

**Wagmatcook First Nation
Consolidated Financial Statements**

March 31, 2025

To the Members of Wagmatcook First Nation:

Opinion

We have audited the consolidated financial statements of Wagmatcook First Nation (the "First Nation") on pages 2-32, which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, change in fund balances, change in net debt and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2025, and the results of its consolidated operations, changes in consolidated net debt and 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.

Other Matters - Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 33 - 36 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of the consolidated financial statements 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 unless management either intends to liquidate the First Nation or to cease operations, or has no realistic alternative but to do so.

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

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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 units within the First Nation as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the 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.

Sydney, Nova Scotia
July 28, 2025

MNP LLP
Chartered Professional Accountants

Wagmatcook First Nation
Consolidated Financial Statements
For the year ended March 31, 2025

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MANAGEMENT'S REPORT

Management's Responsibility for the Financial Statements

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

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and as such include amounts that are the best estimates and judgments of management.

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

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

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

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

On behalf of Wagmatcook First Nation:

Allan MacNeil
Chief Financial Officer

Wagmatcook First Nation
Consolidated Statement of Financial Position
As at March 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash (Note 2)	\$ 3,999,370	\$ 5,307,262
Term deposits (Note 3)	5,715,443	7,399,530
Accounts receivable (Note 4)	1,730,827	1,115,561
Inventories for resale (Note 5)	287,903	250,173
Due from federal government (Note 6)	9,270,359	4,703,058
Due from provincial government (Note 7)	122,084	121,469
Investment in incorporated business enterprises (Note 8)	731,743	784,243
Investment in business partnerships (Note 9)	813,195	—
Trust funds – Indigenous Services Canada (Note 10)	211,129	182,227
	22,882,053	19,863,523
FINANCIAL LIABILITIES		
Operating loan (Note 11)	—	20,702
Accounts payable and accrued liabilities (Note 12)	4,548,753	3,178,092
Deferred revenue (Note 13)	8,136,486	8,100,735
Long-term debt (Note 14)	14,832,413	14,291,052
	27,517,652	25,590,581
NET DEBT	(4,635,599)	(5,727,058)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 15)	53,196,002	46,768,459
Intangible assets	14,395,680	14,395,680
Inventories held for use and prepaid expenses	196,601	297,034
	67,788,283	61,461,173
ACCUMULATED SURPLUS	\$ 63,152,684	\$ 55,734,115

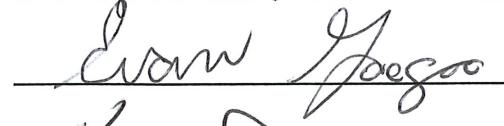
Contingencies (Note 21)

See accompanying notes to consolidated financial statements.

On behalf of Wagmatcook Band Council:


Travis Isadore

Thomas Rock


Angela Pierro

Evan Gagoo

Kim Denay

Wagmatcook First Nation
Consolidated Statement of Operations
For the year ended March 31, 2025

	2025	2024
	Budget	Actual
REVENUES		
Federal Government		
Indigenous Services Canada	\$ 19,048,428	\$ 8,976,964
Mi'kmaw Kina'matnewey	4,387,314	5,480,863
Indigenous Services Canada - Health	2,800,350	3,997,921
Fisheries and Oceans Canada	217,540	217,540
Employment and Social Development		
Canada	282,013	294,297
Canada Mortgage and Housing Corporation	142,572	2,643,355
Province of Nova Scotia	125,000	290,954
Economic activities	2,190,1414	13,410,207
Interest, rent and other	14,650,000	2,159,710
	43,843,331	37,471,811
	33,456,326	
EXPENSES		
Governance	3,052,649	2,916,232
Economic and employment development	693,109	569,722
Operations and maintenance	675,333	1,259,623
Community wellness	900,000	1,397,754
Proposals and requests	571,596	415,456
Social development	3,090,568	3,812,305
Education	4,066,561	4,441,755
Capital	21,031,074	15,832
Housing	2,065,201	1,512,879
Health program	2,867,806	2,125,520
Fisheries – treaty	282,740	214,815
Fisheries – commercial	2,909,886	3,224,354
Wagmatcook Gas Bar	5,978,257	5,228,572
Gaming	767,480	696,185
Enterprise, Heritage and Community Complex	1,679,068	1,862,989
Tobacco	1,688,935	1,201,345
	52,320,263	30,895,338
	30,306,460	
Net revenues (expenses) before the following	(8,476,932)	6,576,473
OTHER EARNINGS		
WFN Seafoods Limited Partnership (Note 9)	–	813,195
ANNUAL SURPLUS (DEFICIT)	\$ (8,476,932)	\$ 7,389,668
	\$ 3,149,866	

See accompanying notes to consolidated financial statements.

Wagmatcook First Nation
Consolidated Statement of Change in Fund Balances
For the year ended March 31, 2025

							2024	2025			
	Operating	Capital	Trust	CMHC Housing Replacement	Equipment Replacement	Housing Reserve	Community Sewer Equity	Capital Building Fund	Education Reserve	Total	Total
BALANCE, BEGINNING OF YEAR	\$ 8,288,407	\$ 44,246,492	\$ 182,228	\$ 620,920	\$ 834,568	\$ —	\$ 338,460	\$ 75,000	\$ 1,148,041	\$ 55,734,115	\$ 52,558,431
Annual surplus	3,914,341	3,475,327	—	—	—	—	—	—	—	—	3,149,866
Internal transfers	(2,173,778)	2,592,658	—	(43,880)	25,000	600,000	—	—	(1,000,000)	—	—
	1,740,563	6,067,985	—	(43,880)	25,000	600,000	—	—	(1,000,000)	7,389,668	3,149,866
External contribution	—	—	28,901	—	—	—	—	—	—	28,901	25,818
BALANCE, END OF YEAR	\$ 10,028,970	\$ 50,314,477	\$ 211,129	\$ 577,040	\$ 859,568	\$ 600,000	\$ 338,460	\$ 75,000	\$ 148,041	\$ 63,152,684	\$ 55,734,115

