

WOODSTOCK FIRST NATION

CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

WOODSTOCK FIRST NATION
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024

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WOODSTOCK FIRST NATION

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

MARCH 31, 2024

The accompanying consolidated financial statements are the responsibility of management. The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and necessarily include estimates which are based on management's best judgments.

Management is also responsible for implementing and maintaining a system of internal controls designed to give reasonable assurance that transactions are appropriately authorized, assets are safeguarded from loss and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The consolidated financial statements have been reviewed and approved by Chief and Council.

Lenehan McCain & Associates, an independent firm of accountants, has been engaged to examine the consolidated financial statements in accordance with Canadian generally accepted auditing standards. Their report stating the scope of their examination and opinion on the consolidated financial statements, follows.

Chief



Date



Councillor



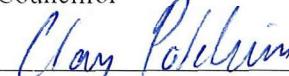
Councillor



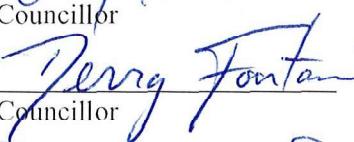
Councillor



Councillor



Councillor



Councillor



Councillor

Councillor

Independent Auditor's Report

To the Council and Members of
Woodstock First Nation

Opinion

We have audited the consolidated financial statements of Woodstock First Nation, which comprise the consolidated statement of financial position as at March 31, 2024, and the consolidated statements of operations and accumulated surplus, change in net financial assets (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 the First Nation as at March 31, 2024, and its consolidated results of operations 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 Consolidated Financial Statements section of our report. We are independent of the First Nation in accordance with the ethical requirements that are relevant to our audit of the consolidated 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.

This audit was conducted for the purpose of forming an opinion on the basic financial statements of the First Nation taken as a whole. The supplementary information included on the schedules on pages 19 - 28 is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Responsibilities of Management and Those Charged with Governance for the Consolidated 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 the 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.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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:

Independent Auditor's Report, continued

- ◆ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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 First Nation's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the First Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the First Nation to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ◆ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

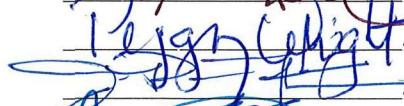
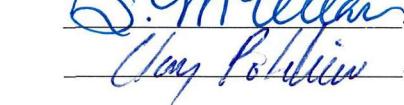
Chartered Professional Accountants

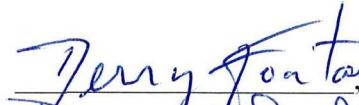
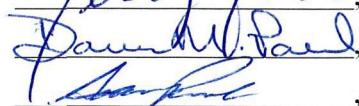
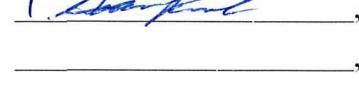
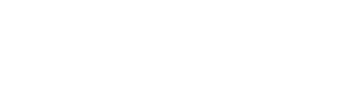
Woodstock, New Brunswick
November 13, 2024

WOODSTOCK FIRST NATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
MARCH 31, 2024

| | <u>2024</u> | <u>2023</u> |
|---|----------------------|----------------------|
| Financial Assets | | |
| Cash (Note 2) | \$ 191,777 | \$ 9,027,312 |
| Restricted cash (Note 2) | 510,922 | 510,922 |
| Accounts receivable (Note 3) | 1,581,621 | 1,517,691 |
| Due from government and government organizations (Note 4) | 7,400,504 | 9,078,950 |
| Federal trust funds (Note 5) | 3,884 | 3,756 |
| Inventory (Note 6) | 1,057,442 | 804,803 |
| | 10,746,150 | 20,943,434 |
| Liabilities | | |
| Accounts payable (Note 7) | 5,030,631 | 3,797,192 |
| Contribution funding repayable to ISC (Note 8) | - | 31,087 |
| Deferred revenue (Note 9) | 5,344,154 | 6,338,023 |
| Long-term debt (Note 10) | 8,432,513 | 8,513,564 |
| | 18,807,298 | 18,679,866 |
| Net financial assets (debt) | (8,061,148) | 2,263,568 |
| Non-financial Assets | | |
| Tangible capital assets (Note 12) | 47,283,651 | 41,178,901 |
| Prepaid expenses (Note 13) | 1,236,842 | 1,109,365 |
| | 48,520,493 | 42,288,266 |
| Accumulated Surplus | \$ 40,459,345 | \$ 44,551,834 |

