Consolidated Financial Statements of

BLOOD TRIBE

And Independent Auditor's Report thereon

March 31, 2024

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Blood Tribe management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying combined financial statements and the notes thereto. Management believes that the financial statements present fairly the Entity's financial position as at March 31, 2024 and the results of its operations for the year then ended.

The financial statements have been prepared in accordance with Canadian public sector accounting standards. Financial statements are not precise, since they include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintained a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

Chief and Council are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. Chief and Council fulfill these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. Chief and Council are also responsible for recommending the appointment of the Entity's external auditors.

The combined financial statements have been audited by the independent firm of KPMG LLP, Chartered Professional Accountants. Their report to Chief and Council and the Members of the Blood Tribe, stating the scope of their examination and opinion on the financial statements, follows.

Senior Executive Officer

Senior Operations Officer

KPMG LLP
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INDEPENDENT AUDITOR'S REPORT

To Chief and Council and Members of the Blood Tribe:

Opinion

We have audited the accompanying consolidated financial statements of Blood Tribe (the "Tribe"), which comprise:

- the consolidated statement of financial position as at March 31, 2024
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of changes in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the financial statements and schedules, including a summary of significant accounting policies

(Hereinafter referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Tribe as at March 31, 2024 its results of operations, changes in net financial assets, and its 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 auditor's report.

We are independent of the Tribe 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.

KPMG LLP, an Ontario limited liability partnership and member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. KPMG Canada provides services to KPMG LLP.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Tribe'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 Tribe or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Tribe'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 the 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 Tribe'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 Tribe's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Tribe 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.
- 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.

KPMG LLP

Chartered Professional Accountants Lethbridge,

Canada

July 19, 2024

BLOOD TRIBE

Consolidated Statement of Financial Position
March 31, 2024, with comparative information for 2023

	2024	2023
Financial assets		
Cash and cash equivalents	$ 133,786,015	$ 127,639,913
Accounts receivable (note 5)	46,583,257	38,327,745
Temporary investments (note 4)	37,014,080	17,883,963
Inventory for resale	241,693	211,504
Investment in business enterprises (note 6)	7,165,039	7,134,235
Restricted cash (note 7)	10,373,210	10,091,165
Funds held in trust (note 8)	72,827,383	65,781,070
	307,990,677	267,069,595
Financial liabilities		
Account payable and accrued liabilities (note 10)	28,821,443	22,674,155
Deferred revenue (note 11)	48,164,889	52,770,599
Long-term debt (note 12)	28,946,406	27,509,698
	105,932,738	102,954,452
Net assets	202,057,939	164,115,143
Non-financial assets		
Tangible capital assets (schedule 1)	285,288,054	251,165,867
Prepaid expenses	1,973,000	4,381,418
Inventory for consumption	--	9,709
	287,261,054	255,556,994
Contingencies, commitments and guarantees (note 13)		
Accumulated surplus (note 14)	$ 489,318,993	$ 419,672,137

See accompanying notes to consolidated financial statements.

On Behalf of the Tribe

Chief

Council Member

BLOOD TRIBE

Consolidated Statement of Operations and Accumulated Surplus
Year ended March 31, 2024, with comparative information for 2023

