

Consolidated Financial Statements of

BLOOD TRIBE

And Independent Auditor's Report thereon

March 31, 2025

Management's Responsibility for Financial Reporting

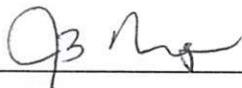
Blood Tribe management is responsible for the preparation, accuracy, objectivity, and integrity of the accompanying financial statements and the notes thereto. Management believes that the financial statements present fairly the Tribe's financial position as at March 31, 2025 and the results of its operations 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.

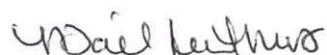
In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintained a system of internal controls to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions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

Chief and Council is 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 is also responsible for the appointment of the Tribe's external auditors.

The 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 Financial Officer



Senior Operations Officer



KPMG LLP
3410 Fairway Plaza Road South
Lethbridge AB T1K 7T5
Canada
Tel 403-380-5700
Fax 403-380-5760

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, 2025
- 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, 2025 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.



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.

A handwritten signature in black ink that reads 'KPMG LLP' in a stylized, cursive font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants

Lethbridge, Canada

July 14, 2025

BLOOD TRIBE

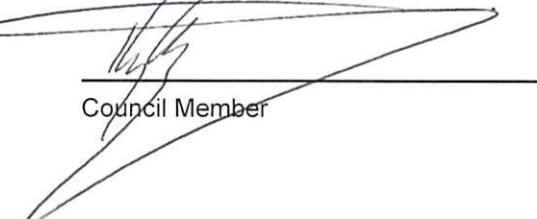
Consolidated Statement of Financial Position
March 31, 2025, with comparative information for 2024

	2025	2024
Financial assets		
Cash and cash equivalents	\$ 198,747,635	\$ 133,786,015
Accounts receivable (note 5)	60,706,184	46,583,257
Temporary investments (note 4)	25,929,106	37,014,080
Inventory for resale	209,926	241,693
Investment in business enterprises (note 6)	7,149,163	7,165,039
Restricted cash (note 7)	23,057,963	10,373,210
Funds held in trust (note 10)	79,648,445	72,827,383
	395,448,422	307,990,677
Financial liabilities		
Account payable and accrued liabilities (note 9)	30,173,178	28,821,443
Deferred revenue (note 11)	96,247,422	48,164,889
Long-term debt (note 12)	27,818,680	28,946,406
	154,239,280	105,932,738
Net financial assets	241,209,142	202,057,939
Non-financial assets		
Tangible capital assets (schedule 1)	323,502,315	285,288,054
Prepaid expenses	1,321,414	1,973,000
	324,823,729	287,261,054
Contingencies, commitments and guarantees (note 13)		
Accumulated surplus (note 14)	\$ 566,032,871	\$ 489,318,993

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, 2025, with comparative information for 2024

	Budget	2025	2024
Revenue:			
Indigenous Services Canada (ISC) (note 17)	\$139,646,007	\$205,428,320	\$199,082,369
First Nations Development Fund	--	4,988,488	4,975,545
Canada Mortgage and Housing Corporation Subsidy	--	3,821,621	7,831,057
Community Futures Treaty Seven	2,751,162	2,793,620	2,844,556
Federal and Provincial Funding and Grants	36,647,859	31,347,895	49,277,544
Band Capital Fund (schedule 27)	1,231,897	1,361,129	15,000
Band Revenue Fund (schedule 28)	2,489,140	3,519,642	1,842,228
Big Claim Fund	--	30,000,000	--
Big Claim - legal reimbursement	--	2,200,000	--
Big Lease funds	700,000	854,156	869,232
Rent	1,399,827	3,652,301	3,607,988
Interest income	400,000	8,476,618	8,852,030
Other Government funding	--	11,415,659	8,469,735
Other revenue	20,217,976	84,604,969	49,105,511
Deferred revenue	--	(48,082,533)	4,605,710
Total revenue	205,483,868	346,381,885	341,378,505
Program expenses (schedule 2):			
971445 Alberta Ltd (schedule 3)	--	108,717	6,341,059
Blood Band Housing Authority (schedule 4)	4,098,618	5,039,377	4,741,895
Blood Indian Band Housing Society (schedule 5)	--	6,902,321	6,502,026
Blood Tribe Administration (schedule 6)	13,936,638	38,319,461	36,850,331
Blood Tribe Department of Health (schedule 7)	34,576,252	43,383,606	41,536,010
Blood Tribe Economic Development (schedule 8)	922,457	1,447,442	1,297,554
Blood Tribe Employment and Skills Training (schedule 9)	2,846,317	3,690,673	3,963,049
Blood Tribe Family & Community Support Services (schedule 10)	6,489,934	5,933,258	5,068,961
First Nations Development Fund (schedule 11)	--	3,280,158	2,710,179
Blood Tribe Lands Department (schedule 12)	2,372,764	3,263,588	3,263,499
Blood Tribe Police Service (schedule 13)	14,633,064	11,789,384	10,044,389
Blood Tribe Public Works (schedule 14)	5,330,613	12,404,369	10,669,328
Blood Tribe Real Estate (schedule 15)	1,505,634	1,719,710	1,764,097
Blood Tribe Recreation and Parks (schedule 16)	2,450,395	5,456,379	5,312,939
Blood Tribe Revenue Fund (schedule 17)	--	3,981,822	12,618,195
Blood Tribe Social Development (schedule 18)	17,663,105	24,166,393	26,522,007
Kainai Education Society (schedule 19)	37,792,484	36,672,608	34,696,044
Kainai Marketplace Ltd. (schedule 21)	--	4,031,748	3,282,640
Kainaiwa/Blood Tribe Specific Akers No.1 & No. 2 Specific Claims Trust (schedule 22)	426,401	504,246	500,361
Kainaiwa Children Services Corporation (schedule 23)	46,433,186	44,855,130	41,999,223
Kainai Developments Ltd. (schedule 24)	--	226,667	243,476
Kainaiwa Resources Inc. (schedule 25)	781,575	956,658	793,326
Red Crow Community College (schedule 26)	22,128,487	21,327,890	19,444,809
Total expenses	214,387,924	279,461,605	280,165,397

