
Consolidated financial statements of Norway House Cree Nation

March 31, 2025

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Management's Responsibility for Financial Reporting

Norway House Cree Nation's (the "Entity") management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards. The preparation of these consolidated financial statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Entity's Chief and Council is composed of elected officials who are not employees of the Entity. Chief and Council is responsible for overseeing management in the performance of its financial reporting responsibilities. Chief and Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. Chief and Council is also responsible for recommending the appointment of the Entity's external auditors.

Deloitte LLP, an independent firm of chartered professional accountants, is appointed by Chief and Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both Chief and Council and management to discuss their audit findings.



Chief, Norway House, Manitoba



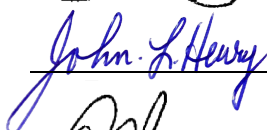
Councillor



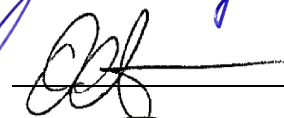
Councillor



Councillor



Councillor



Councillor



Councillor

Independent Auditor's Report

To Chief and Council of
Norway House Cree Nation

Opinion

We have audited the consolidated financial statements of Norway House Cree Nation (the "Entity"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, change in accumulated operating surplus, remeasurement losses, change 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 (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025, and its results of operations, its change in accumulated operating surplus, remeasurement losses, change in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards ("PSAS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Entity as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

Deloitte LLP





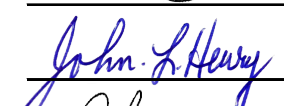


Chartered Professional Accountants
Winnipeg, Manitoba
July 29, 2025

Norway House Cree Nation
Consolidated statement of financial position
As at March 31, 2025

	Notes	2025 \$	2024 \$
Financial assets			
Cash and cash equivalents		6,993,473	14,706,864
Accounts receivable	3	45,241,479	10,093,335
Loans receivable	4	1,453,082	753,082
Restricted cash	5	4,921,498	6,848,438
Portfolio investments	6	138,962	1,465,437
Investments in government business partnerships	7	7,924,047	4,970,320
Investments in government business enterprise	8	8,718,611	-
		75,391,152	38,837,476
Liabilities			
Bank indebtedness	23	16,383,398	-
Accounts payable and accrued liabilities	9	14,555,530	12,182,833
Long-term debt	10	83,051,606	69,522,748
Deferred revenue	11	22,218,059	40,129,367
		136,208,593	121,834,948
Net debt		(60,817,441)	(82,997,472)
Non-financial assets			
Tangible capital assets	12	402,078,721	382,328,839
Intangible Minago mining assets	13	9,586,923	-
Inventory	14	1,020,163	1,302,223
Deposits and prepaid expenses		575,572	2,944,561
		413,261,379	386,575,623
Accumulated surplus			
		352,443,938	303,578,151
Accumulated surplus is comprised of:			
Accumulated operating surplus	20	352,444,194	303,869,130
Accumulated remeasurement losses		(256)	(290,979)
		352,443,938	303,578,151
Contingencies	21		

The accompanying notes are an integral part of the consolidated financial statements

Approved on behalf of the Council:

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

Norway House Cree Nation
Consolidated statement of operations
For the year-ended March 31, 2025

		2025 Budget	2025	2024
	Notes	\$	\$	\$
Funding revenue:		(note 23)		
Indigenous Services Canada (ISC)		139,005,000	154,435,048	135,178,442
Government Settlements	19	-	32,474,226	-
Province of Manitoba		3,931,000	4,951,950	3,820,940
Manitoba Keewatinow i Okimakanak (MKO)		2,666,000	3,449,817	2,592,586
Assembly of Manitoba Chiefs		589,000	3,215,054	572,741
Other funding revenue		749,000	3,118,818	539,195
Canada Mortgage and Housing Corporation		2,088,000	1,701,800	1,936,829
Keenanow Trust		108,000	28,142	105,219
		149,136,000	203,374,855	144,745,952
Own source revenue:				
Other own source revenue	15	13,389,000	15,568,420	13,076,122
Rental income		4,303,000	5,261,093	4,371,171
Video lottery terminal (VLT)	25	4,482,000	4,692,064	3,551,201
Pharmacy drugs and perscription sales		4,823,000	4,688,569	4,627,573
Construction		6,789,000	3,551,888	6,598,369
Bingo events		3,068,000	2,655,169	2,982,066
JNR joint venture proceeds		2,279,000	772,025	2,215,112
		39,133,000	37,189,228	37,421,614
Total revenue		188,269,000	240,564,083	182,167,566
Funded expenditures:	17			
Band support		37,376,000	41,752,557	36,324,103
Education		41,718,000	41,466,993	40,543,998
Health services		16,430,000	21,561,547	15,969,658
Social services		16,971,000	16,316,024	16,494,742
Public works		10,311,000	10,260,423	10,025,335
Health Centre of Excellence		10,096,000	9,496,534	9,813,206
Housing		5,202,000	8,282,911	5,054,714
Pinaow Wachi		3,689,000	3,760,874	3,589,722
CMHC Housing Projects		8,321,000	4,298,057	8,091,525
Emergency services		2,685,000	3,332,121	2,609,673
Employment and training		2,006,000	2,063,620	1,947,113
Safety officers program		996,000	1,432,632	967,915
Prevention		2,348,000	1,381,343	2,280,862
Assisted living		736,000	631,525	716,437
Keenanow Trust Secretariat		473,000	522,663	457,840
Restorative justice		247,000	204,432	240,541
Youth		125,000	133,646	120,539
		159,730,000	166,897,902	155,247,923
Own source expenditures:				
Enterprises		26,396,000	27,236,303	25,510,104
Parks, recreation and multi-plex		3,866,000	3,817,821	3,762,952
Muchipunow in		3,331,000	3,171,666	3,234,714
Kinosao Sipi Ininev Waskahikan		2,772,000	2,964,423	2,694,755
820 Taylor Ave		683,000	2,731,509	-
Economic Development		382,000	673,294	370,773
Gaming Commission		185,000	252,871	178,374
		37,615,000	40,847,887	35,751,672
Total expenditures		197,345,000	207,745,789	190,999,595
Operating surplus (deficit) before other capital contribution		(9,076,000)	32,818,294	(8,832,029)
ISC Health Centre of Excellence		17,222,000	15,756,770	16,736,921
ISC COVID domes		2,864,000	-	2,782,882
Operating surplus		11,010,000	48,575,064	10,687,774

Norway House Cree Nation**Consolidated statement of change in accumulated operating surplus**For the year-ended March 31, 2025

	Notes	2025 \$	2024 \$
Accumulated operating surplus, beginning of year	20	303,869,130	293,181,356
Operating Surplus		48,575,064	10,687,774
Accumulated operating surplus, end of year		352,444,194	303,869,130

The accompanying notes are an integral part of the consolidated financial statements

Norway House Cree Nation**Consolidated statement of remeasurement losses**For the year-ended March 31, 2025

		2025	2024
		\$	\$
Accumulated remeasurement losses, beginning of year		(290,979)	-
Unrealized losses attributable to:			
Portfolio investments (equity instruments)	6	(256)	(290,979)
Realized losses during the year		290,979	-
Accumulated remeasurement losses, end of year		(256)	(290,979)

The accompanying notes are an integral part of the consolidated financial statements

Norway House Cree Nation
Consolidated statement of change in net debt
For the year-ended March 31, 2025

		2025	2025	2024
		Budget		
	Notes	\$	\$	\$
		(note 23)		
Operating surplus		11,010,000	48,575,064	10,687,774
Acquisition of tangible capital assets		(61,593,000)	(40,857,946)	(59,856,829)
Proceeds on disposal of tangible capital assets		1,770,000	-	1,719,717
Net loss on disposal of tangible capital assets		3,529,000	27,077	3,429,211
Amortization of tangible capital assets		16,788,000	21,080,987	16,314,723
		(28,496,000)	28,825,182	(27,705,404)
Acquisition of intangible Minago mining assets		-	(8,796,638)	-
Share surrender for acquisition of intangible Minago mining assets	13	-	(790,285)	-
		-	(9,586,923)	-
Change in inventory		(687,000)	282,060	(667,560)
Change in deposits and prepaid expenses		5,639,000	2,368,989	5,480,446
Unrealized measurement gains (losses)		(299,000)	290,723	(290,979)
		4,653,000	2,941,772	4,521,907
Decrease (increase) in net debt		(23,843,000)	22,180,031	(23,183,497)
Net debt, beginning of year		(82,997,472)	(82,997,472)	(59,813,975)
Net debt, end of year		(106,840,472)	(60,817,441)	(82,997,472)