	Budget	2024	2023
Revenue:			
Indigenous Services Canada (ISC) (note 17)	$118,151,219	$199,082,369	$195,700,750
First Nations Development Fund	--	4,975,545	1,972,524
Canada Mortgage and Housing Corporation Subsidy	--	7,831,057	2,014,497
Tribal Council Funding	3,030,940	2,844,556	2,924,766
Federal and Provincial Funding and Grants	34,009,439	49,277,544	61,820,164
Band Capital Fund (schedule 27)	20,000	15,000	5,067,294
Band Revenue Fund (schedule 28)	2,489,140	1,842,228	1,067,413
Big Lease funds	700,000	869,232	3,550,692
Rent	475,480	3,607,988	3,647,816
Interest income	200,000	8,852,030	4,059,558
Other Government funding	--	8,469,735	2,574,686
Other revenue	16,142,356	49,105,511	36,710,561
Deferred revenue	--	4,605,710	(783,602)
Total revenue	175,218,574	341,378,505	320,327,119
Program expenses (schedule 2):			
971445 Alberta Ltd (schedule 3)	--	6,341,059	141,900
Blood Band Housing Authority (schedule 4)	3,131,560	4,741,895	3,748,514
Blood Indian Band Housing Society (schedule 5)	--	6,502,026	5,233,793
Blood Tribe Administration (schedule 6)	10,907,028	36,850,331	21,491,244
Blood Tribe Department of Health (schedule 7)	32,656,252	41,536,010	31,641,576
Blood Tribe Economic Development (schedule 8)	889,038	1,297,554	1,531,744
Blood Tribe Employment and Skills Training (schedule 9)	3,634,219	3,963,049	3,937,284
Blood Tribe Family & Community Support Services (schedule 10)	5,380,566	5,068,961	5,419,777
First Nations Development Fund (schedule 11)	--	2,710,179	1,103,721
Blood Tribe Lands Department (schedule 12)	2,727,397	3,263,499	2,901,116
Blood Tribe Police Service (schedule 13)	8,143,900	10,044,389	8,003,794
Blood Tribe Real Estate (schedule 15)	--	1,764,097	2,088,330
Blood Tribe Recreation and Parks (schedule 16)	2,133,881	5,312,939	3,562,679
Blood Tribe Revenue Fund (schedule 17)	--	12,618,195	9,194,642
Blood Tribe Social Development (schedule 18)	17,916,511	26,522,007	19,516,339
Blood Tribe Public Works (schedule 14)	--	10,669,328	11,172,504
Kainai Education Society (schedule 19)	38,302,702	34,696,044	30,983,362
Kainai Marketplace Ltd. (schedule 21)	--	3,282,640	3,869,526
Kainaiwa/Blood Tribe Specific Akers No.1 & No. 2 Specific Claims Trust (schedule 22)	426,401	500,361	520,752
Kainai Children's Services Corporation (schedule 23)	31,574,023	41,999,223	29,974,032
Kainai Developments Ltd. (schedule 24)	--	243,476	238,390
Kainai Resources Inc. (schedule 25)	781,575	793,326	4,848,236
Red Crow Community College (schedule 26)	20,036,540	19,444,809	19,892,157
Total expenses	178,641,593	280,165,397	221,015,412
Surplus (deficit) before other items	(3,423,019)	61,213,108	99,311,707

BLOOD TRIBE

Consolidated Statement of Operations and Accumulated Surplus
Year ended March 31, 2024, with comparative information for 2023

	Budget	2024	2023
Other income:			
Other	--	8,433,748	1,730,302
Surplus (deficit) for the year	(3,423,019)	69,646,856	101,042,009
Accumulated surplus, beginning of year	419,672,137	419,672,137	318,630,128
Accumulated surplus, end of year	$416,249,118	$489,318,993	$419,672,137

See accompanying notes to consolidated financial statements.

BLOOD TRIBE

Consolidated Statement of Changes in Net Financial Assets
Year ended March 31, 2024, with comparative information for 2023

	Budget	2024	2023
Surplus (deficit) for the year	$ (3,423,019)	$ 69,646,856	$ 101,042,009
Additions of tangible capital assets	--	(46,335,821)	(53,512,228)
Amortization of tangible capital assets	--	12,213,634	10,446,667
Change in prepaid expenses	--	2,408,418	59,574
Change in inventory for consumption	--	9,709	--
Change in net financial assets	(3,423,019)	37,942,796	58,036,022
Net financial assets, beginning of year	164,115,143	164,115,143	106,079,121
Net financial assets, end of year	$ 160,692,124	$ 202,057,939	$ 164,115,143

See accompanying notes to consolidated financial statements.

BLOOD TRIBE

Consolidated Statement of Cash Flows
Year ended March 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in)		
Operating activities:		
Surplus for the year	$ 69,646,856	$ 101,042,009
Non-cash items:		
Amortization	12,213,634	10,446,667
Earnings from operations of business enterprises	(30,804)	(39,000)
	81,829,686	111,449,676
Changes in working capital accounts:		
Accounts receivable	(8,255,512)	(5,242,745)
Accounts payable and accrued liabilities	6,147,288	(546,179)
Deferred revenue	(4,605,710)	7,094,139
Inventory for consumption	9,709	--
Prepaid expenses	2,408,418	59,574
Inventory for resale	(30,189)	33,042
	77,503,690	112,847,507
Financing activities:		
Change in long-term debt	1,436,708	(3,265,616)
	1,436,708	(3,265,616)
Capital activities:		
Acquisition of tangible capital assets	(46,335,821)	(53,512,228)
	(46,335,821)	(53,512,228)
Investing activities:		
Increase in temporary investments	(19,130,117)	(6,862,444)
Increase in restricted cash	(282,045)	(505,449)
Increase in funds held in trust	(7,046,313)	(862,089)
	(26,458,475)	(8,229,982)
Increase in cash and cash equivalents	6,146,102	47,839,681
Cash and cash equivalents, beginning of year	127,639,913	79,800,232
Cash and cash equivalents, end of year	$ 133,786,015	$ 127,639,913

See accompanying notes to consolidated financial statements.