Wagmatcook First Nation
Consolidated Statement of Change in Net Debt
For the year ended March 31, 2025

	2025	2024
ANNUAL SURPLUS	\$ 7,389,668	\$ 3,149,866
Tangible capital assets		
Net acquisition of tangible capital assets	(8,145,303)	(5,564,074)
Amortization of tangible capital assets	1,717,760	1,615,559
	<u>(6,427,543)</u>	<u>(3,948,515)</u>
Other non-financial assets		
Decrease in inventories held for use and prepaid expenses	100,433	472
Other		
External contributions to restricted funds	28,901	25,818
CHANGE IN NET DEBT	1,091,459	(772,359)
NET DEBT, BEGINNING OF YEAR	(5,727,058)	(4,954,699)
NET DEBT, END OF YEAR	\$ (4,635,599)	\$ (5,727,058)

See accompanying notes to consolidated financial statements.

Wagmatcook First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2025

	2025	2024
Cash provided by (used in)		
OPERATING ACTIVITIES		
Annual surplus	\$ 7,389,668	\$ 3,149,866
Items not involving cash		
Amortization of tangible capital assets	1,717,760	1,615,559
Gain on sale of tangible capital assets	(495,000)	–
	8,612,428	4,765,425
Change in non-cash items		
Accounts receivable	(615,266)	(304,042)
Inventories for resale	(37,730)	(42,362)
Due from federal government	(4,567,301)	(1,846,275)
Due from provincial government	(615)	(48,112)
Inventories held for use and prepaid expenses	100,433	472
Accounts payable and accrued liabilities	1,370,661	388,616
Deferred revenue	35,751	443,352
	(3,714,067)	3,357,074
FINANCING ACTIVITIES		
Principal payments on operating loans	(20,702)	(47,818)
Issuance of long-term debt	1,750,000	2,200,000
Principal payments on long-term debt	(1,208,639)	(1,160,302)
	520,659	991,880
INVESTING ACTIVITIES		
Additions to tangible capital assets	(8,145,303)	(5,564,074)
Proceeds on sale of tangible capital assets	495,000	–
(Increase) decrease in term deposits	1,684,087	(1,423,443)
(Increase) decrease in investment in incorporated business enterprises	52,500	(709,243)
Increase in investment in business partnership	(813,195)	–
External contributions	28,901	25,818
	(6,698,010)	(7,670,942)
DECREASE IN CASH AND CASH EQUIVALENTS	(1,278,990)	(3,321,988)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,489,489	8,811,477
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 4,210,499	\$ 5,489,489
Cash and cash equivalents are comprised of the following		
Cash	\$ 3,999,370	\$ 5,307,262
Trust funds – Indigenous Services Canada	211,129	182,227
	\$ 4,210,499	\$ 5,489,489

See accompanying notes to consolidated financial statements.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

NATURE OF OPERATIONS

Wagmatcook First Nation Council is comprised of a Chief and seven councilors under the Indian Act of Canada. The Council is accountable to the local Mi'kmaq community members for the delivery of programs and services, management of all financial resources and planning to support future community-based self-government.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

(b) Reporting entity

The Wagmatcook First Nation reporting entity includes Wagmatcook First Nation government and all related entities which are accountable to the First Nation.

(c) Principles of consolidation

These consolidated financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Wagmatcook First Nation Operating, Capital and Reserve Funds

Wagmatcook First Nation Trust Funds

Wagmatcook Enterprise, Heritage and Community Complex

Wagmatcook Education Authority Limited

The Wagmatcook First Nation includes all organizations accountable to the Band Council for the administration of their financial affairs and that are owned or controlled by the Band Council. The interfund accounts and interfund transfers are eliminated in the consolidation.

(d) Fund accounting

The resources and operations of the First Nation are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(e) 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, intangible assets, inventories held for use and prepaid expenses.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Segments

The First Nation conducts its business through various reportable segments: Governance, economic and employment development, operations and maintenance, community wellness, proposals and requests, social development, education, capital, housing, health program and other. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions and to assess operational performance.

For each reported segment, revenue and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information.

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

(g) Cash and cash equivalents

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

(h) Inventories for resale

Inventory of goods available for resale, is recorded at the lower of cost and net realizable value. Cost is determined by the first in, first out method.

(i) Investments in business partnerships

Investments in business partnerships are recorded using the modified equity basis of accounting. The First Nation's investment in business partnerships is initially recorded at acquisition cost and is increased or for their proportionate share of earnings, decreased by distributions received.

(j) Investments in incorporated business enterprises

Investments in incorporated business enterprises are recorded using the modified equity basis of accounting. The First Nation's investment in incorporated business enterprises are initially recorded at acquisition cost and is increased or for their proportionate share of earnings, decreased by distributions received.

(l) Employee future benefits – service awards

Service awards are recognized as an expenditure and accrued in the year the award is earned.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Tangible capital assets

Tangible capital assets acquired since 1987 are reported in the statement of financial position at cost net of accumulated amortization. All tangible capital assets acquired prior to 1987 have been written off. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

Asset	Basis	Rate
Buildings	Straight-line	40 years
Equipment	Straight-line	5-10 years
Roads	Straight-line	50 years
Lagoons and water systems	Straight-line	40 years
Fishing vessels	Straight-line	15 years
Wharf	Straight-line	40 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to Wagmatcook First Nation's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(m) Intangible assets

Intangible assets consist of purchased fishing licenses and are recorded at cost. They are not amortized as they have an indefinite life.

(n) Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) The past transaction or event giving rise to the liability has occurred;
- (c) It is expected that future economic benefits will be given up; and
- (d) A reasonable estimate of the amount can be made.

Any liability is recognized as the estimated future costs of remediation.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) 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 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. Interest is recognized on the accrual basis as it is earned. All other revenue is recognized when a price is agreed and all significant contractual obligations have been satisfied and collectability is reasonably assured.

(p) Financial instruments

Measurement of financial instrument

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the First Nation measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The First Nation uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses.