The accompanying notes are an integral part of the consolidated financial statements

Norway House Cree Nation
Consolidated statement of cash flows
For the year-ended March 31, 2025

	2025 \$	2024 \$
Operating activities		
Operating surplus	48,575,064	10,687,774
Adjustments for non-cash items		
Amortization of capital assets	21,080,987	16,314,723
Loss on disposal of tangible assets	27,077	3,429,211
Income from government business partnerships	(961,813)	(1,224,614)
Income from government business enterprise	(586,802)	-
Loss on portfolio investments	826,913	-
	68,961,426	29,207,094
Changes in non-cash working capital		
Accounts receivable	(35,148,144)	(337,139)
Loans receivable	(700,000)	(100,000)
Deposits and prepaid expenses	2,368,989	5,480,446
Inventory	282,060	(667,560)
Accounts payable and accrued liabilities	2,372,697	(9,487,682)
Deferred revenue	(17,911,308)	1,609,127
	20,225,720	25,704,286
Financing activities		
Long-term debt proceeds	24,873,322	12,385,756
Long-term debt repayments	(11,344,464)	(3,947,875)
	13,528,858	8,437,881
Investing activities		
Acquisition of tangible capital assets	(40,857,946)	(59,856,829)
Proceeds on disposal of tangible capital assets	-	1,719,717
Acquisition of portfolio investments	-	(1,681,416)
Investments in government business partnerships	(3,557,318)	(785,606)
Investments in government business enterprise	(8,629,804)	-
Acquisition of intangible Minago mining assets	(8,796,638)	-
Distributions from government business partnerships	1,565,404	743,837
Distributions from government business enterprise	497,995	-
	(59,778,307)	(59,860,297)
Net decrease in cash and cash equivalents	(26,023,729)	(25,718,130)
Cash and cash equivalents, beginning of year	21,555,302	47,273,432
Cash and cash equivalents, end of year	(4,468,427)	21,555,302
Cash and cash equivalents consist of:		
Cash and cash equivalents	6,993,473	14,706,864
Cash held in trust	4,921,498	6,848,438
Bank indebtedness	(16,383,398)	-
	(4,468,427)	21,555,302

The accompanying notes are an integral part of the consolidated financial statements

1. Nature of entity

Norway House Cree Nation (the "Entity", the "First Nation", or "NHCN") is a non-profit and non-taxable entity and is engaged in the social, cultural, educational and economic development of the First Nation citizens of Norway House Cree Nation at Norway House, Manitoba.

2. Summary of significant accounting policies

Basis of accounting

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards ("PSAS") and include the following significant accounting policies:

Reporting entity

The reporting entity includes the Entity's government and all related entities that are either owned or controlled by the Entity. Control is defined as the power to govern the financial and operating policies of another with expected benefits or the risk of loss to the government from the other organizations' activities. Control exists regardless of whether the government chooses to exercise its power to govern so long as it has the ability to govern. Control must exist at the financial statement date, without the need to amend agreements.

Principles of consolidation

Consolidated entities

This method combines the accounts of distinct organizations. It requires uniform accounting policies for the organizations. Inter-organizational balances and transactions are eliminated under this method. This method reports the organizations as if they were one organization. The other government organizations that were consolidated are the following:

Unincorporated departments including:

Norway House Cree Nation CMHC Housing Projects ("CMHC")
Norway House Cree Nation Gaming Commission ("Gaming Commission")

Unincorporated entities including:

York Boat Inn	Keenanow Trust Secretariat ("KTS")
York Boat Diner	Kinosao Sipi Muchipinowin Program ("Muchipunowin")

Incorporated entities including:

Kinosao Sipi Business Development Corporation ("KSBDC")	NHCN Health Centre of Excellence Ltd. ("HCE")
4015029 Manitoba Ltd. (Molson Lake Lodge Parent Company)	4744757 Manitoba Ltd. (KSIW – 333 Maryland)
NHCN Broadband Inc.	Molson Lake Lodge 1978 Ltd.
NHCN Business Centre Inc.	Pinaow Wachi Inc.
Jean Folster Place Inc.	Norway House Pharmacy Ltd.
Playgreen Development Corporation ("PDC")	Norway House Pharmacy LP ("Pharmacy")
NHCN Land Corporation	7133805 Manitoba Ltd. (Indigus Pharmacy LP Parent Company)
10058460 Manitoba Ltd. (Real Estate Holding Company)	

2. Summary of significant accounting policies (continued)

Principles of consolidation (continued)

Government business partnerships

The Entity holds an investment in the Bison Container Homes LLP, Bison Container Homes GP Ltd. ("Bison Container Homes"), Kici Sipi Communications LP, and Kici Sipi Communications Ltd. ("Kici Sipi Communications"). The Entity has determined that these investments meet the definition of a government business partnership and has accordingly accounted for these entities using the modified equity method. Under the modified equity method, the contributions to the partnerships are recognized as an investment within the consolidated statement of financial position and the Entity's proportionate share of the partnerships' net surplus/deficit is recognized in the consolidated statement of operations.

Government business enterprise

The Entity holds an investment in King Edward Extended Stay Group Ltd. ("Mainstay"). The Entity has determined that the investment meets the definition of a government business enterprise ("GBE") and has accordingly accounted for the investment using the modified equity method. Under the modified equity method, the investment is recorded as a single line item in the consolidated statement of financial position and the Entity's proportionate share of the business enterprise's net surplus/deficit is recognized in the consolidated statement of operations.

Measurement uncertainty

The preparation of consolidated financial statements in accordance with Canadian public accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures. Actual results could differ from these estimates.

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

Amortization is based on the estimated useful lives of tangible capital assets.

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

Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the Entity is responsible for.

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

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. Certain assets which have historical or cultural value, including works of art, historical documents and historical or cultural artifacts, are not recognized as tangible capital assets.

2. Summary of significant accounting policies (continued)

Tangible capital assets (continued)

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	20 years
Buildings	30 years
Leasehold improvements	Term of the lease
Vehicles and equipment	5 – 10 years
Computer hardware and software	5 years
Housing	20 years
Infrastructure	30 years

In the year of acquisition, one-half of the applicable rate is applied.

Construction in progress

Assets under construction are not amortized until the asset is available for use. At completion, the construction costs are closed out to the appropriate asset classification and amortized over its estimated useful life.

Intangible Minago mining assets

Intangible Minago mining assets include identifiable non-monetary assets without physical substance that are acquired through purchase of legal rights and internal development, which are expected to provide economic benefits beyond one year. Intangible assets with an indefinite useful life, such as certain mineral rights, are not amortized, as there is no foreseeable limit to the period over which they are expected to generate benefits. These assets are reviewed annually for indicators of impairment or changes in useful life.

Revenue recognition

Government transfers

Government transfers (revenues from non-exchange transactions) are recognized as revenues when the transfer is authorized, any eligibility criteria are met and reasonable estimates of the amounts can be made. Transfers received where there is a stipulation that gives rise to an obligation that meets the definition of a liability are deferred and recognized as revenue as the stipulations are met. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

Non-government funding

Non-government funding is recognized as it becomes receivable under the terms of the applicable funding agreements. Funding received under funding agreements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Other revenue

Other income, primarily including sales of gas, VLTs, tobacco and fees for service, are recognized upon transfer of title of the product or upon performance of the service and when collectability is reasonably assured. In relation to VLT revenue, NHCN is considered an agent for the purposes of revenue recognition, as an agent, the public sector entity only recognizes the fee of commission earned as revenue and thus balance's herein have been provided as of net revenue.

2. Summary of significant accounting policies (continued)

Inventory

Inventory is valued at the lower of cost or net realizable value determined by the first-in, first-out method. Inventory consists of pharmaceuticals, aggregates, bingo paper and supplies.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with the banks.

Bank indebtedness

Bank indebtedness include operating lines of credit and overdrafts with the banks.

Pension plans

The Entity maintains a defined contribution pension plan for its personnel. Expenditures for this plan are equal to the Entity's required contribution for the year.

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, deposits and prepaid expenses and inventory.

Investments in government business partnerships

Government business partnerships that are not dependent on the Entity for their continued operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent the business entity accounting principles are not adjusted to conform to those of the Entity. Thus, the Entity's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received. The investments that have been disclosed along with the services they provide are as follows:

Kici Sipi Communications

Investment that aims to extend and/or enhance high-capacity broadband infrastructure in rural and remote communities to provide access to quality broadband services to anchor institutions and households so that they can participate in the digital economy.