1. Operations:

The Blood Tribe (the "Tribe") is located in the province of Alberta, and provides various services to its members. The Tribe includes the Tribe's members, government and all related entities that are accountable to the Tribe and are either owned or controlled by the Tribe. The Tribe is exempt from tax under Section 149 of the Income Tax Act.

2. Significant accounting policies:

These consolidated financial statements have been prepared in accordance with Canadian Public sector accounting standards and are consistent with accounting policies set out by Indigenous Services Canada ("ISC"). Significant aspects of the accounting policies adopted by the Tribe are as follows:

(a) Reporting entity:

The Tribe reporting entity includes all controlled departments or entities that are accountable to the Tribe, except for Tribe business enterprises.

The consolidated financial statements include the assets, liabilities, revenues and expenses of the following departments and entities:

Blood Tribe Administration
Blood Tribe Department of Health Inc.
Blood Tribe Economic Development
Blood Tribe Employment and Skills Training
Blood Tribe Family and Community Support Services
Kainai Manufactured Home Park
Kainaiwa Akers Specific Claims Trust No. 1 and No. 2
Kainaiwa Children's Services Corporation
Kainaiwa Developments Ltd.
Kainaiwa Resources Inc.
Blood Tribe Public Works
Red Crow Community College
Blood Tribe Recreation and Parks
Blood Tribe Revenue Fund
Blood Tribe Social Development
Kainai Education Society
Kainai Marketplace Ltd.
Blood Tribe First Nation Development Fund
Blood Tribe Real Estate
Blood Band Housing Authority
Blood Indian Band Housing Society
Blood Tribe Lands
Blood Tribe Police Service
971445 Alberta Ltd.

All inter-entity balances have been eliminated on consolidation; however, transactions between departments have not been eliminated in order to present the results of operations for each specific department.

The Tribe business enterprises that are owned or controlled by the Tribe Council and that are not dependent on the Tribe for their continuing operations are included in the consolidated financial statements using the modified equity method. The Tribe's investment in these enterprises is recorded at acquisition cost and is increased for the proportionate shares of post acquisition earnings and contributions and decreased by post acquisition losses and distributions received. Enterprises accounted for by the modified equity basis include:

1110340 Alberta Ltd.
1432126 Alberta Ltd.
Blood Tribe Oil and Gas Partnership
Kainai Housing Corporation

2. Significant accounting policies: (continued)

(b) Basis of presentation

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(c) Pension expense

The Tribe participates in a pension program covering substantially all full-time employees. Contributions to the plan are based on participants' contribution between 2.5% and 5.5% of their salary. The Tribe matches the participants' contribution. There have been no changes to the pension plan in the current year.

(d) Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

(e) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined by the first-in, first-out: method. Net realizable value is the estimated selling price in the ordinary course of business.

2. Significant accounting policies: (continued)

(f) Non-financial assets

(i) Tangible capital assets

Tangible capital assets are initially recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Construction in progress is recorded at the construction costs of the related project. Contributed tangible assets are recorded at their fair value at the date of contribution.

(ii) Capital lease

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation is recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital lease are amortized on the straight-line basis over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

(iii) Amortization

The cost less residual value of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows.

		Years
Automotive and equipment	straight-line	10-30
Buildings	straight-line	20
Housing units	reverse sum of years	25
Infrastructure	straight-line	25

Assets under construction are not amortized until the asset is available for productive use.

(iv) Long-lived assets:

Long-lived assets consist of tangible capital assets. Long-lived assets held for use and measured and amortized as described in the applicable accounting policies.

The Tribe performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying value of an asset, or group of assets, may not be recoverable. Impairment losses are recognized when undiscounted future cash flows from its use and disposal are less than the asset's carrying amount. Impairment is measured as the amount by which the asset's carrying value exceeds its fair value. Any impairment is included in operations for the year. Prices for similar items are used to measure fair value of long-lived assets.

2. Significant accounting policies: (continued)

(g) Funds held in Ottawa Trust Fund:

Funds held in trust on behalf of Tribe members by the Government of Canada in the Ottawa Trust Fund are reported on the consolidated statement of financial position with an offsetting amount in accumulated surplus. Trust monies consist of:

- Capital trust monies derived from non-renewable resource transactions on land or other Tribe tangible capital assets; and
- Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

(h) Investment in business enterprises:

The Tribe follows the modified equity method to account for its investment in business enterprises. The investment is stated at cost plus (less) the Tribe's share of earnings (losses) since acquisition plus capital and operating transfers to (from) the business enterprises. The statement of operations for business enterprises include the business enterprises' annual surplus (deficit) for the year ended March 31, 2024. The business enterprises' accounting principles have not been adjusted to conform to those of the Tribe.