Financial instrument	Measurement basis
Cash and cash equivalents	Fair value
Term deposits	Amortized cost
Accounts receivables	Amortized cost
Government receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Operating loan	Amortized cost
Long-term debt	Amortized cost

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Financial instruments (Continued)

Impairment

For financial assets measured at cost or amortized cost, the First Nation regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the First Nation determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest or credit risks arising from financial instruments.

A statement of remeasurement gains and losses has not been included in these financial statements as it would not contain any balances or transactions.

(q) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes.

Amortization is based on the estimated useful lives of tangible capital assets. Receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Management has evaluated the valuation of intangible assets based on the future economic benefits expected to be generated from the intangible assets. Investments impairments are based on the net recoverable value of the investment.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the years in which they become known.

2. CASH AND CASH EQUIVALENTS

	2025	2024
Cash	\$ 3,999,370	\$ 5,307,262
Trust funds – Indigenous Services Canada (note 10)	\$ 211,129	\$ 182,227

3. TERM DEPOSITS

Term deposits consist of investments held at BMO with interest rates ranging from 3.40% to 5.10% (2024 – 4.45% to 5.65%) maturing July 2025 to September 2027.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

4. ACCOUNTS RECEIVABLE

	2025	2024
Fish settlements	\$ 465,800	\$ 184,695
Employees	175,877	193,219
Ultramar fuel rebate and credit	68,912	68,256
Due from Kitpu Aviation Inc.	63,792	58,275
General	986,918	491,314
Accrued interest	69,832	219,802
	1,831,131	1,215,561
Allowance for doubtful accounts	(100,304)	(100,000)
	\$ 1,730,827	\$ 1,115,561

5. INVENTORIES FOR RESALE

	2025	2024
Gas bar	\$ 148,201	\$ 116,731
Tobacco shop	80,749	85,481
Enterprise centre	58,953	47,961
	\$ 287,903	\$ 250,173

6. DUE FROM FEDERAL GOVERNMENT

	2025	2024
Indigenous Services Canada	\$ 6,336,533	\$ 4,162,774
Canada Mortgage and Housing Corporation	2,696,122	234,960
Fisheries and Oceans Canada	145,027	145,028
Other	72,000	110,317
Mi'kmaq Kina'matnewey	20,677	18,616
Employment and Social Development Canada	–	31,363
	\$ 9,270,359	\$ 4,703,058

7. DUE FROM PROVINCIAL GOVERNMENT

	2025	2024
Nova Scotia Gaming Commission	\$ 120,000	\$ 120,000
Other	2,084	1,469
	\$ 122,084	\$ 121,469

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

8. INVESTMENT IN BUSINESS ENTERPRISES

						2025
	Investment cost, beginning of year	Share of earnings	Distributions	Additional investment		Investment cost, end of year
Breton Air Inc. – 37.5%	304,522	–	–	–		304,522
Kitpu Aviation Inc. – 50%	354,521	–	–	–		354,521
E'sukutimkewey Limited						
Partnership – 5.4%	125,000	–	(52,500)	–		72,500
WFN Kitpu Aviation Inc – 100%	100	–	–	–		100
WFN Kitpu Aviation Limited						
Partnership – 99.99%	100	–	–	–		100
	\$ 784,243	\$ –	\$ (52,500)	\$ –		\$ 731,743

						2024
	Investment cost beginning of year	Share of earnings	Dividends	Additional investment		Investment cost, end of year
Breton Air Inc. – 37.5%	–	–	–	304,522		304,522
Kitpu Aviation Inc. – 50%	–	–	–	354,521		354,521
E'sukutimkewey Limited						
Partnership – 5.4%	75,000	126,864	(76,864)	–		125,000
WFN Kitpu Aviation Inc – 100%	–	–	–	100		100
WFN Kitpu Aviation Limited						
Partnership – 99.99%	–	–	–	100		100
	\$ 75,000	\$ 126,864	\$ (76,864)	\$ 659,243		\$ 784,243

Mi'kmaq Resource Development Partnership ("MRDP")

MRDP holds investments in two Wind LP's, Beaubassin Mi'kmaq Wind LP and Whynott's Mi'kmaq Wind LOP, of which the First Nation holds an investment of 5.4%. As at March 31, 2025, the financial statements of MRDP have not been audited and the First Nation's portion of the capital account was \$35,768 (2024 - \$35,768).

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

9. INVESTMENT IN WFN SEAFOODS LIMITED PARTNERSHIP

The First Nation's investment in WFN Seafoods Limited Partnership is as follows:

	2025	2024
Balance, beginning of year	\$ —	\$ —
Share of net profits of WFN Seafoods Limited Partnership	\$ 813,195	—
Balance, end of year	\$ 813,195	\$ —

The investment in the Limited Partnership consists of a 99.99% share of WFN Seafoods Limited Partnership. The Limited Partnership Agreement became effective June 1, 2024 pursuant to the Limited Partnership Act of the Province of Nova Scotia.

The WFN Seafoods Limited Partnership' principal business activity is the operation of the A&L Seafoods Limited Partnership commercial fishery carried out by an unincorporated division operating as A&L Seafoods Inc.

Summary reviewed financial information for WFN Seafoods Limited Partnership as at and for the year ended March 31, 2025 is as follows:

STATEMENT OF FINANCIAL POSITION

	2025
ASSETS	
Investment in A&L Seafoods Limited Partnership	\$ 25,148,152
\$ 25,148,152	
LIABILITIES	
Long-term debt	\$ 24,334,957
EQUITY	
Limited partner's equity	805,063
General partner's equity	8,132
	813,195
\$ 25,148,152	

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

9. INVESTMENT IN WFN SEAFOODS LIMITED PARTNERSHIP (CONTINUED)

STATEMENT OF EARNINGS AND PARTNERS' EQUITY

	2025
REVENUE	
Revenue from investment in incorporated business enterprises	\$ 2,053,113
EXPENSES	
Interest on long-term debt	1,239,918
NET INCOME	813,195
Partners' equity, beginning of year	-
PARTNERS' EQUITY, END OF YEAR	\$ 813,195

10. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

Trust fund accounts arise from moneys 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. The trust fund increased by \$28,901 during the year (2024 - \$25,818).

