	1,397,701	-	-
Subtotal			10,365,249	7,964,383	2,670,773	3,072,839	1,441,949	1,573,306
Other revenue	767,100	687,311	91,682	603,614	341,132	397,627		47,050
ISC funding recovery			(176,818)					
Deferred from prior year			1,516,647	2,008,806	3,088,963	1,862,875	688,482	1,222,756
Deferred to following year	-	-	(3,679,285)	(1,541,436)	(1,470,032)	(3,088,963)	(551,302)	(688,482)
Total revenue	<u>767,100</u>	<u>687,311</u>	<u>8,117,475</u>	<u>9,035,367</u>	<u>4,630,836</u>	<u>2,244,378</u>	<u>1,579,129</u>	<u>2,154,630</u>
Expenditures:								
Amortization			271,086	226,414	430,849	409,073	54,540	54,540
Interest on long term debt	97,620	59,368			173,878	184,180	14,439	17,569
Salaries, wages, and benefits	204,415	171,027	3,432,171	3,165,940	55,860	95,439	454,850	471,008
Other	<u>427,023</u>	<u>571,732</u>	<u>4,469,254</u>	<u>4,817,880</u>	<u>2,395,308</u>	<u>699,580</u>	<u>1,257,696</u>	<u>1,733,639</u>
Total expenditures	<u>729,058</u>	<u>802,127</u>	<u>8,172,511</u>	<u>8,210,234</u>	<u>3,055,895</u>	<u>1,388,272</u>	<u>1,781,525</u>	<u>2,276,756</u>
Annual Surplus (Deficit)	<u>\$ 38,042</u>	<u>\$ (114,816)</u>	<u>\$ (55,036)</u>	<u>\$ 825,133</u>	<u>\$ 1,574,941</u>	<u>\$ 856,106</u>	<u>\$ (202,396)</u>	<u>\$ (122,126)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

22. SEGMENT DISCLOSURE (continued)

	Prevention		Social Assistance		TOTAL	
	2025	2024	2025	2024	2025	2024
Revenue:						
Federal Government						
ISC	\$ 4,549,334	\$ 7,196,581	\$ 3,005,990	\$ 3,491,306	\$ 25,238,451	\$ 23,174,298
CMHC	-	-	-	-	589,473	1,397,701
Subtotal	4,549,334	7,196,581	3,005,990	3,491,306	25,827,924	24,571,999
Other revenue	80,336	103,990			5,763,992	5,084,256
ISC funding recovery					(177,904)	
Deferred from prior year	5,600,558	1,457,312	1,686,851	1,432,214	14,174,955	10,452,948
Deferred to following year	(5,417,121)	(5,600,558)	(2,035,353)	(1,686,851)	(19,008,688)	(14,174,955)
Total revenue	4,813,107	3,157,325	2,657,488	3,236,669	26,580,279	25,934,248
Expenditures:						
Amortization					3,988,266	2,192,687
Interest on long term debt					301,874	277,836
Salaries, wages, and benefits	1,107,027	1,035,904	314,095	256,288	6,370,142	5,976,949
Other	2,994,084	1,172,873	2,161,860	2,959,567	16,039,770	14,464,559
Total expenditures	4,101,111	2,208,777	2,475,955	3,215,855	26,700,052	22,912,031
Annual Surplus (Deficit)	\$ 711,996	\$ 948,548	\$ 181,533	\$ 20,814	\$ (119,773)	\$ 3,022,217