(i) Deferred revenue:

Funding received under funding arrangements relating to projects that relate to a subsequent fiscal period are reflected as deferred revenue on the consolidated statement of financial position in the year of receipt. These amounts are recognized in revenue in the year the project costs are incurred.

(j) Asset retirement obligation

The recognition of a liability for asset retirement obligation is predicated upon an estimate of the amount necessary to cover the costs of remediation, monitoring, and disposal of the asset in the event that the Tribe is legally obligated to assume responsibility for these expenditures. This estimate must also account for the anticipated forfeiture of future economic benefits and be reasonably determinable based on the information available as of March 31, 2024.

At each fiscal reporting interval, the Tribe conducts a review of the carrying amount of the liability, with any necessary revisions being accounted for in the period in which they are made. The Tribe is obligated to continue recognizing the liability until such time as it is settled or extinguished by other means. Disbursements made to settle the liability are subtracted from the reported liability in the period during which they occur.

After conducting an assessment of the legislative requirements, management has concluded that there are no asset retirement obligations applicable to the Tribe. Consequently, as of March 31, 2024, no liability for asset retirement obligation has been accrued in these financial statements.

2. Significant accounting policies: (continued)

(k) Use of estimates:

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Inventories are valued at the lower of cost or net realizable value. Investment in business enterprises are recorded using the modified equity method after evaluation of any impairment. Liability for contaminated sites is based on estimated cost to remediate the site.

These estimates are reviewed periodically and, as adjustments become necessary, they are reported in operations in the periods in which they become known.

(l) Revenue recognition:

Indigenous Services Canada ("ISC") and First Nations and Inuit Health ("FNIH")

The Tribe recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Tribe recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Band Capital and Revenue Funds

The Tribe recognizes revenue of the Capital and Revenue Fund as income is received and reported by the federal government.

Canada Mortgage and Housing Corporation ("CMHC")

CMHC revenue is recognized as it becomes receivable under the terms of the applicable funding agreements, and is decreased for amounts anticipated to be repaid at year end.

Housing rental income

Rental revenue is recorded in the period it is earned.

Residential Rehabilitation Assistance Program ("RRAP")

RRAP provides five year, non interest bearing, forgivable loans for low income homeowners whose homes require major renovations. Revenue is reported upon substantial completion of the project. Any funds, which must be repaid because the homeowner did not comply with the terms of the assistance program is recognized as an expense in the year funds are repaid.

2. Significant accounting policies: (continued)

(l) Revenue recognition: (continued)

Community Future Treaty 7 ("CFT7") and Treaty 7 Management Corporation ("T7MC")

Treaty 7 provides funding for specific purposes. These funds are reported as revenue in the year the specific expenses are incurred. Funds which have not been expended by the fiscal year-end are recorded as deferred revenue and appear as a liability on the consolidated statement of financial position.

First Nations Development Fund ("FNDF")

FNDF provide funding for specific projects. These funds are reported as revenue in the year the specific expenses are incurred. Funds which have not been expended by the fiscal year end are recorded as deferred revenue and appear as a liability on the consolidated statement of financial position.

Other Government Funding

The Tribe recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Tribe recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Other revenue

All other revenue received that is not subject to funding agreements is recorded in the year in which it is earned and collection is reasonably assured

(m) Segments:

The Tribe conducts its business through 23 reportable segments: See "reporting entity" accounting policy note for list of all segments. These operating segments are established by senior management to facilitate the achievement of the Tribe 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. Administration fees have been apportioned based on a percentage of budgeted revenue, where permitted by the funder.

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

2. Significant accounting policies: (continued)

(n) Liability for contaminated sites:

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Tribe is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2024.

At each financial reporting date, the Tribe reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Tribe continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2024, there is no liability for contaminated sites accrued in these consolidated financial statements.

3. New and proposed accounting pronouncements:

Future Accounting Pronouncements

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2025, the Tribe will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption can vary, certain standards must be adopted concurrently.

(a) Conceptual Framework for Financial Reporting in the Public Sector

The Conceptual Framework is the foundation for public sector financial reporting standards. It replaces the conceptual aspects of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The Conceptual Framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards. This standard is effective for fiscal years beginning on or after April 1, 2026.

(b) PS 1202- Financial Statement Presentation

This section sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework. This standard is effective for fiscal years beginning on or after April 1, 2026.