11. OPERATING LOAN

	2025	2024
BMO operating loan repaid during the year	\$ -	\$ 20,702

12. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Trade payables	\$ 2,892,941	\$ 1,672,312
Employee future benefits – service awards	940,779	866,691
Accrued salaries and employee benefits payable	382,288	345,912
Other accrued liabilities	284,250	257,252
Harmonized sales tax payable	48,495	35,925
	\$ 4,548,753	\$ 3,178,092

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

13. DEFERRED REVENUE

	Balance March 31, 2024	Funding received 2025	Revenue recognized 2025	Balance March 31, 2025
Federal government				
Indigenous Services Canada - Health Canada				
Health Services Integration Fund	\$ 56,277	\$ —	\$ 990	\$ 55,287
Jordan's Principle – Respite Care	45,600	—	—	45,600
Child First Initiative	25,292	—	—	25,292
Aboriginal Diabetes Initiative	44,894	—	—	44,894
HCC service delivery	42,000	—	—	42,000
Health planning management	65,000	—	42,378	22,622
Mental health care	66,000	—	66,000	—
Capital investment	607,061	—	607,061	—
	952,124	—	716,429	235,695
Indigenous Services Canada				
Housing starts	63,481	—	—	63,481
Planning solid waste management proposal	72,679	—	—	72,679
Firesmart – brush fire equipment	11,931	—	—	11,931
East end subdivision feasibility study	50,000	—	30,550	19,450
Assisted Living service delivery	14,000	—	14,000	—
Q2C3 CFS Prev/Least Disruptive Measures	2,048,838	1,701,600	854,000	2,896,438
Q2C7 CFS Representative Service	390,385	242,424	471,336	161,473
Q2C0 CFS Operations	115,942	—	115,942	—
Q2AP Employment & Pre-Employment	65,610	—	65,610	—
Q26G Youth Employment Skill Link Program	119,031	—	119,031	—
Q3AU Fire Protection new fire hall	222,500	—	2,500	220,000
Q3X8 API Deficiencies & Second Well	291,049	—	291,049	—
Q3X8 East End Subdivision	250,000	—	—	250,000
Q3XJ Construction 1 Single Family Unit	67,000	—	67,000	—
QA1A Construction 1 Single Family Unit	297,000	594,000	—	891,000
QA1B Priority Renovations	99,547	295,155	99,547	295,155
QA1U FNCFS Renovations	367,460	538,884	367,460	538,884
QA5A Construction	—	297,000	81,000	216,000
QA3P Water new construction	—	252,000	—	252,000
QA3R Water renovations and upgrades	—	80,000	—	80,000
Q300 Capital investment	—	61,960	—	61,960
Q3AV Other Protection Backup Power Source	114,889	—	114,889	—
Q3VT Community Opportunity Readiness	28,178	12,000	—	40,178
Q2NI Policing Community Safety	7,574	140,603	117,946	30,231
Q3WG LEDSP Tourism strategy	50,188	—	50,188	—
Q34S Water & Sewer Facilities	515,037	—	515,037	—
Q3Z0 Response – Storm Recovery	67,500	—	1,200	66,300
Q3AU Fire Protection	14,263	—	—	14,263
Q3ZO Fire smart – Land fire fighting gear	18,740	—	18,740	—
Q38L Lot servicing	35,000	105,000	35,000	105,000
	5,397,822	4,320,626	3,432,025	6,286,423

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

13. DEFERRED REVENUE (CONTINUED)

	Balance March 31, 2024	Funding received 2025	Revenue recognized 2025	Balance March 31, 2025
Canada Mortgage and Housing Corporation				
Rapid Housing Initiative	439,609	–	38,293	401,316
	6,789,555	4,320,626	4,186,747	6,923,434
Provincial government				
Age friendly community program	10,000	–	–	10,000
Learning skills initiative	4,637	–	4,637	
Walking wheeling infrastructure	100,000	–	–	100,000
Summer Games	–	9,029	–	9,029
Food security	–	40,000	7,000	33,000
	114,637	49,029	11,637	152,029
Education other	831,231	–	252,285	578,946
Other	365,312	559,642	442,877	482,077
	\$ 8,100,735	\$ 4,929,297	\$ 4,893,546	\$ 8,136,486

14. LONG-TERM DEBT

	2025	2024
Social Housing		
BMO		
Mortgage repayable in monthly instalments of \$648 including interest at 2.79% over a 5-year term ending June 30, 2026	\$ 44,557	\$ 50,997
Mortgage repayable in monthly instalments of \$1,121 including interest at 2.79% over a 5-year term ending June 30, 2026	77,050	88,186
Mortgage repayable in monthly instalments of \$2,334 including interest at 5.19% over a 5-year term ending October 31, 2025	343,780	354,629
Mortgage repayable in monthly instalments of \$525 including interest at 2.76% over a 6-year term ending May 31, 2026	7,224	13,236
Mortgage repayable in monthly installments of \$2,511 including interest at 2.99% over a 5-year term ending May 31, 2026	472,061	487,850
	944,672	994,898