Bison Container Homes

Partnership with Cobra Construction to supply innovative modular homes to remote Northern communities.

2. Summary of significant accounting policies (continued)

Investments in government business enterprises

Government business enterprise that is not dependent on the Entity for its continued operation, is included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent the business entity accounting principles are not adjusted to conform to those of the Entity. Thus, the Entity's investment in the enterprise is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received. The investment and the services it provides are disclosed as follows:

Mainstay

Investment to diversify income stream and provide reliable accommodation for band members required to travel to Winnipeg.

Program surpluses

Programs funded by government agencies may be subject to recovery by the contributing agencies in accordance with funding agreements.

Asset retirement obligations

Liabilities are recognized for statutory, contractual or legal obligations, associated with the retirement of property, plant and equipment 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 as the present 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.

Segments

Norway House Cree Nation is a diversified government institution that provides a wide range of services to its members, including education, infrastructure maintenance, and medical services, among other services.

Services are provided by departments and their activities are reported in these funds. The departments that have been separately disclosed along with the services they provide are as follows:

Assisted Living

Department that provides services to elementary and secondary students. The department also supports post-secondary students by providing funds for tuition fees, books and living allowances.

Band support

Department that oversees the delivery of all government services. The department is responsible for ensuring that there are adequate policies and procedures in place to safeguard assets and to properly report financial activities. In addition, this department includes the governance of Chief and Council.

CMHC

Division of the Norway House Cree Nation that administers housing projects which are partially funded by operating agreements with CMHC.

2. Summary of significant accounting policies (continued)

Segments (continued)

Education

Department that provides services to elementary and secondary students. The department also supports post-secondary students by providing funds for tuition fees, books and living allowances.

Emergency services

Provide timely and safe response, medical assessment and treatment, and medical transport services in emergencies to the community of Norway House Cree Nation.

Employment and training

Department that provides funding to support development and enhancement of essential employability skills, training for high-demand jobs, job finding, and programs for youth and people with disabilities.

Gaming Commission

Department responsible for the operation of licensed gaming activities.

Health and Wellness Foundation

Philanthropic entity dedicated to advancing healthcare and well-being at the Health Centre for Excellence and in the community.

Health Centre of Excellence

Organization that provides integrated medical services to the Norway House Cree Nation community and addresses social, physical, mental and spiritual needs of community.

Health services

Department provides a diverse bundle of services directed towards the well-being of members including activities such as medical transportation, home support services, prenatal and early childhood care, nursing, health representation, traditional healing, family violence prevention and many other smaller programs designed to enhance the health of members.

Housing

Department in charge of all activities related with first nation housing construction and administration, rental units and Residential Repair Assistance Programs (RRAP).

Keenanow Trust Secretariat

Organization is an unincorporated, non-profit, non-taxable entity responsible for the administration of funds received from Keenanow Trust. The trust was established to promote social welfare, civic improvement, recreation and the economic, spiritual and cultural welfare of Norway House Cree Nation and its members.

4744757 Manitoba Ltd. ("KSIW")

Entity that operates the rental property located at 333 Maryland in Winnipeg, Manitoba.

2. Summary of significant accounting policies (continued)

Segments (continued)

Kinosao Sipi Muchipunowin Program

Unincorporated entity that operates radio bingo events in Norway House, Manitoba.

Parks, Recreation and Multi-Plex

Department that runs different programs and activities with the purpose to improve health and quality of life of members. Activities performed include sports coordination, maintenance of public spaces, York Boat Days and other social activities for all members.

Pinaow Wachi

Provides funding for eligible members in need of personal medical and non-medical care in a supported living environment.

Prevention

Department that provides development and delivery of services to support the safety and well-being of the First Nation, children, youth, young adults, families and communities, in an approach that is culturally appropriate, in their best interests, and in accordance with substantive equality.

Public works

Department is responsible for public services such as the operation and maintenance of roads, water and sanitation system and waste management. Maintenance of Norway House Cree Nation buildings and community infrastructure is also included in this segment.

Restorative justice

To facilitate Aboriginal peoples' greater involvement in the administration of justice in the Province of Manitoba and the Government of Canada.

Safety Officer's Program

Department responsible for internal security and law enforcement. The main activities include handling of domestic issues, traffic accidents, finding missing persons and filling out paperwork.

Social services

Department that is responsible for administering assistance payments as well as providing services directed towards members.

Youth

Perform programs and activities for youth in matters such as education, culture, health, economic development, welfare, housing and infrastructure and sports and recreation.

2. Summary of significant accounting policies (continued)

Enterprises and Economic Development

Includes the activities of Norway House Cree Nation related entities including:

Kinosao Sipi Business Development Corporation

Organization that undertakes economic development projects with the goal of generating revenues and employing members.

York Boat Diner

Entity that provides restaurant services.

York Boat Inn

Motel services provided at building located in Norway House, Manitoba. Activities include front desk, janitorial and cleaning services.

Molson Lake Lodge (1978) Ltd.

Real estate leasing entity that holds a fly-in fishing lodge and outposts.

Norway House Pharmacy Ltd.

General partner of Norway House Pharmacy Limited Partnership. Entity that provides for the safe supply and use of medicines by patients and members.

For each reported segment, revenue and expenditures include 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, including administrative expense transfers that have been apportioned based on 10-15% of expenses.

The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in the summary of significant accounting policies.

Broadband

Organization that provides high speed internet services in Norway House, Manitoba and the surrounding areas.

Playgreen Development Corporation

Entity that provides civil and site works services to the community.

VLT Operations

Department responsible for the operations of the video lottery terminals.

2. Summary of significant accounting policies (continued)

Valuation of Financial Assets and Liabilities

The Entity's financial assets and liabilities are measured as follows:

Financial statement component	Measurement
Cash and cash equivalents	Cost
Accounts receivable	Amortized cost
Loans receivable	Amortized cost
Restricted cash	Cost
Portfolio investments	Fair value
Bank indebtedness	Cost
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortized cost

Investments consist of Guaranteed Investment Certificates and equity instruments. Investments are recorded at the fair value with the associated unrealized gains or losses reflected in the consolidated statement of remeasurement losses. When an investment gain or loss is realized, the accumulated remeasurement gain or loss is reclassified to the consolidated statement of operations and accumulated operating surplus. When there has been a loss in market value that is determined not to be a temporary decline in value, the respective investment is written down to recognize the loss.

3. Accounts receivable

	2025	2024
	\$	\$
TLEC settlement receivable (<i>note 19</i>)	32,474,226	-
Other AR	7,952,826	6,858,994
Manitoba Keewatinowi Okimakanak Inc. (MKO)	2,907,047	2,367,092
Broadband customers	2,498,412	1,871,867
PDC customers	2,008,193	2,494,505
JNR Construction Joint Venture income	1,314,834	616,469
Government remittances receivable	811,771	375,996
Province of Manitoba	552,928	971,120
Manitoba Hydro	549,289	1,224,045
Pharmacy benefit providers	284,328	98,703
Camp Operations	279,423	391,436
Indigenous Services Canada (ISC)	188,788	688,614
Keewatinohk Inniw Minoayawin Inc. (KIM)	19,470	19,470
Allowance for doubtful accounts	(6,600,056)	(7,884,976)
	45,241,479	10,093,335

4. Loans receivable

	2025	2024
	\$	\$
Norway House Fisherman's Co-op Ltd.	1,053,082	553,082
Norway House Trappers Association	400,000	200,000
	1,453,082	753,082

NHCN has provided interest-free loans to Fisherman's Co-op Ltd. and Trappers Association, these loans are non-interest bearing, with the amounts due on demand. No collateral are held on the loans.

5. Restricted cash

	2025	2024
	\$	\$
First Nations Finance Authority - debt reserve fund	585,049	559,553
First Nations Finance Authority - cash account	112,213	106,746
ISC - Trust funds	213,191	182,588
TIPI Insurance	500,143	505,444
CMHC - Replacement Reserve	3,510,902	5,494,107
	4,921,498	6,848,438

First Nations Finance Authority - debt reserve fund

Pursuant to the financing arrangement that NHCN has entered into with the First Nations Finance Authority, amounts are held in trust by the First Nations Finance Authority to cover any unexpected defaults in the required monthly loan payments. During the year, NHCN earned interest of \$25,495 (2024 - \$30,021) on the cash held in this debt reserve fund.

First Nations Finance Authority - cash account

NHCN's cash account held with the First Nations Finance Authority represents the remaining amount of payments that NHCN has made that have yet to be applied to principal or interest. During the year, NHCN earned interest of \$5,071 (2024 - \$3,277) on the cash held.