Management has not yet adopted these standards, and is currently assessing the impact on the financial statements.

3. New and proposed accounting pronouncements: (continued)

Adoption of New Accounting Policies and Guidelines

Effective April 1, 2023, the Tribe adopted the following:

(a) PS 3400 - Revenue

The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer. The Tribe adopted this standard on a prospective basis and as a result, 2023 comparatives are not restated. The result of adopting the standard for April 1, 2023 is nil on revenue and deferred revenue.

(b) PSG-8 - Purchased Intangibles

The guideline provides direction on accounting for and reporting on purchased intangibles. It provides clarity on the recognition criteria, along with instances of assets that would not meet this definition. The Tribe adopted this standard on a prospective basis and as a result, 2023 comparatives are not restated. The Tribe did not identify any purchased intangibles. The result of adopting the standard for April 1, 2023 is nil.

(c) PS 3160 – Public Private Partnerships

The standard establishes guidance on how to account for and report on public private partnerships. The Tribe adopted this standard on a prospective basis and as a result 2023 comparatives are not restated. The Tribe did not identify any public private partnerships. The result of adopting the standard for April 1, 2023 is nil.

4. Temporary investments:

Temporary investments include investments in marketable securities and guaranteed investment certificates bearing interest at rates ranging from 1.30% to 5.83% (2023 - 1.30% to 2.35%) with varying maturity dates from April 11, 2024 to August 19, 2024.

5. Accounts receivable:

	2024	2023
Indigenous Services Canada	$ 12,996,155	$ 3,173,209
First Nations Development Fund	214,519	193,531
Canada Revenue Agency	--	1,804,992
Due from non-consolidated entities	7,085,000	9,272,185
Housing rents	6,701,210	5,653,380
Other	25,210,725	11,664,003
Ottawa Trust	555,650	11,871,353
Water and garbage fees	521,208	340,007
	53,284,467	43,972,660
Less: Allowance for doubtful accounts	6,701,210	5,644,915
	$ 46,583,257	$ 38,327,745

6. Investments in First Nation business enterprises:

The Tribe has investment in the following entities:

	2023 Investment in business enterprises	2024 Net income	2024 Equity transfers	2024 Investment in business enterprises
Wholly-owned Businesses:				
1110340 Alberta Ltd. (KRI)	$ 215,513	$ 30,804	$ --	$ 246,317
1432126 Alberta Ltd. (Akers)	5,993,260	--	--	5,993,260
Blood Tribe Oil and Gas Partnership (KRI)	1,000,000	--	--	1,000,000
Kainai Housing Corporation	(74,538)	--	--	(74,538)
	$ 7,134,235	$ 30,804	$ --	$ 7,165,039

	2022 Investment in business enterprises	2023 Net income	2023 Equity transfers	2023 Investment in business enterprises
Wholly-owned Businesses:				
1110340 Alberta Ltd. (KRI)	$ 215,513	$ --	$ --	$ 215,513
1432126 Alberta Ltd. (Akers)	5,954,260	39,000	--	5,993,260
Blood Tribe Oil and Gas Partnership (KRI)	1,000,000	--	--	1,000,000
Kainai Housing Corporation	(74,538)	--	--	(74,538)
	$ 7,095,235	$ 39,000	$ --	$ 7,134,235

7. Restricted cash:

	2024	2023
Blood Tribe Lands	$ 3,442,716	$ 2,581,036
Blood Tribe First Nation Development Fund	3,329,896	3,466,354
Blood Tribe Department of Health	3,600,598	3,600,751
Blood Indian Band Housing Society	--	443,024
	$ 10,373,210	$ 10,091,165

Blood Tribe Department of Health Inc. restricted cash must be used for future specific approved purchases under the MCARR and AYCES agreements. The amount is comprised of $3,600,598 (2023 - $3,600,751) for AYCES.

Blood Tribe First Nation Development Fund restricted cash represents funds which must be used for specific approved projects. Any underspending of funds must receive an approved redirection by Band Council Resolution and approval from First Nations Development Fund and the Province.

Blood Tribe Lands is involved in an agency agreement with the Tribe land occupants whereby the Tribe collects and disburses the rental income from renters and receives a 5% administration fee. This cash represents the amounts which have not been disbursed under the terms of the rental agreements. At March 31, 2024, the Tribe Lands restricted cash account is under funded by $3,442,716 (2023 - $2,581,036) as compared to the amount owed to trusts and estates.