Approved on behalf of the Woodstock First Nation

, Chief
, Councillor
, Councillor
, Councillor
, Councillor
, Councillor

, Councillor
, Councillor
, Councillor
, Councillor
, Councillor

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (DEBT)

FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual |
|---|-----------------------|-----------------------|---------------------|
| Surplus (deficit) | \$ (1,600,000) | \$ (4,092,489) | \$ 8,942,454 |
| Acquisition of tangible capital assets | - | (8,860,788) | (7,084,916) |
| Amortization of tangible capital assets | 2,500,000 | 2,756,037 | 2,515,223 |
| | 2,500,000 | (6,104,750) | (4,569,693) |
| Decrease (increase) of prepaid assets | (127,477) | (127,477) | 45,381 |
| Increase in net financial assets | 772,523 | (10,324,716) | 4,418,142 |
| Net debt at beginning of year | 2,263,568 | 2,263,568 | (2,154,574) |
| Net assets (debt) at end of year | \$ 3,036,091 | \$ (8,061,148) | \$ 2,263,568 |

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION

CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 Budget | 2024 Actual | 2023 Actual |
|---|----------------------|----------------------|----------------------|
| Revenue | | | |
| Federal Government: | | | |
| Indigenous Services Canada | \$ 7,845,000 | \$ 9,938,367 | \$ 8,989,435 |
| Health Canada | 1,200,000 | 1,199,098 | 1,242,292 |
| Service Canada | 575,000 | 587,528 | 667,299 |
| Department of Fisheries and Oceans | 270,000 | 266,009 | 268,975 |
| Canada Mortgage and Housing Corporation | 125,000 | 399,750 | 126,048 |
| ISC late funding adjustment 22/23 year | - | (201,937) | 471,539 |
| Economic Activities | 49,290,000 | 45,835,062 | 54,045,777 |
| Provincial Government | 670,000 | 1,001,233 | 4,346,420 |
| Rental Income | 200,000 | 180,480 | 215,980 |
| Royalties | 110,000 | 106,918 | 118,070 |
| Other Revenue | 85,000 | 710,453 | 762,915 |
| Deferred revenue, opening | 6,338,023 | 6,338,023 | 14,641,043 |
| Deferred revenue, closing | (3,785,000) | (5,344,154) | (6,338,023) |
| | 62,923,023 | 61,016,830 | 79,557,770 |
| Expenditures | | | |
| General Administration | 1,684,146 | 5,992,001 | 6,013,148 |
| Health | 1,282,820 | 1,311,006 | 1,380,891 |
| Operations & Maintenance | 850,000 | 1,547,172 | 1,446,007 |
| Capital | 3,043,919 | 955,454 | 1,258,145 |
| Education | 3,150,000 | 3,076,486 | 3,532,324 |
| Fisheries | 1,660,000 | 2,319,187 | 2,116,592 |
| Economic Development | 46,300,000 | 42,493,580 | 48,682,094 |
| Social Assistance | 1,190,000 | 1,193,139 | 1,049,659 |
| Child and Family Services | 2,042,138 | 2,442,414 | 1,775,915 |
| Forestry | 820,000 | 1,022,843 | 845,318 |
| | 62,023,023 | 62,353,282 | 68,100,093 |
| Surplus (deficit) before other expense | 900,000 | (1,336,452) | 11,457,677 |
| Other expense | | | |
| Amortization | (2,500,000) | (2,756,037) | (2,515,223) |
| Surplus (deficit) | (1,600,000) | (4,092,489) | 8,942,454 |
| Accumulated surplus at beginning of year | 44,551,834 | 44,551,834 | 35,609,380 |
| Accumulated surplus at end of year | \$ 42,951,834 | \$ 40,459,345 | \$ 44,551,834 |