ISC - Trust funds

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

TIPI Insurance

Tipi insurance holds funds in a self-insured trust which is a financial arrangement in which an entity pools funds to self-insure against certain risks. Instead of purchasing insurance from an external provider, the trust is established to manage and pay for claims out of the pooled funds. The fund earned an interest of \$5,302 (2024 - \$5,445).

CMHC - Replacement Reserve

The replacement reserve is an amount of money prescribed by CMHC restricted for use towards specified housing projects. These funds are held in a separate account and reserved for when specific repair and renovation work is required on top of the original construction of the building and will be drawn out as needed until the balance prescribe for that building is used up.

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

6. Portfolio investments

	2025		2024	
	Cost	Carrying value	Cost	Carrying value
	\$	\$	\$	\$
Guaranteed investment certificates				
Royal Bank of Canada	75,000	75,000	75,000	75,000
Marketable securities	63,849	63,962	1,681,416	1,390,437
Total	138,849	138,962	1,756,416	1,465,437

Guaranteed investment certificates have effective interest rates of 1.25% (2024 – 0.75%) and mature in less than one year.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the consolidated statement of remeasurement losses.

7. Investments in government business partnerships

	March 31, 2025 Ownership %	March 31, 2024 Carrying amount \$	Contributions \$	Share of income (loss) \$	Distributions \$	March 31, 2025 Carrying amount \$
Bison Container Homes	51	818,774	-	1,129,180	(1,565,404)	382,550
Kici Sipi Communications	50	4,022,535	3,557,318	(38,356)	-	7,541,497
Tower Camp	52	129,011	-	(129,011)	-	-
Total		4,970,320	3,557,318	961,813	(1,565,404)	7,924,047

	March 31, 2024 Ownership %	March 31, 2023 Carrying amount \$	Contribution \$	Share of income (loss) \$	Distributions \$	March 31, 2024 Carrying amount \$
Bison Container Homes	51	243,576	-	1,319,035	(743,837)	818,774
Kici Sipi Communications	50	3,263,662	717,615	41,258	-	4,022,535
Tower Camp	52	196,699	67,991	(135,679)	-	129,011
Total		3,703,937	785,606	1,224,614	(743,837)	4,970,320

8. Investments in government business enterprises

	March 31, 2025 Ownership %	March 31, 2024 Carrying amount \$	Contribution \$	Share of income (loss) \$	Distributions \$	March 31, 2025 Carrying amount \$
Mainstay	35	-	8,629,804	586,802	(497,995)	8,718,611
		-	8,629,804	586,802	(497,995)	8,718,611

9. Accounts payable and accrued liabilities

	2025 \$	2024 \$
Accounts payable	9,804,138	7,238,633
Accrued liabilities	1,294,889	2,033,555
Payroll liabilities	3,118,333	2,712,236
Government remittance payable	338,170	198,409
	14,555,530	12,182,833

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

9. Accounts payable and accrued liabilities (continued)

	Band	CMHC	Gaming Centre	HCE	KSBDC	KSIW	Broadband
	\$	\$	\$	\$	\$	\$	\$
Accounts payable	7,895,979	73,297	-	434,974	148,106	54,068	-
Accrued liabilities	450,337	-	5,250	512,405	14,000	6,000	4,400
Payroll liabilities	3,013,619	-	-	-	-	-	-
Government remittance payable	-	-	-	-	39,141	44,907	-
	11,359,935	73,297	5,250	947,379	201,247	104,975	4,400

	Keenanow Trust Secretariat	820 Taylor Ave	Molson Lake Lodge	Muchipunowin	PDC	Pharmacy	Pinaow Wachi
	\$	\$	\$	\$	\$	\$	\$
Accounts payable	2,392	328,675	-	116,198	418,650	86,036	194,365
Accrued liabilities	23,600	933	5,000	257,964	-	-	15,000
Payroll liabilities	-	-	-	-	-	-	104,714
Government remittance payable	-	-	-	-	246,555	-	-
	25,992	329,608	5,000	374,162	665,205	86,036	314,079

	York Boat Inn & Diner	2025 Total	2024 Total
	\$	\$	\$
Accounts payable	51,398	9,804,138	7,238,633
Accrued liabilities	-	1,294,889	2,033,555
Payroll liabilities	-	3,118,333	2,712,236
Government remittance payable	7,567	338,170	198,409
	58,965	14,555,530	12,182,833

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

10. Long-term debt

	2025 \$	2024 \$
Bank of Montreal		
\$8,034 payable monthly including interest at 4.99%, maturing November 1, 2025, secured by a first charge on equipment.	63,084	153,870
Demand loan payable in monthly instalments of \$148,426 including interest at 7.70%, payable monthly maturing January 31, 2030, secured by a first charge on equipment and property.	20,356,378	20,927,292
\$33,020 payable monthly including interest at 3.80%, matured during the year, secured by a first charge on equipment.	-	292,526
Demand loan non-revolving from the Bank of Montreal up to \$3,800,000 repayable in monthly payments of \$22,927 principal plus interest at the prime rate plus 1.25%. Loan is secured by a general security agreement providing a first fixed and floating charge over the assets of 4015029 Manitoba Ltd., and a registered first charge of collateral mortgage of \$5,000,000 over 333 Maryland St. property.	3,044,375	3,079,303
Demand loan non-revolving from the Bank of Montreal up to \$11,500,000 repayable in monthly principal payments of \$35,000 plus interest at the prime rate plus 1.50%. Loan is secured by a general security agreement over the assets of KSBDC, and a registered first charge of collateral mortgage of \$11,500,000 over 820 Taylor Avenue property.	10,220,000	-
Brandt		
\$9,376 payable monthly including interest at 0.00%, maturing October 25, 2027, secured by a first charge on equipment.	281,280	-
CMHC		
Forgivable loan over 15 years, maturing March 1, 2026, as long as the building is used for a shelter.	35,000	70,000
CWB National Leasing		
\$1,132 payable monthly including interest at 6.81%, matured during the year, secured by a first charge on equipment.	-	2,490
\$14,793 payable monthly including interest at 5.65%, maturing January 21, 2030, secured by a first charge on equipment.	740,717	-
Carry forward	34,740,834	24,525,481

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

10. Long-term debt (continued)

	2025 \$	2024 \$
Balance carried forward	34,740,834	24,525,481
Daimler		
\$3,283 payable monthly including interest of 8.39%, matured during the year, secured by a first charge on equipment.	-	19,242
Ford Credit		
\$663 payable monthly including interest at 2.02%, maturing May 24, 2025, secured by a first charge on equipment.	1,322	9,163
\$751 payable monthly including interest at 1.01%, matured during the year, secured by a first charge on equipment.	-	1,500
\$653 payable monthly including interest at 0.00%, maturing October 27, 2025, secured by a first charge on equipment.	4,570	12,403
\$653 payable monthly including interest at 0.00%, maturing November 10, 2025, secured by a first charge on equipment.	5,222	13,056
\$781 payable monthly including interest at 0.00%, maturing November 10, 2025, secured by a first charge on equipment.	6,250	15,626
\$756 payable monthly including interest at 0.00%, maturing November 18, 2025, secured by a first charge on equipment.	6,050	15,126
\$829 payable monthly including interest at 0.99%, maturing September 27, 2027, secured by a first charge on equipment.	24,568	34,226
\$829 payable monthly including interest at 0.99%, maturing September 27, 2027, secured by a first charge on equipment.	24,555	34,209
First Nations Finance Authority		
First Nations Finance Authority Loan, with interest payment of 6% calculated daily and compounded monthly. Principal amount is due on February 15, 2028. Loan is secured by a first charge against particular non-government transfer revenue earned by the First Nation.	10,526,320	10,526,320
First Nations Finance Authority Loan, with interest payment of 6.25% calculated daily and compounded monthly. Principal amount is due on February 15, 2028. Loan is secured by a first charge against particular non-government transfer revenue earned by the First Nation.	6,900,350	7,369,000
Carry forward	52,240,041	42,575,352