Blood Indian Band Housing Society restricted cash relates to annual contributions to a replacement reserve in accordance with Canada Mortgage and Housing Corporation ("CMHC") guidelines. In accordance with the terms of the agreements, CMHC reserve monies must be held or investment only in accounts or instruments guaranteed by the Canada Deposit Insurance Corporation, or as otherwise approved by CMHC. Reserve withdrawals are credited first to interest and then to principal. Funds within the reserve account are required to be set aside for the replacement of housing units in accordance with CMHC policies.

8. Funds held in trust:

	2024	2023
Capital trust		
Balance, beginning of year	$ 60,262,644	$ 60,458,603
Gas royalties	461,470	795,234
Oil and gas bonus	2,000	86,839
Oil royalties	6,847,167	3,969,262
Less: transfers	(3,451,112)	(5,047,294)
	64,122,169	60,262,644
Revenue trust		
Balance, beginning of year	4,618,686	3,617,913
Agricultural leasing	11,518,059	10,698,762
Compensation payments	84,256	75,158
Easement payments	106,550	104,660
Interest	2,236,360	1,734,737
Land leases	439,980	429,051
Less: transfers	(11,486,768)	(12,041,595)
	7,517,123	4,618,686
Akers trust		
Akers Claim No. 1	659,414	639,320
Akers Claim No. 2	528,677	260,420
	1,188,091	899,740
	$ 72,827,383	$ 65,781,070

The Ottawa trust 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 and are subject to audit by the Office of the Auditor General of Canada. Sections 63 to 69 of the Indian Act primarily govern the management of these funds.

Akers Claim No. 1 and Akers Claim No. 2 are invested for the future benefit of the Tribe in a trust created by the Tribe. Trustees appointed by the Chief and Council of the Blood Tribe on terms and conditions set out in the specified Trust Agreement shall administer the trust. The Akers Claim No. 1 and Akers Claim No. 2 consist of cash in the amount of $387,290 (2023 - $249,407) bearing interest at 0.00% (2023 - 0.00%), and guaranteed investment certificates totaling $800,801 (2023 - $650,333), bearing interest ranging from 2.45% to 4.70% (2023 - 2.45% to 3.43%) and having maturity dates ranging from September 9, 2024 to January 12, 2029.

9. Bank indebtedness:

The Tribe has a consolidated blanket overdraft facility of $3,000,000 for Tribe departments and entities, which incurs interest at Prime plus 1.25% (2023 - Prime plus 1.25%). Security pledged consists of Band Council Resolutions authorizing individual departments and entity borrowings up to a total of $3,000,000, duly acknowledgement by the Department of Indigenous and Northern Affairs Canada. The blanket overdraft is assessed on an overall basis for all Tribe departments and entities, positive bank balances are netted with bank indebtedness and the amount is assessed by the bank, overall the Tribe is in a positive net cash balance. As at March 31, 2024, the prime rate used by Bank of Nova Scotia was 7.20% (2023 - 6.70%)

10. Accounts payable and accruals:

	2024	2023
Accounts payable and accrued liabilities	$ 25,180,442	$ 19,649,121
Payable to trusts and estates - Lands	3,552,166	2,978,902
Payable to land occupants - Lands	88,835	46,132
	$ 28,821,443	$ 22,674,155

11. Deferred revenue:

The following table represents changes in the deferred revenue balance attributable to individual reporting entities:

	Balance, beginning of year	Contributions received	Contributions brought into revenue	Balance, end of year
Blood Tribe Administration	$ 7,231,038	$ 3,143,365	$ --	$ 10,374,403
Blood Tribe First Nation Development Fund	3,229,743	2,402,943	2,696,754	2,935,932
Blood Tribe Lands	486,777	84,500	350,051	221,226
Blood Tribe Recreation	33,477	8,300	--	41,777
Blood Tribe Economic Development	887,917	--	184,252	703,665
Blood Tribe Public Works	8,755,743	5,584,511	4,427,324	9,912,930
Blood Band Housing Authority	3,000,000	--	748,333	2,251,667
Blood Tribe Revenue Fund	--	11,486,768	7,241,033	4,245,735
Kainai Board of Education	10,228,004	7,531,264	15,257,106	2,502,162
Red Crow Community College	908,022	492,294	808,405	591,911
Blood Tribe Employment and Skills Training	300,037	--	300,037	--
Kainaiwa Children's Services Corporation	2,581,627	2,581,627	100,000	5,063,254
Kainaiwa Resources Inc.	95,000	50,000	5,000	140,000
Blood Tribe Department of Health Inc.	1,496,490	3,176,283	3,063,133	1,609,640
Blood Tribe Social Development	13,536,724	8,479,786	14,445,923	7,570,587
	$ 52,770,599	$ 45,021,641	$ 49,627,351	$ 48,164,889

Blood Tribe First Nation Development Fund deferred revenue relates to First Nations Development Fund funds that have been received from a number of programs that have not yet been undertaken or for programs that have not been fully expensed as of March 31, 2024.