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2024

| | 2024 | 2023 |
|---|--------------------|---------------------|
| Cash flows from | | |
| Operating activities | | |
| Surplus (deficit) | \$ (4,092,489) | \$ 8,942,454 |
| Items not affecting cash | | |
| Amortization expense | 2,756,037 | 2,515,223 |
| | (1,336,452) | 11,457,677 |
| Change in non-cash operating working capital | | |
| Accounts receivable | (63,930) | (165,272) |
| A/R Gov't and Gov't organizations | 1,678,446 | 3,307,381 |
| Inventory | (252,639) | 24,745 |
| Prepaid expenses | (127,477) | 45,381 |
| Accounts payable | 1,233,439 | 1,326,794 |
| Increase in trust funds | (128) | (113) |
| Deferred revenue increase (decrease) | (993,869) | (8,303,020) |
| Contribution funding repayable to ISC | (31,087) | - |
| | 106,303 | 7,693,573 |
| Capital activities | | |
| Acquisition of tangible capital assets | (8,860,788) | (7,084,916) |
| Financing activities | | |
| Proceeds from long term debt | 398,360 | - |
| Repayment of long term debt | (479,410) | (471,180) |
| | (81,050) | (471,180) |
| Increase in cash and cash equivalents | (8,835,535) | 137,477 |
| Cash and cash equivalents, beginning of year | 9,538,234 | 9,400,757 |
| Cash and cash equivalents, end of year | \$ 702,699 | \$ 9,538,234 |
| Represented by | | |
| Cash | \$ 191,777 | \$ 9,027,312 |
| Restricted cash | 510,922 | 510,922 |
| | \$ 702,699 | \$ 9,538,234 |

The accompanying notes are an integral part of the financial statements

WOODSTOCK FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. Basis of Presentation and Significant Accounting Policies

These financial statements are prepared in accordance with Canadian public sector accounting standards for governments as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(a) Reporting entity

The Woodstock First Nation reporting entity includes the Woodstock First Nation government, the Woodstock First Nation Economic Development Corporation, and all related entities which are accountable to the First Nation and are either owned or controlled by the First Nation. The Woodstock First Nation Economic Development Corporation includes the Eagle's Nest and three retail fuel operations.

(b) Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis.

Programs consolidated in Woodstock First Nation's financial statements include:

1. General Administration
2. Health
3. Operations and Maintenance
4. Capital
5. Education
6. Fisheries
7. Social Assistance
8. Forestry
9. Child and Family Services
10. Woodstock First Nation Economic Development Corp.

(c) Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or to 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, prepaid expenses and inventory of supplies.

(d) Cash and cash equivalents

The Woodstock First Nation considers cash on hand, short-term deposits and balances with banks, net of overdrafts as cash or cash equivalents.

WOODSTOCK FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

1. Basis of Presentation and Significant Accounting Policies, continued

(e) Accounts Receivable

Accounts receivable arise from trade receivables, loan and advances, and funding partner organizations. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

(f) Inventory

Inventory is recorded at the lower of cost and net realizable value. Cost is determined on the FIFO basis. Net realizable value is the estimated selling price in the normal course of business.

(g) Tangible capital assets

Tangible capital assets include acquired, constructed, 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 are reported at net book value.

Amortization is provided annually using the declining balance method, at rates calculated to expense the assets over their estimated useful lives as follows:

| | |
|---------------------------------------|-----------------------|
| Land improvements | 8% Declining balance |
| Buildings | 4% Declining balance |
| Automotive equipment | 30% Declining balance |
| Computer equipment | 55% Declining balance |
| Furniture and equipment | 20% Declining balance |
| Equipment (including fishing vessels) | 20% Declining balance |
| Wastewater treatment plant | 5% Declining balance |
| Storm Water Project | 10% Declining balance |
| Well Upgrades | 10% Declining balance |

(h) Net Debt/Assets

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

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024

1. Basis of Presentation and Significant Accounting Policies, continued

(i) Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

(j) Expense Recognition

Expenses are recorded on the accrual basis as they are incurred and measurable based on receipt of goods or services and obligations to pay.