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

10. Long-term debt (continued)

	2025 \$	2024 \$
Balance carried forward	52,240,041	42,575,352
First People's Economic Growth Fund		
\$4,150 payable monthly including interest at 0.00%, maturing December 1, 2027 secured by a promissory note signed by Kinosao Sipi Business Development Corporation and a loan guarantee signed by Norway House Cree Nation.	141,100	190,900
Komatsu International (Canada) Inc.		
\$3,516 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	3,517
\$3,516 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	3,517
\$4,833 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	4,833
\$5,548 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	49,935
\$7,037 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	35,187
\$6,492 payable monthly, 0% interest, matured during the year, secured by a first charge on equipment.	-	64,917
\$8,429 payable monthly, 5.74% interest, maturing January 25, 2027, secured by a first charge on equipment.	175,616	263,914
\$8,429 payable monthly, 5.74% interest, maturing February 17, 2027, secured by a first charge on equipment.	183,169	271,047
\$14,673 payable monthly, 5.74% interest, maturing February 27, 2027, secured by a first charge on equipment.	318,862	471,841
\$3,534 payable monthly, 5.99% interest, maturing June 1, 2027, secured by a first charge on equipment.	89,055	124,951
Mercado		
\$5,310 payable monthly including interest at 6.96%, maturing June 25, 2027, secured by a first charge on equipment.	132,351	184,861
Scotiabank		
\$1,191 payable monthly including interest at 1.99%, maturing November 3, 2026, secured by a first charge on equipment.	23,412	37,091
NHCN Housing Projects		
Peace Hills Trust		
Construction mortgage, payable in blended monthly instalments of \$24,916 and interest rate of 5.00% renewable on November 1, 2025.	3,107,280	3,247,095
Carry forward	56,410,886	47,528,958

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

10. Long-term debt (continued)

	2025 \$	2024 \$
Balance carried forward	56,410,886	47,528,958
Royal Bank of Canada		
Demand loan payable in annual instalments of \$110,570 less interest at 3.08% payable monthly matured during the year, secured by 35 housing units.	-	110,570
Demand loan payable in monthly instalments of \$15,310, less interest at 2.40% payable monthly, maturing April 1, 2025, secured by 36 housing units.	17,121	198,042
Demand loan payable in monthly instalments of \$12,817 including interest at 3.36%, maturing June 1, 2028, secured by a Band Council Resolution supporting the apartment building construction loan in the original amount of \$2,400,000 and acknowledgement from ISC as to loan funding, terms and conditions.	468,320	605,486
Demand loan, repayable in monthly instalments of \$5,020 including interest at 3.89%, maturing February 1, 2030, secured by a Band Council Resolution committing to a loan for the purchase of trailers.	273,274	319,133
Demand loan, repayable in monthly instalments of \$13,755 plus interest at 2.63%, maturing December 1, 2025, secured by a Band Council Resolution supporting a loan facility of \$2,652,000 to fund the construction of the 33-unit CMHC project.	891,092	1,028,911
Demand loan payable in monthly instalments of \$14,622 including interest at 3.24%, maturing November 1, 2026 secured by 33 trailer units.	1,016,848	1,156,697
Demand loan payable in monthly instalments of \$10,927 including interest at 2.60%, maturing February 1, 2026, secured by teacherage units.	708,116	820,275
CMHC Housing Projects		
Canada Mortgage and Housing Corporation		
Mortgage payable, bearing interest at 3.04%, repayable in monthly instalments of \$4,631 due July 1, 2026.	72,548	125,068
Mortgage payable, bearing interest at 4.13%, repayable in monthly instalments of \$3,750, due October 1, 2027.	110,123	149,734
Mortgage payable, bearing interest at 4.13%, repayable in monthly instalments of \$2,184, due September 1, 2027.	93,117	127,788
Mortgage payable, bearing interest at 4.13%, repayable in monthly instalments of \$3,271, due September 1, 2027.	62,189	85,344
Mortgage payable, bearing interest at 3.81%, repayable in monthly instalments of \$4,747, due March 1, 2028.	161,336	211,186
Carry forward	60,284,970	52,467,192

10. Long-term debt (continued)

	2025 \$	2024 \$
Balance carried forward	60,284,970	52,467,192
CMHC Housing Projects		
Canada Mortgage and Housing Corporation (continued)		
Mortgage payable, bearing interest at 3.84%, repayable in monthly instalments of \$1,509, due January 1, 2029.	64,468	79,868
Mortgage payable, bearing interest at 1.83%, repayable in monthly instalments of \$1,888, fully repaid during the year.	-	14,999
Mortgage payable, bearing interest at 0.68%, repayable in monthly instalments of \$4,378, due August 1, 2025.	21,852	74,050
Mortgage payable, bearing interest at 3.81%, repayable in monthly instalments of \$7,308, due March 1, 2028.	533,076	599,304
Mortgage payable, bearing interest at 0.71%, repayable in monthly instalments of \$10,033, due November 1, 2025.	1,152,520	1,264,330
Mortgage payable, bearing interest at 0.71%, repayable in monthly instalments of \$4,895, due November 1, 2025.	585,076	639,466
Mortgage payable, bearing interest at 4.49%, repayable in monthly instalments of \$17,353, due October 1, 2028.	1,471,450	1,610,982
Mortgage payable, bearing interest at 3.78%, repayable in monthly instalments of \$11,406, due February 1, 2029.	1,035,690	1,131,831
Mortgage payable, bearing interest at 4.18%, repayable in monthly instalments of \$13,856, due December 1, 2028.	2,463,370	2,548,783
Mortgage payable, bearing interest at 0.73%, repayable in monthly instalments of \$7,663, due July 1, 2025.	1,737,247	1,816,254
Mortgage payable, bearing interest at 4.49%, repayable in monthly instalments of \$19,302, due October 1, 2028.	2,357,918	2,481,865
Mortgage payable, bearing interest at 4.49%, repayable in monthly instalments of \$8,733, due October 1, 2028.	1,528,832	1,564,887
Mortgage payable, bearing interest at 3.58%, repayable in monthly instalments of \$7,251, due January 1, 2029.	949,572	1,001,896
Mortgage payable, bearing interest at 3.58%, repayable in monthly instalments of \$5,532, due January 1, 2029.	975,857	1,007,029
Mortgage payable, bearing interest at 3.18%, repayable in monthly instalments of \$19,388, due March 1, 2030.	3,446,207	861,552
Carry forward	78,608,105	69,164,288

10. Long-term debt (continued)

	2025 \$	2024 \$
Balance carried forward	78,608,105	69,164,288
Canada Mortgage and Housing Corporation (continued)		
Mortgage payable, bearing interest at 3.18%, repayable in monthly instalments of \$21,090, due March 1, 2030.	3,020,393	-
Mortgage payable, terms to be determined upon completion of project.	923,963	-
Forgivable loan over 5 years, in 2028, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	61,824	61,824
Forgivable loan over 5 years, in 2028, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	47,953	47,953
Forgivable loan over 5 years, in 2028, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	60,000	60,000
Forgivable loan over 5 years, in 2028, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	59,888	59,888
Forgivable loan over 5 years, in 2028, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	46,288	46,288
Forgivable loan over 5 years, in 2027, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	40,900	40,900
Forgivable loan over 5 years, in 2030, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	140,680	-
Forgivable loan over 5 years, in 2029, as long as the building is occupied by band member(s) with a total household income at or below the income threshold during this earning period.	41,612	41,607
Total long-term debt	83,051,606	69,522,748

Long-term debt for CMHC projects financed by the Canada Mortgage and Housing Corporation, and the Royal Bank of Canada are secured by a CMHC undertaking to insure the properties, a commitment letter, lender's loan agreement, ministerial guarantee and an assignment of fire insurance.