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

14. LONG-TERM DEBT (CONTINUED)

	2025	2024
Carry forward	\$ 944,672	\$ 994,898
Mortgage repayable in monthly installments of \$675 including interest at 5.03% over a 4-year term ending August 31, 2026	11,020	18,368
Mortgage repayable in monthly installments of \$6,439 including interest at 6.33% over a 25-year term ending January 31, 2048	931,455	956,666
CMHC		
Mortgage payable in monthly instalments of \$735 including interest at 3.18% over a 5-year term ending March 1, 2030	72,344	78,835
Mortgage payable in monthly instalments of \$448 including interest at 1.30% over a 5-year term ending April 1, 2026	55,026	59,653
Mortgage payable in monthly instalments of \$406 including interest at 1.30% over a 5-year term ending April 1, 2026	50,217	54,405
Mortgage payable in monthly instalments of \$465 including interest at 1.50% over a 5-year term ending January 1, 2027	58,976	63,645
Mortgage payable in monthly instalments of \$569 including interest at 4.07% over a 5-year term ending August 1, 2028	68,593	72,568
Mortgage payable in monthly instalments of \$830 including interest at 4.07% over a 5-year term ending August 1, 2028	100,142	105,944
Mortgage payable in monthly instalments of \$567 including interest at 4.07% over a 5-year term ending August 1, 2028	68,593	72,568
Mortgage payable in monthly instalments of \$1,016 including interest at 0.71% over a 5-year term ending November 1, 2025	171,585	182,520
Mortgage payable in monthly instalments of \$433 including interest at 0.71% over a 5-year term ending November 1, 2025	73,184	77,849
Mortgage payable in monthly instalments of \$1,989 including interest at 2.27% over a 5-year term ending April 1, 2027	329,791	346,021
Mortgage payable in monthly instalments of \$2,360 including interest at 3.81% over a 5-year term ending March 1, 2028	369,382	383,478
	3,304,980	3,467,418

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

14. LONG-TERM DEBT (CONTINUED)

	2025	2024
Carry forward	\$ 3,304,980	\$ 3,467,418
Mortgage repayable in monthly instalments of \$735 including interest at 3.74% over a 5-year term ending March 1, 2028	24,989	32,723
Mortgage payable in monthly instalments of \$1,612 including interest at 3.52% over a 5-year term ending March 1, 2028	136,061	150,390
Mortgage payable in monthly instalments of \$537 including interest at 3.52% over a 5-year term ending March 1, 2028	45,329	50,103
Mortgage payable in monthly instalments of \$536 including interest at 3.52% over a 5-year term ending March 1, 2028	45,271	50,039
Mortgages payable in monthly instalments of \$2,293 including interest at 3.64% over a 5-year term ending August 1, 2029	383,606	398,329
Mortgage payable in monthly instalments of \$1,566 including interest at 3.02% over a 5-year term ending October 1, 2029	277,944	289,136
Repaid during the year	—	10,102
Social housing	4,218,480	4,448,240
Capital Fund		
BMO		
Term loan repayable in annual principal instalments of \$117,551, interest paid monthly at 5.64%, maturing August 31, 2025	342,857	457,143
Term loan repayable in monthly instalments of \$5,305 including interest of 5.64%, maturing August 31, 2025	214,256	263,709
Term loan repayable in annual principal instalments of \$400,000 interest paid monthly at 6.01%, maturing July 31, 2025	4,000,000	4,400,000
Term loan repayable in annual principal instalments of \$206,199 interest paid monthly at 4.26% maturing March 31, 2026	2,061,986	2,268,185
Term loan repayable in monthly installments of \$1,617, including interest at 3.79%, maturing February 28, 2027	35,794	53,481
Term loan repayable in monthly installments of \$2,794 including interest at 3.79%, maturing February 28, 2027	61,855	92,420
	6,716,748	7,534,938

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

14. LONG-TERM DEBT (CONTINUED)

	2025	2024
Carry forward	\$ 6,716,748	\$ 7,534,938
Term loan repayable in monthly installments of \$2,043, including interest at 6.05%, maturing August 31, 2027	54,967	75,494
Term loan repayable in monthly installments of \$17,725, interest paid monthly at 6.38%, maturing June 30, 2025	2,350,296	1,500,000
Term loan repayable in monthly installments of \$7,832, including interest at 6.33%, maturing June 30, 2025	642,222	700,000
Term loan repayable in monthly installments of to be determined including interest at prime plus 0.75% over a 15-year term ending March 31, 2040	850,000	—
Repaid during the year	—	32,380
	10,614,233	9,842,812
	\$ 14,832,413	\$ 14,291,052

Principal payments required in each of the next five years are as follows:

2026	\$ 6,983,486
2027	1,344,620
2028	1,317,027
2029	1,006,729
2030	285,384

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

14. LONG-TERM DEBT (CONTINUED)

The First Nation entered into credit facilities with BMO Bank of Montreal secured by an assignment of the First Nation's fishing revenue together with an irrevocable direction to pay the associated facilities therewith. Details are as follows:

	Approved credit facility	Interest rate
Land purchase	\$ 74,737	Fixed 3.79%
General capital	500,000	Fixed 3.79% to 6.05%
School expansion	2,300,000	BMO prime + 0.85%
Fishing	1,000,000	BMO prime + 0.75%
Courthouse renovations	235,496	BMO prime + 0.75%
Crab licenses	6,061,986	Fixed 3.49% to 6.01%
New home construction	3,280,132	Fixed 2.76% to 6.33%
Overdraft lending account	2,000,000	BMO prime + 0.75%
On reserve housing loan program	1,000,000	To be established
Treasury risk facility	900,000	To be established
Gas bar expansion	2,376,554	Fixed 6.38%
Aviation companies	700,000	Fixed 6.33%