(k) Income Taxes

The First Nation is an Indian Band and is not subject to income tax. Accordingly, no provision has been made for income taxes.

(l) Measurement uncertainty

In preparing the consolidated financial statements of Woodstock First Nation, management is required 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 consolidated financial statements and the reported amounts of revenue and expenses during the period. Items requiring the use of significant estimates include determination of amortization rates and residual values of tangible capital assets as well as provision for uncollectible accounts receivable. Actual results could differ from these estimates.

(m) Financial instruments

All significant financial assets, financial liabilities and equity instruments of the entity are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024

2. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation, Woodstock First Nation must set aside funds annually for the repair, maintenance and replacement of certain housing assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Replacement Reserve Fund. Cash and cash equivalents is comprised of the following:

| | 2024 | 2023 |
|--------------------------|--------------------------|----------------------------|
| Unrestricted Cash | | |
| Operating | \$ 191,777 | \$ 9,027,312 |
| Restricted cash | | |
| CMHC replacement reserve | <u>510,922</u> | <u>510,922</u> |
| | <u><u>\$ 702,699</u></u> | <u><u>\$ 9,538,234</u></u> |

3. Accounts receivable

| | 2024 | 2023 |
|---------------------------|----------------------------|----------------------------|
| Trade accounts receivable | \$ 1,260,049 | \$ 1,260,699 |
| Payroll advances | <u>321,572</u> | <u>256,992</u> |
| Total | <u><u>\$ 1,581,621</u></u> | <u><u>\$ 1,517,691</u></u> |

4. Due from government and government organizations

| | 2024 | 2023 |
|--|----------------------------|----------------------------|
| Indigenous Services Canada | \$ 6,431,064 | \$ 7,392,386 |
| ISC late funding adjustment 22/23 year | - | 471,539 |
| Health Canada | <u>75,806</u> | - |
| Department of Fisheries and Oceans | <u>408,236</u> | 403,876 |
| Province of New Brunswick | <u>347,456</u> | 650,239 |
| Government remittances | <u>137,942</u> | 160,910 |
| | <u><u>\$ 7,400,504</u></u> | <u><u>\$ 9,078,950</u></u> |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024

5. Trust funds held by federal government

| | Opening Balance | Additions | March 31, 2024 |
|---------|--------------------|-----------|-------------------|
| Revenue | \$ 3,576 | \$ 128 | 3,704 |
| Capital | 180 | - | 180 |
| | <hr/> | <hr/> | <hr/> |
| | \$ 3,756 | \$ 128 | 3,884 |

6. Inventories for Resale

| | 2024 | 2023 |
|------------------------------|---------------------|-------------------|
| Maliseet Fuels 1 | \$ 275,311 | \$ 199,845 |
| Maliseet Fuels 2 | 263,948 | 286,386 |
| Cardlock | 431,197 | 183,667 |
| Eagle's Nest | 43,826 | 47,064 |
| WFN Cannabis | 43,160 | 87,841 |
| | <hr/> | <hr/> |
| Total Inventories for Resale | \$ 1,057,442 | \$ 804,803 |

7. Accounts payable

| | 2024 | 2023 |
|--|---------------------|---------------------|
| Trade payables | \$ 1,433,098 | \$ 1,216,293 |
| Accrued salaries and employee benefits payable | - | 49,124 |
| Minister of Finance-tuition | 2,802,343 | 1,777,745 |
| Receiver General-HST | 795,190 | 754,030 |
| | <hr/> | <hr/> |
| Total | \$ 5,030,631 | \$ 3,797,192 |

8. Contribution funding repayable to ISC

| | 2024 | 2023 |
|----------------------------------|------|-------------|
| Admin & Support - Estates (NPJ0) | \$ - | \$ (31,087) |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2024