The majority of the long-term debt held by the Entity is for the purpose of financing housing projects and mortgages. The remaining long-term debt balance relates to equipment and building loans as presented below:

	2025 \$	2024 \$
Housing	50,139,378	46,238,175
Equipment	2,221,183	2,309,950
Building	30,691,045	20,974,623
	83,051,606	69,522,748

10. Long-term debt (continued)

Principal payments due in the next five years, assuming all term debt is subject to contractual terms of repayment and long-term debt subject to refinancing is renewed, are estimated as follows:

	\$
2026	4,866,870
2027	4,832,059
2028	4,495,659
2029	2,832,957
2030	2,738,759
Thereafter	63,285,302
	<u>83,051,606</u>

11. Deferred revenue

Deferred revenue consists of the following:

	2025 \$	2024 \$
ISC - Band funding	7,644,515	9,874,347
Daycare	3,592,536	5,850,000
ISC - Health Centre of Excellence capital funding	3,326,595	14,484,785
Assembly of Manitoba Chiefs (AMC)	2,920,675	511,592
Frontier School Division	2,592,828	2,368,089
Keenanow Trust	729,294	757,436
Manitoba Keewatinowi Okimakanak (MKO)	722,016	1,639,273
CMHC National Housing Co-investment Fund	313,073	147,393
Keewatinohk Inniniw Minoyawin (KIM)	268,505	249,035
Other	108,022	4,247,417
	<u>22,218,059</u>	<u>40,129,367</u>

12. Tangible capital assets

General tangible capital assets						
	Land and land improvements	Buildings and leasehold improvements	Vehicles and equipment	Computer hardware and software	Housing	Construction In progress
	\$	\$	\$	\$	\$	\$
Cost						
Opening costs	1,770,955	121,162,071	51,665,935	1,573,340	116,626,567	202,916,188
Additions during the year	4,120,742	4,127,809	9,905,355	736,036	2,354,227	19,070,685
Disposals and write downs	-	-	(66,950)	-	-	-
Transfers	18,955,675	139,853,139	1,424,905	95,783	11,720,952	(185,381,418)
Closing costs	24,847,372	265,143,019	62,929,245	2,405,159	130,701,746	36,605,455
Accumulated amortization						
Opening accumulated amortization	136,248	54,023,024	32,956,061	593,844	58,109,359	-
Amortization	335,016	6,821,718	4,964,600	249,809	6,485,886	-
Disposals	-	-	(39,873)	-	-	-
Closing accumulated amortization	471,264	60,844,742	37,880,788	843,653	64,595,245	-
Net book value of tangible capital assets	24,376,108	204,298,277	25,048,457	1,561,506	66,106,501	36,605,455

Infrastructure				
	Roads and sidewalks	Water and sewer	Telecom	
	\$	\$	\$	
			2025	2024
			\$	\$
Cost				
Opening costs	18,422,723	27,451,694	16,133,887	557,723,360
Additions during the year	13,789	15,206	514,097	40,857,946
Disposals and write downs	-	-	-	(66,950)
Transfers	13,330,964	-	-	-
Closing costs	31,767,476	27,466,900	16,647,984	598,514,356
Accumulated amortization				
Opening accumulated amortization	11,784,838	12,742,453	5,048,694	175,394,521
Amortization	836,267	895,369	492,322	21,080,987
Disposals	-	-	-	(39,873)
Closing accumulated amortization	12,621,105	13,637,822	5,541,016	196,435,635
Net book value of tangible capital assets	19,146,371	13,829,078	11,106,968	402,078,721

	504,808,259
	59,856,829
	(6,941,728)
	-
	557,723,360
	160,872,598
	16,314,723
	(1,792,800)
	175,394,521
	382,328,839

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

12. Tangible capital assets (continued)

	Band \$	HCE \$	CMHC \$	Broadband \$	KSIW \$	KSBDC \$
Cost						
Opening costs	305,906,856	153,656,373	38,427,468	14,273,550	7,990,816	8,864,853
Additions during the year	18,076,655	8,491,154	7,951,817	514,097	25,878	308,933
Disposals and write downs	-	-	-	-	-	-
Transfers	438,627	-	(438,627)	-	-	-
Closing costs	324,422,138	162,147,527	45,940,658	14,787,647	8,016,694	9,173,786
Accumulated amortization						
Opening accumulated amortization	137,673,055	1,588,650	17,120,378	3,265,510	3,321,365	4,743,123
Amortization	13,883,593	3,726,484	1,795,767	481,853	296,800	303,270
Disposals	370,498	-	(370,498)	-	-	-
Closing accumulated amortization	151,927,146	5,315,134	18,545,647	3,747,363	3,618,165	5,046,393
Net book value of tangible capital assets	172,494,992	156,832,393	27,395,011	11,040,284	4,398,529	4,127,393

	Pinaow Wachi \$	York Boat Inn \$	4015029 Manitoba Ltd. \$	10058460 Manitoba Ltd. \$	Pharmacy \$	Molson Lake Lodge \$
Cost						
Opening costs	7,654,167	2,800,097	865,034	404,821	787,731	1,912,365
Additions during the year	99,078	-	-	-	47,461	-
Disposals and write downs	-	-	-	-	(66,950)	-
Transfers	-	-	-	-	-	-
Closing costs	7,753,245	2,800,097	865,034	404,821	768,242	1,912,365
Accumulated amortization						
Opening accumulated amortization	3,031,611	1,580,729	-	52,002	634,768	1,912,365
Amortization	367,623	62,046	-	12,241	44,802	-
Disposals	-	-	-	-	(39,873)	-
Closing accumulated amortization	3,399,234	1,642,775	-	64,243	639,697	1,912,365
Net book value of tangible capital assets	4,354,011	1,157,322	865,034	340,578	128,545	-

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

12. Tangible capital assets (continued)

	Muchipunowin \$	Gaming \$	820 Taylor \$	Camp \$	2025 \$	2024 \$
Cost						
Opening costs	287,006	192,943	12,075,708	1,623,572	557,723,360	504,808,259
Additions during the year	-	-	4,880,503	462,370	40,857,946	59,856,829
Disposals and write downs	-	-	-	-	(66,950)	(6,941,728)
Transfers	-	-	-	-	-	-
Closing costs	287,006	192,943	16,956,211	2,085,942	598,514,356	557,723,360
Accumulated amortization						
Opening accumulated amortization	187,970	138,937	-	144,058	175,394,521	160,872,598
Amortization	29,074	4,611	3,456	69,367	21,080,987	16,314,723
Disposals	-	-	-	-	(39,873)	(1,792,800)
Closing accumulated amortization	217,044	143,548	3,456	213,425	196,435,635	175,394,521
Net book value of tangible capital assets	69,962	49,395	16,952,755	1,872,517	402,078,721	382,328,839

13. Intangible Minago mining assets

On October 30, 2024, Norway House Cree Nation ("the Nation") acquired all rights, title, and interest in the Minago Mine Project from Flying Nickel Mining Corporation ("Flying Nickel") for total consideration of \$8,790,284. The purchase included \$8 million in cash and the surrender of the Nation's equity interest in Flying Nickel, with a fair value of \$790,285 on the acquisition date. The acquisition included mining claims, mineral leases, and exploration rights located on traditional territory, and has been accounted for as an acquisition of intangible assets in accordance with PSG-8 – *Purchased Intangibles*. The acquired intangible assets are recorded at cost and considered to have indefinite useful lives, therefore, no amortization has been recorded. These assets are subject to impairment review annually or when indicators of impairment exist. No impairment was identified as at March 31, 2025. In accordance with PSAS, the Minago mining assets are recorded at cost. This includes both the acquisition costs and additional capitalized expenditures such as exploration and drilling activities incurred during the fiscal year. A reconciliation of the total capitalized costs as at March 31, 2025, is presented below.

	2025
	\$
Cash Consideration to Acquire	8,000,000
Value of Shares Disposed	790,285
Capitalized Drilling and Exploration Costs	796,638
Total Mining Cost as at March 31, 2025	9,586,923

As part of the acquisition, the Nation assumed a royalty agreement with Oracle Commodity Holding Corp., under which a 2% net smelter return or \$2 per tonne of coal applies to future production. This obligation is disclosed as a contingent liability under PS 3300, as commercial production has not yet commenced. In addition, Glencore Canada Corporation holds a right-of-first-refusal to acquire specific mineral claims at fair market value. No royalty expense and royalty liability are recorded during the year.

14. Inventory

	2025	2024
	\$	\$
Aggregate	418,869	809,510
Fuel	72,874	60,846
Pharmacy supplies	418,940	404,878
Other	109,480	26,989
	1,020,163	1,302,223

The net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. An inventory reserve is maintained to account for obsolescence and slow-moving items. The reserve is based on historical data and management's estimates of future obsolescence. As of the reporting date, the inventory reserve was \$nil (2024 - \$154,153).