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

15. TANGIBLE CAPITAL ASSETS

	Cost					Closing Balance
	Opening Balance	Additions	Disposals	Transfer of assets		
Land	\$ 440,698	\$ —	\$ —	\$ —	\$ —	\$ 440,698
Buildings						
Heritage and Cultural Centre	4,609,332	—	—	—	—	4,609,332
First Nation housing	3,907,773	—	—	—	—	3,907,773
Wharf and buildings	1,745,633	—	—	—	—	1,745,633
Other buildings	1,152,515	—	—	—	—	1,152,515
Gas Bar	1,618,665	778,646	—	2,104,123	—	4,501,434
Health Centre	2,097,645	189,027	—	—	—	2,286,672
New school	8,847,848	—	—	—	—	8,847,848
NSCC Learning Centre	3,193,471	—	—	—	—	3,193,471
Equipment						
Heritage and Cultural Centre	1,157,234	69,822	—	—	—	1,227,056
Fire equipment	249,543	—	—	—	—	249,543
Fishing vessels	3,171,894	—	(1,342,105)	—	—	1,829,789
Fishing equipment	60,317	—	—	—	—	60,317
Health Centre	189,886	108,822	—	20,111	—	318,819
School equipment and buses	431,006	—	—	—	—	431,006
Other						
Lagoon and water systems	11,642,913	291,467	—	—	—	11,934,380
Wharf	2,764,350	—	—	—	—	2,764,350
Fire hydrants, roads	3,685,847	—	—	—	—	3,685,847
	50,966,570	1,437,784	(1,342,105)	2,124,234	—	53,186,483
Social housing						
Land	145,200	—	—	—	—	145,200
Housing	14,922,870	—	—	—	—	14,922,870
Equipment	108,270	—	—	—	—	108,270
Work in progress	4,230,463	6,707,519	—	(2,124,234)	—	8,813,748
Total	\$ 70,373,373	\$ 8,145,303	\$ (1,342,105)	\$ —	\$ —	\$ 77,176,571

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

15. TANGIBLE CAPITAL ASSETS (CONTINUED)

	Accumulated amortization				Net book value	
	Opening Balance	Amortization	Disposals	Closing Balance	Total 2025	Total 2024
Land	\$ –	\$ –	\$ –	\$ 440,698	\$ 440,698	
Buildings						
Heritage and Cultural						
Centre	2,074,375	115,231	–	2,189,606	2,419,726	2,534,957
First Nation housing	1,682,005	97,695	–	1,779,700	2,128,073	2,225,768
Wharf and buildings	912,880	43,640	–	956,520	789,113	832,753
Other buildings	200,449	28,813	–	229,262	923,253	952,066
Gas Bar	796,976	112,535	–	909,511	3,591,923	821,689
Health Centre	924,326	57,165	–	981,491	1,305,181	1,173,319
New school	2,660,698	221,196	–	2,881,894	5,965,954	6,187,150
NSCC Learning						
Centre	798,360	79,836	–	878,196	2,315,275	2,395,111
Equipment						
Heritage and Cultural						
Centre	1,072,788	24,520	–	1,097,308	129,748	84,446
Fire equipment	249,543	–	–	249,543	–	–
Fishing vessels	2,365,765	96,042	(1,342,105)	1,119,702	710,087	806,129
Fishing equipment	60,317	–	–	60,317	–	–
Health Centre	37,977	63,734	–	101,741	217,078	151,909
School equipment and buses	154,106	78,050	–	232,156	198,850	276,900
Other						
Lagoon and water						
systems	4,247,332	298,361	–	4,545,693	7,388,687	7,395,581
Wharf	1,591,251	69,109	–	1,660,360	1,103,990	1,173,099
Fire hydrants, roads	528,075	73,718	–	601,793	3,084,054	3,157,772
	20,357,223	1,459,675	(1,342,105)	20,474,793	32,711,690	30,609,347
Social housing						
Land	–	–	–	–	145,200	145,200
Housing	3,139,421	258,085	–	3,397,506	11,525,364	11,783,449
Equipment	108,270	–	–	108,270	–	–
Work in progress	–	–	–	–	8,813,748	4,230,463
Total	\$ 23,604,914	\$ 1,717,760	\$ (1,342,105)	\$ 23,980,569	\$ 53,196,002	\$ 46,768,459

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

16. GOVERNMENT TRANSFERS

	2025			2024		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers						
Indigenous Services						
Canada	\$ 6,428,332	\$ 2,548,632	\$ 8,976,964	\$ 7,028,563	\$ 2,740,538	\$ 9,769,101
Mi'kmaq Kina'matnewey	5,480,863	–	5,480,863	4,559,590	–	4,559,590
Indigenous Services						
Canada – Health	3,997,921	–	3,997,921	2,873,275	–	2,873,275
Fisheries and Oceans						
Canada	217,540	–	217,540	217,540	–	217,540
Employment and Social Development Canada	294,297	–	294,297	415,595	–	415,595
Canada Mortgage and Housing Corporation	143,900	2,499,455	2,643,355	142,326	516,673	658,999
Total	16,562,853	5,048,087	21,610,940	15,236,889	3,257,211	18,494,100
Provincial government transfers						
	290,954	–	290,954	363,890	–	363,890
	\$ 16,853,807	\$ 5,048,087	\$ 21,901,894	\$ 15,600,779	\$ 3,257,211	\$ 18,857,990

Wagmatcook First Nation
Notes to Consolidated Financial Statements
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17. SEGMENT DISCLOSURE

	Governance			Economic and Employment Development			Operations and Maintenance		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
				Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
REVENUES									
Federal government operating transfers	\$ 1,854,028	\$ 671,082	\$ 801,884	\$ 254,531	\$ 397,719	\$ 527,559	\$ 880,097	\$ 290,903	\$ 359,627
Federal government capital transfers	—	—	6,295	—	—	—	—	—	—
Provincial government operating transfers	—	—	—	—	—	—	—	227	—
Mi'kmaq Kina'matnewey	—	—	—	215,000	94,432	220,081	—	—	—
Economic activities	—	—	1,422,647	282,013	46,477	78,148	—	—	—
Other revenue	897,024	1,456,989	2,128,071	2,230,826	751,544	538,628	825,788	880,097	291,130
	2,751,052								359,627
EXPENSES									
Salaries and benefits	1,627,399	1,213,736	1,444,202	351,681	188,090	243,136	193,195	163,424	164,571
Debt servicing	35,000	34,535	39,717	—	—	—	111,138	16,247	23,232
Other expenses	1,390,250	1,557,759	1,481,104	341,428	381,632	352,677	371,000	449,788	413,230
	3,052,649	2,806,030	2,965,023	693,109	569,722	595,813	675,333	629,459	601,033
Balance before amortization and other	(301,597)	(677,959)	(734,197)	58,435	(31,094)	229,975	204,764	(338,329)	(241,406)
Amortization	—	126,508	(126,508)	—	—	—	—	(630,164)	(629,950)
Consolidation revenue entries	(392,724)	(660,904)	(103,309)	—	—	—	—	—	—
Consolidation expense entries	—	16,306	—	—	—	—	—	—	—
ANNUAL SURPLUS (DEFICIT)	\$ (694,321)	\$ (1,449,065)	\$ (964,014)	\$ 58,435	\$ (31,094)	\$ 229,975	\$ 204,764	\$ (968,493)	\$ (871,356)