9. Deferred Revenue

| | 2024 | 2023 |
|--|---------------------|--------------|
| ISC-Q3TO OSR replacement Covid-19 | \$ - | \$ 500,000 |
| Health Canada-Q3OO Capital Investment (isolation bunker) | 28,987 | 76,135 |
| Health Canada-Q3U1 FNIHB-FES2020-Vent-HF | - | 6,685 |
| ISC-Q2C3 CFS Prevention | 762,450 | 550,000 |
| ISC-Q2BY Maintenance-Foster Homes | 117,138 | 117,138 |
| ISC-Q35N FNWWAP-WATER->1.5M | 3,842,348 | 4,440,919 |
| QA1U-001 FNCFS Renovation | 196,708 | - |
| ISC-Q32N Comprehensive Community Plan | - | 29,566 |
| Q28N-001 FN SCH Targeted HCSE | 70,591 | - |
| Q24C-001 Block P&P school formula | 215,914 | - |
| ISC-Q3X7 Water-Over \$1.5M | - | 603,000 |
| ISC-Q3VT Comm Support Readiness Prg | - | 14,580 |
| CMHC-RRAP funding | 95,018 | - |
| CMHC-housing table funding | 15,000 | - |
| | \$ 5,344,154 | \$ 6,338,023 |

WOODSTOCK FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2024

10. Long-term debt

| | 2024 | 2023 |
|---|--------------------------|--------------------------|
| Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$5,135 plus interest, due February 2046. | \$ 1,288,912 | \$ 1,351,333 |
| Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$20,000 plus interest, due July 2045. | 5,120,000 | 5,365,287 |
| Canadian Imperial Bank of Commerce Prime plus 1.5% loan, repayable in monthly installments of \$3,417 plus interest, due December 2027. | 150,333 | 191,978 |
| Canadian Imperial Bank of Commerce 2.18% loan, repayable in monthly installments of \$452 including interest, due January 2028. | 19,944 | 24,880 |
| Canadian Imperial Bank of Commerce Prime plus 0.5% loan, repayable in monthly installments of \$2,000 plus interest, due February 2046. | 526,000 | 550,759 |
| Canada Mortgage and Housing Corporation Various mortgages at interest rates from 0.68% to 3.84%, repayable in blended monthly installments ranging from \$224 to \$1,597, guaranteed by the Minister of Indigenous Canada. These loans are related to CMHC housing projects and have varying repayment terms and maturity dates. | 1,263,605 | 997,660 |
| Ford Credit Canada 8.77% lease, repayable in monthly installments of \$1,632 including interest, due Dec 2024. | 14,166 | 31,667 |
| Ford Credit Canada 2.53% lease, repayable in monthly installments of \$924 including interest, due Dec 2028. | 49,553 | - |
| Current portion | <hr/> 8,432,513 | <hr/> 8,513,564 |
| | <hr/> 483,197 | <hr/> 476,986 |
| | <hr/> <hr/> \$ 7,949,316 | <hr/> <hr/> \$ 8,036,578 |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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10. Long-term debt, continued

Principal portion of long-term debt due within the next five years:

| | |
|---------------------|------------------|
| 2025 | \$ 483,197 |
| 2026 | 467,666 |
| 2027 | 467,086 |
| 2028 | 467,650 |
| 2029 and thereafter | <u>6,546,914</u> |
| | <hr/> |
| | \$ 8,432,513 |

11. Contingent Liabilities

Woodstock First Nation has entered into contribution agreements with various federal government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of the agreements. The likelihood of compliance reviews and any potential findings are not determinable as at the date on the auditor's report.

In the normal course of operations, the First Nation becomes involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occurs or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense is recorded on the First Nation's financial statements. When the future event and/or ability to estimate involves more uncertainty, the action or claim is considered a contingent liability.

Woodstock First Nation entered into a limited partnership with Wisokolamson Energy LP. The nature of this partnership is constructing, maintaining, and operating a wind power generation facility in Albert County, NB. Woodstock First Nation will receive annually, \$100,000 or 2.4% of the income earned in the previous calendar year, whichever is greater.

As part of this partnership, potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded on Woodstock First Nation's financial statements.