BLOOD TRIBE

Consolidated Statement of Operations and Accumulated Surplus
Year ended March 31, 2025, with comparative information for 2024

	Budget	2025	2024
Surplus (deficit) before other items	(8,904,056)	66,920,280	61,213,108
Other income:			
Other	--	9,793,598	8,433,748
Surplus (deficit) for the year	(8,904,056)	76,713,878	69,646,856
Accumulated surplus, beginning of year	489,318,993	489,318,993	419,672,137
Accumulated surplus, end of year	\$480,414,937	\$566,032,871	\$489,318,993

See accompanying notes to consolidated financial statements.

BLOOD TRIBE

Consolidated Statement of Changes in Net Financial Assets
Year ended March 31, 2025, with comparative information for 2024

	Budget	2025	2024
Surplus (deficit) for the year	\$ (8,904,056)	\$ 76,713,878	\$ 69,646,856
Additions of tangible capital assets	--	(52,647,711)	(46,335,821)
Amortization of tangible capital assets	--	14,433,450	12,213,634
Change in prepaid expenses	--	651,586	2,408,418
Change in inventory for consumption	--	--	9,709
Change in net financial assets	(8,904,056)	39,151,203	37,942,796
Net financial assets, beginning of year	202,057,939	202,057,939	164,115,143
Net financial assets, end of year	\$ 193,153,883	\$ 241,209,142	\$ 202,057,939

See accompanying notes to consolidated financial statements.

BLOOD TRIBE

Consolidated Statement of Cash Flows

Year ended March 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in)		
Operating activities:		
Surplus for the year	\$ 76,713,878	\$ 69,646,856
Non-cash items:		
Amortization	14,433,450	12,213,634
Loss (earnings) from operations of business enterprises	15,876	(30,804)
	91,163,204	81,829,686
Changes in working capital accounts:		
Accounts receivable	(14,122,927)	(8,255,512)
Accounts payable and accrued liabilities	1,351,735	6,147,288
Deferred revenue	48,082,533	(4,605,710)
Inventory for consumption	--	9,709
Prepaid expenses	651,586	2,408,418
Inventory for resale	31,767	(30,189)
	127,157,898	77,503,690
Financing activities:		
Change in long-term debt	(1,127,726)	1,436,708
	(1,127,726)	1,436,708
Capital activities:		
Acquisition of tangible capital assets	(52,647,711)	(46,335,821)
	(52,647,711)	(46,335,821)
Investing activities:		
Decrease (increase) in temporary investments	11,084,974	(19,130,117)
Increase in restricted cash	(12,684,753)	(282,045)
Increase in funds held in trust	(6,821,062)	(7,046,313)
	(8,420,841)	(26,458,475)
Increase in cash and cash equivalents	64,961,620	6,146,102
Cash and cash equivalents, beginning of year	133,786,015	127,639,913
Cash and cash equivalents, end of year	\$ 198,747,635	\$ 133,786,015

See accompanying notes to consolidated financial statements.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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 are 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.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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, 2025. 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, 2025.

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, 2025, no liability for asset retirement obligation has been accrued in these financial statements.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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 provides 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.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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, 2025.

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, 2025, there is no liability for contaminated sites accrued in these consolidated financial statements.