Administration, Lands, Recreation, Public Works, Kainai Education Society, Children Services and Kainaiwa Resources Inc. deferred revenue relates to Federal and Provincial funds that have been received for capital expenditures and programs that have not yet been undertaken or for capital expenditures and programs that have not been fully expensed as of March 31, 2024.

12. Long-term debt:

	2024	2023
Blood Tribe Family and Community Support Services	$ 10,026	$ 20,964
Blood Tribe Department of Health	1,101,274	1,226,894
Blood Indian Band Housing Society	25,895,399	24,088,407
Blood Tribe Public Works	--	8,935
Kainaiwa Children's Services Corporation	1,939,707	2,134,498
Kainai Marketplace Ltd.	--	30,000
	28,946,406	27,509,698
Less: current portion	1,660,027	1,629,899
	$ 27,286,379	$ 25,879,799

Principal repayments on debt over the next five year are; assuming long-term debt subject to refinancing is renewed, are estimated as follows:

2025 - $1,660,027; 2026 - $1,700,000; 2027 - $2,400,000; 2028 - $1,600,000; 2029 - $1,800,000; and thereafter - $19,786,379.

Mortgages, loans and finance contracts bear interest ranging from 0.96% to 5.00% (2023 - 1.30% to 4.99%).

Security pledged on all mortgages, loans and finance contracts consists of Government of Canada ministerial guarantees, guarantees by the Tribe, assignment of fire insurance, a guarantee by the Ottawa Trust accounts and specific equipment.

Cash interest paid on long-term debt during the year amounted to $1,813,470 (2023 - $1,647,897).

13. Contingencies, commitments and guarantees:

The Tribe has been named as defendant under various claims for general matters. Management has assessed the success of these claims as unlikely and/or has ensured adequate insurance is in place. Accordingly, no provision has been made in these consolidated financial statements.

As at March 31, 2024, Blood Tribe Administration and Blood Tribe Revenue Fund have guaranteed the credit facility mortgages and term loans of several related departments and entities. These guarantees are collateralized by Band Council Resolutions, co-signed by the Tribe and the Departments and a mortgage over certain Department assets. Payment under this guarantee, which will remain in place until loan and mortgage amounts are fully repaid, is required if the related department and entities default on payment. As of March 31, 2024, $nil (2023 - $nil) has been recorded associated with this guarantee. The total guarantee is $nil (2023 - $nil) and includes the following departments and entities: Blood Indian Band Housing Society and Economic Development.

The Blood Band Housing Authority has an obligation to repay any Residential Rehabilitation Assistance Program funding received where a qualifying homeowner did not comply with the terms of the assistance program. The amount and likelihood of a potential obligation is not determinable at the consolidated financial statement date.

The Blood Band Housing Authority is contingently liable for contractor's obligations relating to performance and completion of construction contracts. Various claims and litigation arise in the normal course of the construction business. It is management's opinion that adequate provision has been made for any potential settlements relating to such matters and that they will not materially affect the financial position or future operation of the Tribe.

The Blood Indian Band Housing Society is required by CMHC to meet certain requirements for replacement reserves and operating surplus reserves, which they are currently not in compliance with. The impact of these breaches is not determinable at this time and the liabilities resulting, if any, will be accounted for as an expense in the period the Tribe becomes aware of them. The Department has agreed with CMHC on a 5 year repayment plan to repay the underfunded reserves.

The Blood Tribe Public Works operates a gravel pit to supply raw materials used in the ongoing maintenance of roads. The Tribe is responsible for the costs of reclaiming the gravel pits at the end of the production in accordance with provincial legislation. As at March 31, 2024, no amounts have been accrued for the reclamation costs as the liability cannot be reliably determined.

14. Accumulated surplus:

Accumulated surplus is comprised of the following:

	2024	2023
Equity in tangible capital assets	$ 256,341,649	$ 223,656,169
Equity in business enterprises	7,165,039	7,134,235
Equity in trust funds	72,827,383	65,781,070
Unrestricted accumulated surplus	152,984,922	122,657,639
Replacement Reserves	--	443,024
	$ 489,318,993	$ 419,672,137

Blood Indian Band Housing Society:
Under the terms of the agreements with Canada Mortgage and Housing Corporation ("CMHC") the replacement reserve account is to be credit in amounts negotiated at the time of the annual budget approval by CMHC. These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts as may be approved by CMHC from time to time. Withdrawals are charged to interest first and then principal.