Norway House Cree Nation
Notes to the consolidated financial statements
For the year-ended March 31, 2025

15. Other own source revenue

	2025	2024
	\$	\$
Environmental	3,641,350	2,631,180
Other	2,106,875	512,981
Interest	1,796,423	3,783,368
KSMA renovations contract	1,664,443	424,189
Gain on investment - Bison Container Homes	1,129,180	1,319,035
Fuel sales	1,118,376	987,658
Restaurant sales	975,755	1,051,804
Telecom revenue	944,151	1,024,886
Gain on investment - Mainstay	586,802	-
Sponsorships	558,988	196,555
User fees - water and sewer	376,592	378,948
Hotel room rentals	371,973	397,980
Daycare fees	137,920	114,752
Other rev - multiplex	114,934	136,486
Other rev - radio	80,800	116,400
License fees	72,869	73,456
Coordinated community response	20,000	49,920
Loss on investment - Tower JV	(129,011)	(123,476)
	15,568,420	13,076,122

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure

	Assisted Living		Band Support		CMHC	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	3,792,559	3,614,950	37,596,563	4,232,401	1,556,633	1,508,155
Provincial government	-	-	1,348,918	2,900,640	-	-
Economic activities	2,200	4,240	2,378,392	5,107,657	1,102,049	1,151,200
Other revenue	-	-	1,773,221	1,987,715	-	1,936,829
Total revenue	3,794,759	3,619,190	43,097,094	14,228,413	2,658,682	4,596,184
Expenditures						
Salaries and benefits	423,799	499,313	3,307,587	3,151,347	-	-
Amortization	-	-	13,894,366	12,195,622	1,800,775	1,732,903
Debt servicing	-	-	2,358,470	2,342,263	616,908	579,541
Other expenses	3,207,726	1,498,866	22,393,736	19,565,056	2,126,432	5,779,081
Total expenditures	3,631,525	1,998,179	41,954,159	37,254,288	4,544,115	8,091,525
Annual surplus (deficit)	163,234	1,621,011	1,142,935	(23,025,875)	(1,885,433)	(3,495,341)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Economic Development		Education		Emergency Services	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	1,024,511	81,077	55,929,243	46,168,798	1,127,334	1,386,362
Provincial government	54,186	-	2,416,659	188,752	-	-
Economic activities	-	-	-	49,333	-	-
Other revenue	403,444	118,500	218,849	5,968	-	-
Total revenue	1,482,141	199,577	58,564,751	46,412,851	1,127,334	1,386,362
Expenditures						
Salaries and benefits	323,023	375,760	1,629,197	1,471,813	1,355,438	1,292,851
Amortization	-	-	-	-	-	-
Debt servicing	-	-	-	-	-	-
Other expenses	1,198,505	641,371	39,885,375	39,142,583	2,221,702	1,506,710
Total expenditures	1,521,528	1,017,131	41,514,572	40,614,396	3,577,140	2,799,561
Annual surplus (deficit)	(39,387)	(817,554)	17,050,179	5,798,455	(2,449,806)	(1,413,199)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Employment and training		Enterprises		Gaming	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	1,854,399	1,919,924	1,880,253	100,000	-	-
Provincial government	-	-	1,497,241	1,126,752	-	-
Economic activities	-	-	28,621,517	23,219,927	189,882	205,260
Other revenue	26,432	18,598	115,106	49,149	-	-
Total revenue	1,880,831	1,938,522	32,114,117	24,495,828	189,882	205,260
Expenditures						
Salaries and benefits	708,837	807,483	7,519,223	6,857,453	16,600	28,192
Amortization	-	-	977,034	990,037	4,611	4,611
Debt servicing	-	-	585,768	89,758	-	-
Other expenses	1,221,388	1,088,764	21,107,439	18,099,425	266,659	193,571
Total expenditures	1,930,225	1,896,247	30,189,464	26,036,673	287,870	226,374
Annual surplus (deficit)	(49,394)	42,275	1,924,653	(1,540,845)	(97,988)	(21,114)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	H&W Foundation		Health Centre of Excellence		Health Services	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	-	-	15,756,770	19,731,802	28,799,660	23,394,080
Provincial government	-	-	-	-	-	-
Economic activities	-	-	-	-	507,000	480,000
Other revenue	208	227	504,699	1,004,660	304,006	(5,400)
Total revenue	208	227	16,261,469	20,736,462	29,610,666	23,868,680
Expenditures						
Salaries and benefits	-	-	1,533,824	502,418	9,292,626	7,571,528
Amortization	-	-	3,726,486	735,100	-	-
Debt servicing	-	-	-	-	-	-
Other expenses	-	-	4,236,225	8,575,689	15,973,161	11,573,335
Total expenditures	-	-	9,496,535	9,813,207	25,265,787	19,144,863
Annual surplus (deficit)	208	227	6,764,934	10,923,255	4,344,879	4,723,817

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Housing		Keenanow Trust Secretariat		KSIW	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	9,249,669	1,278,035	-	-	-	-
Provincial government	-	-	-	-	-	-
Economic activities	240,747	246,228	64,142	148,771	3,011,496	2,631,310
Other revenue	2,443,297	446,952	460,029	321,292	-	-
Total revenue	11,933,713	1,971,215	524,171	470,063	3,011,496	2,631,310
Expenditures						
Salaries and benefits	2,567,538	2,290,883	251,193	210,641	817,830	700,740
Amortization	-	-	-	-	296,799	287,530
Debt servicing	-	-	-	-	229,778	257,712
Other expenses	6,974,457	2,855,274	272,978	248,325	1,620,016	1,448,772
Total expenditures	9,541,995	5,146,157	524,171	458,966	2,964,423	2,694,754
Annual surplus (deficit)	2,391,718	(3,174,942)	-	11,097	47,073	(63,444)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Muchipunowin		Parks, Recreation, and Multi-Plex		Pinaow Wachi	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	-	-	-	-	3,000,000	1,281,346
Provincial government	-	-	-	-	651,300	651,300
Economic activities	2,676,340	2,982,066	227,060	246,904	384,403	368,814
Other revenue	-	-	160,482	158,694	-	-
Total revenue	2,676,340	2,982,066	387,542	405,598	4,035,703	2,301,460
Expenditures						
Salaries and benefits	412,469	484,811	1,389,148	1,491,390	2,402,390	2,431,701
Amortization	29,074	29,965	-	-	370,085	338,955
Debt servicing	-	-	-	-	-	-
Other expenses	2,918,839	2,935,895	2,492,402	2,477,007	1,011,503	820,187
Total expenditures	3,360,382	3,450,671	3,881,550	3,968,397	3,783,978	3,590,843
Annual surplus (deficit)	(684,042)	(468,605)	(3,494,008)	(3,562,799)	251,725	(1,289,383)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Prevention		Public Works		Restorative Justice	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	25,834,230	23,974,463	14,144,546	10,459,659	70,000	90,000
Provincial government	-	-	-	-	79,308	80,000
Economic activities	-	-	3,823,867	2,834,174	-	-
Other revenue	-	-	2,787	7,991	-	-
Total revenue	25,834,230	23,974,463	17,971,200	13,301,824	149,308	170,000
Expenditures						
Salaries and benefits	-	114,358	4,531,435	4,025,406	112,617	70,787
Amortization	-	-	-	-	-	-
Debt servicing	-	-	-	-	-	-
Other expenses	1,381,343	2,166,504	7,778,993	7,234,840	91,815	191,944
Total expenditures	1,381,343	2,280,862	12,310,428	11,260,246	204,432	262,731
Annual surplus (deficit)	24,452,887	21,693,601	5,660,772	2,041,578	(55,124)	(92,731)

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Safety Officers Program		Social Services		Youth	
	2025	2024	2025	2024	2025	2024
	\$	\$	\$	\$	\$	\$
Revenue						
Federal government	-	-	15,380,240	20,083,256	133,646	120,539
Provincial government	231,000	189,000	-	-	-	-
Economic activities	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-
Total revenue	231,000	189,000	15,380,240	20,083,256	133,646	120,539
Expenditures						
Salaries and benefits	964,181	749,066	1,414,451	1,260,184	121,677	108,639
Amortization	-	-	-	-	-	-
Debt servicing	-	-	-	-	-	-
Other expenses	561,571	218,849	14,934,410	15,245,867	11,969	11,900
Total expenditures	1,525,752	967,915	16,348,861	16,506,051	133,646	120,539
Annual surplus (deficit)	(1,294,752)	(778,915)	(968,621)	3,577,205	-	-

Norway House Cree Nation

Notes to the consolidated financial statements

For the year-ended March 31, 2025

16. Segment disclosure (continued)

	Elimination		Total	
	2025	2024	2025	2024
	\$	\$	\$	\$
Revenue				
Federal government	(3,000,000)	(1,281,742)	214,130,256	158,143,105
Provincial government	-	-	6,278,612	5,136,444
Economic activities	(13,269,242)	(7,065,457)	29,959,853	32,610,427
Other revenue	(460,428)	(253,782)	5,952,132	5,797,393
Total revenue	(16,729,670)	(8,600,981)	256,320,853	201,687,369
Expenditures				
Salaries and benefits	-	-	41,095,083	36,496,764
Amortization	(18,243)	-	21,080,987	16,314,723
Debt servicing	-	-	3,790,924	3,269,274
Other expenses	(12,109,849)	(8,600,981)	141,778,795	134,918,834
Total expenditures	(12,128,092)	(8,600,981)	207,745,789	190,999,595
Annual surplus (deficit)	(4,601,578)	-	48,575,064	10,687,774