3. Proposed accounting pronouncements:

The following summarizes the upcoming changes to the Public Sector Accounting Standards by the Public Sector Accounting Standards Board (PSAB). In 2026, 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.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

4. Temporary investments:

Temporary investments include investments in marketable securities and guaranteed investment certificates bearing interest at rates ranging from 2.23% to 4.56% (2024 - 1.30% to 5.83%) with varying maturity dates from April 8, 2025 to March 27, 2026.

5. Accounts receivable:

	2025	2024
Indigenous Services Canada	\$ 23,377,507	\$ 12,996,155
First Nations Development Fund	--	214,519
Due from non-consolidated entities	7,360,000	7,085,000
Housing rents	7,698,477	6,701,210
Other	28,792,870	25,210,725
Ottawa Trust	555,650	555,650
Water and garbage fees	620,157	521,208
	68,404,661	53,284,467
Less: Allowance for doubtful accounts	7,698,477	6,701,210
	\$ 60,706,184	\$ 46,583,257

6. Investments in First Nation business enterprises:

The Tribe has investment in the following entities:

	2024	Net loss	2025
Wholly-owned Businesses:			
1110340 Alberta Ltd. (KRI)	\$ 246,317	\$ (15,876)	\$ 230,441
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)
	\$ 7,165,039	\$ (15,876)	\$ 7,149,163

	2023	Net income	2024
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

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

7. Restricted cash:

	2025	2024
Blood Tribe Department of Health	\$ 16,209,172	\$ 3,600,598
Blood Tribe Lands	4,093,859	3,442,716
Blood Tribe First Nation Development Fund	2,754,932	3,329,896
	\$ 23,057,963	\$ 10,373,210

Blood Tribe Department of Health Inc. restricted cash must be used for future specific approved purchases related to the safe withdrawal site and the construction of the 75 bed recovery community building. The amount is comprised of \$16,209,172 (2024 - \$3,600,598).

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, 2025, the Tribe Lands restricted cash account is under funded by \$111,659 (2024 - \$109,450) as compared to the amount owed to trusts and estates.

8. 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 1.00% (2024 - 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, 2025, the prime rate used by Bank of Nova Scotia was 4.95% (2024 - 7.20%)

9. Accounts payable and accruals:

	2025	2024
Accounts payable and accrued liabilities	\$ 25,905,700	\$ 25,180,442
Payable to trusts and estates - Lands	4,205,517	3,552,166
Payable to land occupants - Lands	61,961	88,835
	\$ 30,173,178	\$ 28,821,443

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

10. Funds held in trust:

	2025	2024
Capital trust		
Balance, beginning of year	\$ 64,122,169	\$ 60,262,644
Gas royalties	496,647	461,470
Oil and gas bonus	--	2,000
Oil royalties	3,919,105	6,847,167
Less: transfers	(2,765,648)	(3,451,112)
	65,772,273	64,122,169
Revenue trust		
Balance, beginning of year	7,517,123	4,618,686
Agricultural leasing	7,922,157	11,518,059
Compensation payments	204,249	84,256
Easement payments	80,410	106,550
Interest	2,469,559	2,236,360
Land leases	442,635	439,980
Less: transfers	(7,906,538)	(11,486,768)
	10,729,595	7,517,123
Akers trust		
Akers Claim No. 1	1,450,797	659,414
Akers Claim No. 2	1,695,780	528,677
	3,146,577	1,188,091
	\$ 79,648,445	\$ 72,827,383

The Ottawa trust accounts arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada 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 \$2,345,438 (2024 - \$387,290), and guaranteed investment certificates totaling \$801,139 (2024 - \$800,801), bearing interest ranging from 3.43% to 4.70% (2024 - 2.45% to 4.70%) and having maturity dates ranging from May 1, 2027 to September 11, 2029.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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	\$ 10,374,403	\$ 897,304	\$ 2,566,662	\$ 8,705,045
Blood Tribe First Nation Development Fund	2,935,932	2,581,190	3,271,235	2,245,887
Blood Tribe Lands	221,226	1,058,934	501,628	778,532
Blood Tribe Recreation	41,777	9,980	--	51,757
Blood Tribe Economic Development	703,665	--	178,426	525,239
Blood Tribe Public Works	9,912,930	2,820,682	7,274,811	5,458,801
Blood Band Housing Authority	2,251,667	--	1,251,667	1,000,000
Blood Tribe Revenue Fund (1)	4,245,735	32,200,000	4,245,735	32,200,000
Kainai Board of Education	2,502,162	8,975,895	9,046,545	2,431,512
Red Crow Community College	591,911	2,778,234	2,393,834	976,311
Blood Tribe Police Service	--	3,550,500	--	3,550,500
Kainaiwa Children Services Corporation	5,063,254	2,905,442	100,000	7,868,696
Kainaiwa Resources Inc.	140,000	25,000	--	165,000
Blood Tribe Department of Health Inc.	1,609,640	27,670,006	3,266,994	26,012,652
Blood Tribe Social Development	7,570,587	2,849,927	6,929,711	3,490,803
Kainaiwa Specific Claims Trust	--	1,939,000	1,543,677	395,323
Blood Tribe Employment and Skills Training	--	134,907	--	134,907
Blood Tribe Family and Community Support Services	--	256,457	--	256,457
	\$ 48,164,889	\$ 90,653,458	\$ 42,570,925	\$ 96,247,422

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, 2025.