As at the independent auditor's report date, no liability or expense is recorded nor anticipated.

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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12. Tangible Capital Assets

| | Cost | Additions | Accumulated amortization | 2024 Net book value |
|-------------------------------------|----------------------|---------------------|-----------------------------|---------------------------|
| Land | \$ 1,922,076 | \$ - | \$ - | \$ 1,922,076 |
| Buildings | 32,909,337 | 5,519,179 | 10,261,436 | 28,167,080 |
| Automotive equipment | 1,962,152 | 63,713 | 1,723,346 | 302,519 |
| Computer equipment | 158,358 | 2,276 | 154,757 | 5,876 |
| Furniture & Fixtures | 352,893 | - | 303,734 | 49,159 |
| Equipment | 5,418,191 | (190,744) | 4,377,064 | 850,383 |
| Wastewater treatment plant | 1,081,625 | 598,572 | 803,648 | 876,549 |
| Storm Water project | 5,879,373 | - | 1,955,306 | 3,924,067 |
| Well upgrades | 3,435,697 | - | 2,198,137 | 1,237,560 |
| Land improvements (new subdivision) | 9,634,732 | 2,867,793 | 2,554,140 | 9,948,385 |
| | \$ 62,754,434 | \$ 8,860,789 | \$ 24,331,568 | \$ 47,283,654 |
| | Cost | Additions | Accumulated amortization | 2023 Net book value |
| Land | \$ 1,922,076 | \$ - | \$ - | \$ 1,922,076 |
| Buildings | 29,756,667 | 3,152,669 | 9,210,086 | 23,699,251 |
| Automotive equipment | 1,766,841 | 195,310 | 1,573,919 | 388,233 |
| Computer equipment | 158,358 | - | 148,965 | 9,393 |
| Furniture & Fixtures | 323,774 | 29,119 | 291,444 | 61,449 |
| Equipment | 4,799,426 | 618,765 | 4,163,538 | 1,254,653 |
| Wastewater treatment plant | 1,081,625 | - | 789,018 | 292,607 |
| Storm Water project | 5,879,373 | - | 1,519,298 | 4,360,075 |
| Well upgrades | 3,435,697 | - | 2,060,630 | 1,375,067 |
| Land improvements (new subdivision) | 6,545,679 | 3,089,053 | 1,818,633 | 7,816,099 |
| | \$ 55,669,516 | \$ 7,084,916 | \$ 21,575,531 | \$ 41,178,903 |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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13. Prepaid expenses

| | 2024 | 2023 |
|----------------------------------|---------------------------|---------------------------|
| Insurance | \$ 452,383 | \$ 379,376 |
| Tuition | 481,496 | 490,413 |
| Honorariums (Core) | 254,250 | 183,000 |
| Post secondary living allowances | 27,153 | 32,960 |
| Wages | 9,890 | 11,212 |
| Other prepaid expenses | 11,670 | 12,404 |
| | <hr/> \$ 1,236,842 | <hr/> \$ 1,109,365 |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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14. Expenses by object

| | 2024 | 2023 |
|--|----------------------|----------------------|
| Wages and benefits | \$ 5,377,087 | \$ 5,300,569 |
| Travel and accomodations | 148,661 | 156,522 |
| Training-HRD expenses | 885,018 | 818,888 |
| Repairs, maintenance, renovations | 2,511,318 | 2,697,573 |
| Insurance | 428,964 | 379,998 |
| Interest and bank charges | 622,326 | 509,974 |
| Materials and supplies | 622,617 | 854,583 |
| Professional fees | 557,587 | 399,313 |
| Utilities and telephone | 471,123 | 450,316 |
| Water-sewer interconnection project | - | 18,381 |
| Health expenses | 755,470 | 774,096 |
| Own source revenue expenses (gas bars, cannabis) | 42,493,580 | 48,682,094 |
| Forestry subcontractors | 887,822 | 729,586 |
| Cultural-community events | 143,128 | 171,234 |
| Resource revenue sharing | 510,000 | 503,300 |
| Miscellaneous and members assistance | 205,280 | 235,669 |
| Child maintenance and prevention | 1,164,165 | 615,569 |
| Health and recreation | 114,717 | 106,348 |
| Elders | 191,869 | 231,143 |
| Social assistance | 948,457 | 684,206 |
| Fisheries expenses | 386,108 | 327,553 |
| Education | 2,303,346 | 2,591,500 |
| Other | 233,200 | 305,156 |
| Election costs | (28) | 23,378 |
| Emergency measures-Covid 19 | 11,600 | 138,916 |
| MNCC-ECCC expenses | 151,228 | 120,649 |
| FN land management | 106,483 | 78,681 |
| Economic development wages, travel, supplies, etc. | 122,156 | 194,898 |
| | \$ 62,353,282 | \$ 68,100,093 |