Wagmatcook First Nation
Notes to Consolidated Financial Statements
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17. SEGMENT DISCLOSURE

	Community Wellness			Proposals and Requests			Social Development		
	Budget		Actual	Budget		Actual	Budget		Actual
	2025	2025	2024	2025	2025	2024	2025	2025	2024
REVENUES									
Federal government operating transfers	\$ 143,415	\$ 1,441,278	\$ 914,567	\$ —	\$ 50,188	\$ 17,600	\$ 3,836,944	\$ 3,083,377	\$ 4,986,967
Federal government capital transfers	—	—	—	—	—	4,637	—	—	—
Provincial government operating transfers	—	39,500	—	—	—	—	—	—	—
Mi'kmaq Kina'matnewey	—	—	—	—	—	—	—	—	—
Economic activities	—	—	—	—	—	—	—	—	—
Other revenue	—	49,058	99,850	340,000	492,360	135,000	230,000	221,225	81,339
	143,415	1,529,836	1,014,417	340,000	547,185	152,600	4,066,944	3,304,602	5,068,306
EXPENSES									
Salaries and benefits	250,000	220,341	87,609	200,000	197,330	37,903	730,568	279,861	233,015
Debt servicing	—	—	—	—	—	—	—	—	—
Other expenses	650,000	1,309,813	926,945	371,596	235,126	150,412	2,390,000	4,915,308	4,296,703
	900,000	1,530,154	1,014,554	571,596	432,456	188,315	3,120,568	5,195,169	4,529,718
Balance before amortization and other	(756,585)	(318)	(137)	(231,596)	114,729	(35,715)	946,376	(1,890,567)	538,588
Amortization	—	—	—	—	—	—	—	—	—
Consolidation revenue entries	—	—	—	—	—	—	(1,324,800)	(1,382,864)	450,000
Consolidation expense entries	—	132,400	—	—	17,000	—	30,000	—	—
ANNUAL SURPLUS (DEFICIT)	\$ (756,585)	\$ 132,082	\$ (137)	\$ (231,596)	\$ 131,729	\$ (35,715)	\$ 976,376	\$ (1,832,503)	\$ 988,588

Wagmatcook First Nation
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17. SEGMENT DISCLOSURE

	Education			Capital			Housing		
	Budget		Actual	Budget		Actual	Budget		Actual
	2025	2025	2024	2025	2025	2024	2025	2025	2024
REVENUES									
Federal government operating transfers	\$ 11,057	\$ 10,840	\$ 10,840	\$ 11,189	—	\$ 8,567	\$ 142,572	\$ 912,575	\$ 157,326
Federal government capital transfers	—	—	—	—	—	5,048,087	1,161,203	—	296,632
Provincial government operating transfers	—	—	—	—	—	—	—	—	—
Mi'kmaq Kina'matnewey	4,387,314	5,480,863	4,559,590	—	—	—	—	—	—
Economic activities	—	94,556	518,023	—	—	145,000	—	949,000	1,324,800
Other revenue	206,615	97,267	84,219	28,000	—	—	—	80,000	86,242
	4,604,986	5,683,526	5,172,672	11,217,166	5,201,654	3,262,579	2,332,775	2,323,617	1,406,560
EXPENSES									
Salaries and benefits	2,962,900	3,227,551	3,106,672	400,000	132,828	132,828	481,061	143,246	150,886
Debt servicing	998	797	7,189	—	—	—	80,140	166,255	181,014
Other expenses	1,952,663	864,325	536,355	20,631,074	5,484,100	3,685,245	1,534,000	1,233,378	941,981
	4,916,561	4,092,673	3,650,216	21,031,074	5,616,928	3,818,073	2,095,201	1,542,879	1,273,881
Balance before amortization and other	(311,575)	1,590,853	1,522,456	(9,813,908)	(415,274)	(555,494)	237,574	780,738	132,679
Amortization	—	(379,082)	(379,082)	—	—	—	—	—	—
Consolidation revenue entries	—	—	(453,141)	—	—	(491,886)	(504,000)	—	(420,000)
Consolidation expense entries	850,000	30,000	30,000	—	5,601,096	3,812,874	30,000	30,000	30,000
ANNUAL SURPLUS (DEFICIT)	\$ 538,425	\$ 1,241,771	\$ 720,233	\$ (9,813,908)	\$ 5,185,822	\$ 2,765,494	\$ (236,426)	\$ 810,738	\$ (257,321)