15. Defined contribution plan:

The Tribe has a defined contribution pension plan covering substantially all full-time employees. Each participant selects a contribution level of 2.5% - 5.5% of salary. The Tribe matches the participant's contribution. Pension expense in the amount of $1,855,550 (2023 - $1,837,178) is included with salaries and benefits. There have been no changes to the pension plan in the current year.

16. Government transfers:

During the year, the Tribe recognized the following government transfers:

	2024	2023
Indigenous and Northern Affairs Canada (note 17)	$ 199,082,369	$ 195,700,750
First Nations Development Fund	4,975,545	1,972,524
Canada Mortgage and Housing Corporation	7,831,057	2,014,497
Community Futures Treaty 7	2,844,556	2,924,766
Public Safety Canada - Police Services	6,144,194	4,172,853
Alberta Justice - Police Services	5,664,640	4,504,788
Other provincial and federal funding	49,277,544	14,033,733
	$ 275,819,905	$ 225,323,911

17. Indigenous Services Canada Funding:

	Block	Fixed	Flexible	Set	Total received/ receivable	Transfers to deferred revenue	Transfers from deferred revenue	Total recognized as revenue
Akers Claim 1 and 2	$ --	$ 40,000	$ --	$ --	$ 40,000	$ --	$ --	$ 40,000
Chief and Council[1]	2,501,573	--	--	--	2,501,573	--	--	2,501,573
Department of Health Inc.	16,206,655	3,993,647	524,749	3,091,332	23,816,383	--	--	23,816,383
Economic Development	856,865	--	--	--	856,865	--	184,252	1,041,117
Electronic data processing[1]	105,457	--	--	--	105,457	--	--	105,457
Employment and Skills Training	92,000	483,293	--	--	575,293	--	120,232	695,525
Family and Community Support Services	4,255,920	--	--	--	4,255,920	--	--	4,255,920
Finance[1]	884,981	--	--	--	884,981	--	--	884,981
Housing	2,570,212	8,933,826	--	--	11,504,038	--	--	11,504,038
Human Resources[1]	497,507	--	--	--	497,507	--	--	497,507
Kainai Education Society	29,700,439	8,132,777	--	--	37,833,216	(6,533,003)	14,401,788	45,702,001
Kainai Developments Ltd.	120,124	--	--	--	120,124	--	--	120,124
Kainaiwa Children Services Corporation	801,000	1,811,549	49,134,834	--	51,747,383	(2,581,627)	--	49,165,756
Lands	--	345,712	--	--	345,712	--	--	345,712
Management[1]	810,750	--	--	--	810,750	--	--	810,750
Membership[1]	272,212	2,725	--	--	274,937	--	--	274,937
Payroll[1]	742,826	--	--	--	742,826	--	--	742,826
Public Relations[1]	554,700	--	--	--	554,700	--	--	554,700
Public Services[1]	11,012,870	1,000,000	44,016	--	12,056,886	(3,142,261)	--	8,914,625
Public Works	5,130,613	5,746,965	--	--	10,877,578	(4,866,279)	3,709,092	9,720,391
Real Estate	231,773	--	--	--	231,773	--	--	231,773
Recreation and Parks	1,446,662	--	--	--	1,446,662	--	--	1,446,662
Red Crow Community College	9,416,998	1,428,914	--	--	10,845,912	--	--	10,845,912
Social Development	15,472,124	607,598	7,872,188	--	23,951,910	(8,479,786)	14,445,923	29,918,047
Tribal Government[1]	747,499	--	1,456,484	--	2,203,983	--	--	2,203,983
	$ 104,431,760	$ 32,527,006	$ 59,032,271	$ 3,091,332	$ 199,082,369	$ (25,602,956)	$ 32,861,287	$ 206,340,700

(1) Departments are reported with the Blood Tribe Administration reporting department and total ISC funding recognized was $17,491,339.

18. Economic dependence:

The Tribe receives a significant portion of its revenue from Indigenous Services Canada ("ISC") as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Tribe to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

19. Budget information:

The disclosed budget information has been approved by the Chief and Council of the Blood Tribe on March 23, 2023.

20. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

21. Contractual rights

Contractual rights are rights of the Tribe to economic resource arising from contracts or agreements that will result in both assets and revenues in the future when the terms of those contracts or agreements are met.

22. Contractual Obligations

The Tribe has contractual obligations which are commitments that will become liabilities in the future when the terms of the contracts or agreements are met.

Service contracts include contractual obligations the Tribe has entered into for services. Capital projects include contractual obligations for the construction or purchase of capital items.