WOODSTOCK FIRST NATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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15. Financial Instruments

Woodstock First Nation is exposed to various risks through its financial instruments.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Woodstock First Nation is exposed to this risk mainly in respect of its payment of funds for long-term debt, accounts payable, and government remittances payable.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the entity manages exposure through its normal operating and financing activities. Woodstock First Nation is exposed to interest rate risk primarily through floating interest rates on certain bank loans.

16. Economic Dependence

The government of Woodstock First Nation receives a major portion of its revenue from Indigenous Services Canada. The nature and extent of this agreement is of such significance that the First Nation is economically dependent on these sources of revenue.

17. Annual surplus net of capital related revenues, principal payments and amortization

| | 2024 | 2023 |
|---|------------------------------|----------------------------|
| Annual surplus (deficit) | \$ (4,092,489) | \$ 8,942,454 |
| Deduct: Federal government transfers for capital | (1,276,025) | (5,444,442) |
| Deduct: Principal payments on long term debt | (479,410) | (471,180) |
| Add: Amortization expense included in annual surplus | <u>2,756,037</u> | <u>2,515,223</u> |
| Annual surplus (deficit) net of capital related revenues and amortization | <u><u>\$ (3,091,887)</u></u> | <u><u>\$ 5,542,055</u></u> |

WOODSTOCK FIRST NATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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18. Government Transfers

| | 2024 | | |
|--|----------------------|----------------|---------------|
| | Operating | Capital | Total |
| Federal government transfers (net of deferrals) | | | |
| Indigenous Services Canada | \$ 9,938,367 | \$ - | \$ 9,938,367 |
| Health Canada | 1,171,792 | 27,306 | 1,199,098 |
| Canada Mortgage and Housing Corporation | 399,750 | - | 399,750 |
| Department of Fisheries and Oceans Canada | 266,009 | - | 266,009 |
| Wolastoqey Tribal Council | 770,639 | - | 770,639 |
| MAWIW | 82,758 | - | 82,758 |
| North Shore Mi'kmaq District Council | 16,445 | - | 16,445 |
| Total | 12,645,760 | 27,306 | 12,673,066 |
| Provincial government transfers | | | |
| | 4,451,269 | - | 4,451,269 |
| | \$ 17,097,029 | \$ - | \$ 17,124,335 |
| | | | |
| | 2023 | | |
| | Operating | Capital | Total |
| Federal government transfers (net of deferrals) | | | |
| Indigenous Services Canada | \$ 7,263,313 | \$ 1,726,122 | \$ 8,989,435 |
| Health Canada | 1,148,468 | 93,824 | 1,242,292 |
| Canada Mortgage and Housing Corporation | 126,048 | - | 126,048 |
| Department of Fisheries and Oceans Canada | 268,975 | - | 268,975 |
| Wolastoqey Tribal Council | 598,880 | - | 598,880 |
| MAWIW | 18,665 | - | 18,665 |
| North Shore Mi'kmaq District Council | 32,562 | - | 32,562 |
| Total | 9,456,911 | 1,819,946 | 11,276,857 |
| Provincial government transfers | | | |
| | 11,973,604 | - | 11,973,604 |
| | \$ 21,430,515 | \$ 1,819,946 | \$ 39,625,461 |

19. Reclassification of prior year presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the overall reported results of operations.