17. Expense by object

The following is a summary of expenses by object:

	2025	2024
	\$	\$
Administration	7,572,765	7,065,910
Amortization	21,080,987	16,314,723
Bad debt	1,975,645	737,992
Bank charges	104,360	157,116
Cost of goods sold	28,567,582	30,744,694
Debt servicing	3,790,924	3,270,178
Event expense	2,500,792	2,425,812
Funerals	1,199,754	772,633
Insurance	2,144,130	1,626,253
Loss on disposal of capital assets	27,077	3,429,211
Loss on disposal of portfolio investment	826,913	-
Professional fees	27,990,444	17,919,839
Program costs	41,373,663	47,092,484
Rent	919,144	835,975
Repairs and maintenance	5,084,400	4,676,004
Salaries and benefits	41,095,083	36,496,766
Supplies	11,052,778	8,263,962
Training	581,039	732,175
Travel	7,156,106	6,063,932
Utilities	2,696,237	2,373,936
Meals and entertainment	5,966	-
	207,745,789	190,999,595

18. Pension plan

Norway House Cree Nation provides a defined contribution pension plan to its employees. The net expense for the year is \$454,227 (2024 - \$409,178).

Employees contribute 3% of their earnings to the entity's pension plan. The entity matches these employee contributions.

19. Government transfers

	Operations	Capital	2025 Total
	\$	\$	\$
Federal Government Transfers			
Indigenous Services Canada	154,435,048	15,756,770	170,191,818
TLEC Settlement	32,474,226	-	32,474,226
Canada Mortgage and Housing Corporation	1,701,800	-	1,701,800
Manitoba Keewatinowi Okimakanak	3,449,817	-	3,449,817
Assembly of Manitoba Chiefs	3,215,054	-	3,215,054
Miscellaneous Federal Funding	3,118,818	-	3,118,818
	198,394,763	15,756,770	214,151,533

19. Government transfers (continued)

	Operations	Capital	2025 Total
	\$	\$	\$
Provincial Government Transfers			
Northern Regional Health Authority	651,300	-	651,300
Manitoba Justice Department	310,308	-	310,308
Minister of Finance	1,121,818	-	1,121,818
Northern Affairs Fund	201,219	-	201,219
Manitoba Chamber of Commerce	300,000	-	300,000
Minister of Education	2,257,464	-	2,257,464
Miscellaneous Provincial Funding	109,841	-	109,841
	4,951,950	-	4,951,950
	Operations	Capital	2024 Total
	\$	\$	\$
Federal Government Transfers			
Indigenous Services Canada	135,178,442	19,519,803	154,698,245
Canada Mortgage and Housing Corporation	1,936,829	-	1,936,829
Manitoba Keewatinowi Okimakanak	2,592,586	-	2,592,586
Assembly of Manitoba Chiefs	572,741	-	572,741
	140,280,598	19,519,803	159,800,401
	Operations	Capital	2024 Total
	\$	\$	\$
Provincial Government Transfers			
Northern Regional Health Authority	651,300	-	651,300
Manitoba Justice Department	679,000	-	679,000
Minister of Finance	2,286,239	-	2,286,239
Northern Affairs Fund	197,274	-	197,274
Consumers' Association of Canada	7,127	-	7,127
	3,820,940	-	3,820,940

TLEC settlement

On March 8, 2025, NHCN entered into an advance payment agreement with the Government of Canada. This agreement pertains to the ongoing resolution of outstanding Treaty Land Entitlement obligations under the 1997 Manitoba Framework Agreement. As part of this settlement, NHCN is entitled to receive \$32,474,226 in financial compensation. NHCN recognized this amount as revenue during the year. As of March 31, 2025, NHCN has a receivable amount of \$32,474,226.

20. Accumulated operating surplus

Accumulated operating surplus includes the following restricted reserve:

	2025 \$	2024 \$
Unrestricted operating surplus (deficit)		
Balance, beginning of year	(19,463,282)	(3,674,216)
Transfer to invested in capital assets	(6,221,024)	(29,955,297)
Transfer from externally restricted reserves	(3,666,757)	3,478,457
Current year surplus	48,575,064	10,687,774
	19,224,001	(19,463,282)
Replacement reserves (CMHC)		
Balance, beginning of year	-	3,478,457
Transfer to unrestricted operating surplus	3,666,757	(3,478,457)
	3,666,757	-
Invested in tangible capital assets		
Balance, beginning of year	323,332,412	293,377,115
Amortization	(21,080,987)	(16,314,723)
Acquisitions	40,857,946	59,856,829
Proceed of disposals	-	(1,719,717)
Loss on disposal of tangible assets	(27,077)	(3,429,211)
Long-term debt proceeds	(24,873,322)	(12,385,756)
Long-term debt repayments	11,344,464	3,947,875
	329,553,436	323,332,412
Balance end of year	352,444,194	303,869,130

21. Contingencies

Norway House Cree Nation has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if Norway House Cree Nation fails to comply with the terms and conditions of the agreements.

22. Economic dependence

Norway House Cree Nation receives a major portion of its revenues pursuant to funding arrangements with Indigenous Services Canada.

23. Financial instruments

Management of risks arising from financial instruments

Norway House's principal financial liabilities comprise bank indebtedness, accounts payable and accrued liabilities and long-term debt. The main purpose of these financial liabilities is to finance NHCN's operations and to provide guarantees to support its operations. NHCN has accounts receivable, loans receivables, cash and cash equivalents, and restricted cash that are derived directly from its operations. It also holds short-term deposits and investments in government business partnerships as part of its investing activities.

NHCN's activities expose it to a variety of financial risks: market risk (including interest risk), credit risk, and liquidity risk. NHCN's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on NHCN'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.

23. Financial instruments (continued)

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

Liquidity risk related to financial instruments

Liquidity risk is the risk that Norway House will not be able to provide for sufficient cash and cash equivalents to meet its financial obligations when they come due. Norway House 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 at year end March 31, 2025, Norway House has sufficient assets from cash and cash equivalents and accounts receivable to cover the total outstanding payable balance. In addition, Norway House has portfolio investments that can be readily converted into cash, as well as credit facilities to meet temporary fluctuations in cash requirements. The line of credit facility available at March 31, 2025 was \$5,000,000 (2024 - \$5,000,000).

NHCN's liquidity position and its management of liquidity and funding risk have not changed materially since March 31, 2024.

Credit risk related to financial instruments

Norway House is exposed to credit risk arising 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. NHCN 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, Norway House 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 Norway House. 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 statement of financial position.

Market risk related to financial instruments

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 Norway House is the Canadian Dollar. Norway House Cree Nation does not engage in significant foreign currency transactions nor does it hold any foreign investments; therefore, foreign currency risk is minimal and NHCN has not entered into any foreign exchange hedging contracts.

23. Financial instruments (continued)

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. NHCN's exposure to interest rate risk primarily stems from holdings of debt instruments with a variable rate component.

As at March 31, 2025, the impact to the surplus a 100 basis point increase in interest rates would have been a decrease of approximately \$132,644 (2024 – decrease of \$30,793).

Equity price 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. NHCN's has an investment in Exchange Income Corporation, however equity price risk is minimal as it relates to the single marketable security.

24. Budget

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Chief and Council on July 25, 2024.

25. VLT revenue

	2025 \$	2024 \$
Revenue	25,364,735	24,022,064
Expenses	20,672,671	20,470,863
Net revenue	4,692,064	3,551,201

VLT revenue has been presented within the consolidated statement of operations as net revenue.

26. Subsequent event

On April 2, 2025, NHCN acquired a group of assets from Wintec Building Services Inc., an independent service provider located in Navin, Manitoba, for total cash consideration of \$7,000,000.

Wintec has been a major contributor to various development projects across Manitoba, utilizing a modern inventory of equipment suitable for both residential and commercial capital projects. The acquired assets include specialized equipment designed to support a broad range of construction and infrastructure initiatives. This acquisition is expected to strengthen the NHCN's ability to execute large-scale capital projects more efficiently by reducing reliance on third-party service providers and improving the availability of in-house resources. The equipment is anticipated to contribute to enhanced project scheduling, cost management, and operational flexibility across multiple active sites. In addition, it will create employment opportunities and generate long-term economic development for NHCN. Given the number of capital projects currently underway and the integration timeline for the newly acquired assets, NHCN is unable to reliably estimate the full financial impact of the acquisition at this time.