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

17. SEGMENT DISCLOSURE

	Health Program			Other			Total before Adjustments		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
REVENUES									
Federal government operating transfers	\$ 2,800,350	\$ 3,997,921	\$ 2,683,389	\$ 217,540	\$ 217,540	\$ 217,540	\$ 10,140,534	\$ 11,081,990	\$ 10,677,299
Federal government capital transfers	—	—	189,886	—	—	—	12,350,369	5,048,087	3,749,097
Provincial government operating transfers	—	127,478	188,180	125,000	119,112	169,415	125,000	290,954	363,890
Mi'kmaq Kina'matnewey	—	—	—	—	—	—	4,387,314	5,480,863	4,559,590
Economic activities	—	—	—	13,990,000	13,076,219	12,056,194	15,154,000	14,735,007	13,705,286
Other revenue	455,185	301,017	26,000	64,001	69,979	70,098	2,582,838	2,820,614	2,038,915
	3,255,535	4,426,416	3,087,455	14,396,541	13,482,850	12,513,247	44,740,055	39,457,515	35,094,077
EXPENSES									
Salaries and benefits	1,017,621	1,063,502	947,712	2,648,921	2,570,387	2,570,831	10,863,346	9,400,296	9,119,365
Debt servicing	—	—	—	263,210	318,286	307,209	490,486	536,120	558,361
Other expenses	1,180,185	1,147,499	1,839,652	10,699,683	9,249,234	9,537,496	41,511,879	26,827,962	24,161,800
	2,197,806	2,211,001	2,787,364	13,611,814	12,137,907	12,415,536	52,865,711	36,764,378	33,839,526
Balance before amortization and other	1,057,729	2,215,415	300,091	784,727	1,344,943	97,711	(8,126,656)	2,693,137	1,254,551
Amortization	—	(120,929)	(90,416)	—	(461,077)	(389,603)	—	(1,717,760)	(1,615,559)
Consolidation revenue entries	—	—	—	—	—	(169,415)	(896,724)	(1,985,704)	(1,637,751)
Consolidation expense entries	(670,000)	206,410	673,027	152,724	170,724	152,724	392,724	7,586,800	5,418,625
ANNUAL SURPLUS (DEFICIT)	\$ 387,729	\$ 2,300,896	\$ 882,702	\$ 937,451	\$ 1,054,590	\$ (308,583)	\$ (8,629,656)	\$ 6,576,473	\$ 3,149,866

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

17. SEGMENT DISCLOSURE

	Consolidation Adjustments			Consolidation Total	
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025
REVENUES					
Federal government operating transfers	\$ —	\$ —	\$ (491,886)	\$ 10,140,534	\$ 11,081,990
Federal government capital transfers	—	—	—	12,350,369	5,048,087
Provincial government operating transfers	—	—	—	125,000	290,954
Mi'kmaq Kina'matnewey	—	—	—	4,387,314	5,480,863
Economic activities	(504,000)	(1,324,800)	(1,300,282)	14,650,000	13,410,207
Other revenue	(392,724)	(660,724)	(154,417)	2,190,114	2,159,710
	(896,724)	(1,985,704)	(1,637,751)	43,843,331	37,471,811
EXPENSES					
Salaries and benefits	—	—	—	10,863,346	9,400,296
Debt servicing	—	—	—	490,486	536,120
Other expenses	(392,724)	(7,586,800)	(5,148,625)	41,119,155	19,241,162
	(392,000)	(7,586,800)	(5,148,625)	52,472,987	29,177,578
Balance before amortization and other	(504,724)	5,601,096	3,510,874	(8,629,656)	8,294,233
Amortization	—	—	—	(1,717,760)	(1,615,559)
Consolidation revenue entries	896,724	1,985,704	1,637,751	—	—
Consolidation expense entries	(392,724)	(7,586,800)	(5,148,625)	—	—
ANNUAL SURPLUS (DEFICIT)	\$ —	\$ —	\$ —	\$ (8,629,656)	\$ 6,576,473
					\$ 3,149,866

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

18. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	2025	2024
Salaries and wages	\$ 9,400,296	\$ 9,119,365
Staff development	83,504	109,091
Supplies and services	4,432,856	3,354,205
Interest	536,120	558,361
Cost of sales for economic activities	5,725,618	5,690,691
Professional services	414,724	449,829
Rental expenditures	1,358,688	944,875
Fees and contract services	719,793	580,881
Other	6,505,979	7,883,603
Amortization	1,717,760	1,615,559
	<hr/> \$ 30,895,338	<hr/> \$ 30,306,460

19. RETIREMENT PLAN

Wagmatcook First Nation provides a voluntary defined contribution RPP and a group RRSP for eligible employees. As part of this plan, the Wagmatcook First Nation matches employee contributions to the specified limit. The employer's portion for the years ended March 31, 2025 and 2024 was \$248,715 and \$229,580, respectively.

20. ECONOMIC DEPENDENCE

The Wagmatcook First Nation receives a major portion of its revenues pursuant to funding arrangements with the federal government and its agencies. The continued operation of the First Nation is dependent on the continuation of these funding arrangements.

21. CONTINGENCIES

i) Contribution agreement

The Wagmatcook First Nation has entered into contribution agreements with various federal government departments and agencies. 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.

ii) Legal matters

The First Nation has been named as defendant in a lawsuit on behalf of an individual. This lawsuit remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result.

iii) Commitments

The First Nation fully guaranteed a loan on behalf of WFN Seafoods Limited Partnership. The total amount outstanding on this loan is \$24,334,957.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

22. FINANCIAL INSTRUMENTS

The First Nation is exposed to various risks through its financial instruments and includes the following significant risks at March 31, 2025.

Credit risk

The First Nation's credit risk results from trade accounts receivable and receivables from other levels of government.

The First Nation extends credit to members and receives rebates from various sources. When required, the First Nation records an allowance for doubtful accounts for items where collection is no longer assured.

Amounts owing from other levels of government are based on funding agreements and subject to review by the applicable government body.

The First Nation is not exposed to significant concentration risk.

Credit concentration

As at March 31, 2025 one customer accounted for 70.0% (2024 - 57%) of accounts receivable and amounts due from federal and provincial governments. The First Nation believes that there is no unusual exposure associated with the collection of these receivables. The First Nation performs regular credit assessments of customers and provides allowances for potentially uncollectible accounts receivable.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of long-term debt with fixed interest rates to fluctuate but do not affect the statement of operations, as the First Nation's debt is carried at amortized cost and the carrying value does not change as interest rates change.

The First Nation is also exposed to interest rate risk arising from long-term borrowings at variable rates. Changes in market interest rates could cause fluctuations in the statement of operations. The First Nation manages this risk through monitoring forecasted and actual cash flows.

Liquidity risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation manages this risk through preparing budgets and by monitoring forecasted and actual cash flows.

The First Nation's future obligations with respect to debt repayments are disclosed in Notes 11 and 14.

Wagmatcook First Nation
Notes to Consolidated Financial Statements
For the year ended March 31, 2025

23. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council on March 26, 2024.

24. COMPARATIVE FIGURES

Comparative figures have been reclassified to conform with current year presentation.