The remaining entities 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, 2025.

(1) \$2.2 million of the deferred revenue amount in Revenue Fund relates to the Big Claim legal reimbursement. This represents funds received to reimburse the Blood Tribe for legal costs associated with the claim. These funds have been deferred to offset legal costs associated with future claims.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

12. Long-term debt:

	2025	2024
Blood Tribe Family and Community Support Services	\$ 149,864	\$ 10,026
Blood Tribe Department of Health	952,814	1,101,274
Blood Indian Band Housing Society	24,953,344	25,895,399
Kainaiwa Children Services Corporation	1,762,658	1,939,707
	27,818,680	28,946,406
Less: current portion	1,856,900	1,660,027
	\$ 25,961,780	\$ 27,286,379

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

2026 - \$1,856,900; 2027 - \$1,700,000; 2028 - \$1,690,000; 2029 - \$1,620,000; 2030 - \$1,500,000; and thereafter - \$19,451,780.

Mortgages, loans and finance contracts bear interest ranging from 0.96% to 6.80% (2024 - 0.96% to 5.00%).

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 \$1,814,561 (2024 - \$1,813,470).

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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, 2025, 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, 2025, \$nil (2024 - \$nil) has been recorded associated with this guarantee. The total guarantee is \$nil (2024 - \$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 in compliance with.

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, 2025, no amounts have been accrued for the reclamation costs as the liability cannot be reliably determined.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

14. Accumulated surplus:

Accumulated surplus is comprised of the following:

	2025	2024
Equity in tangible capital assets	\$ 295,683,635	\$ 256,341,649
Equity in business enterprises	7,149,163	7,165,039
Equity in trust funds	79,648,445	72,827,383
Unrestricted accumulated surplus	183,551,628	152,984,922
	\$ 566,032,871	\$ 489,318,993

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 \$1,911,217 (2024 - \$1,855,550) 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:

	2025	2024
Indigenous Services Canada (note 17)	\$ 205,428,320	\$ 199,082,369
First Nations Development Fund	4,988,488	4,975,545
Canada Mortgage and Housing Corporation	3,821,621	7,831,057
Community Futures Treaty 7	2,793,620	2,844,556
Public Safety Canada - Police Services	6,300,442	6,144,194
Alberta Justice - Police Services	6,153,857	5,664,640
Other provincial and federal funding	18,893,596	49,277,544
	\$ 248,379,944	\$ 275,819,905

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

17. Indigenous Services Canada Funding:

	NFR	Block	Fixed	Flexible	Set	Total
Akers Claim 1 and 2	\$ --	\$ --	\$ 1,939,000	\$ --	\$ --	\$ 1,939,000
Bus Co-op	6,100,000	--	--	--	--	6,100,000
Chief and Council ⁽¹⁾	2,739,392	--	--	--	--	2,739,392
Department of Health Inc.	13,752,940	707,711	7,351,757	1,165,457	3,023,353	26,001,218
Economic Development	856,865	--	--	--	--	856,865
Electronic data processing ⁽¹⁾	261,936	--	--	--	--	261,936
Employment and Skills Training	92,000	--	430,344	--	--	522,344
Family and Community Support Services	2,818,461	2,075,294	--	937,656	--	5,831,411
Finance ⁽¹⁾	884,981	--	--	--	--	884,981
Housing	4,785,800	--	8,413,457	--	--	13,199,257
Kainai Education Society	29,200,937	--	6,585,745	--	--	35,786,682
Kainai Developments Ltd.	143,704	--	--	--	--	143,704
Kainaiwa Children Services Corporation	950,114	--	33,672,507	27,588,653	--	62,211,274
Lands	246,212	--	141,409	--	--	387,621
Management ⁽¹⁾	810,750	--	--	--	--	810,750
Membership ⁽¹⁾	384,728	--	--	--	--	384,728
Payroll ⁽¹⁾	742,826	--	--	--	--	742,826
Prescription drug strategy	497,507	--	--	--	--	497,507
Public Relations ⁽¹⁾	554,700	--	--	--	--	554,700
Public Services ⁽¹⁾	1,690,374	--	230,000	587,480	--	2,507,854
Public Works	5,193,061	--	3,070,682	--	--	8,263,743
Real Estate	231,773	--	--	--	--	231,773
Recreation and Parks	2,193,008	--	--	--	--	2,193,008
Red Crow Community College	12,567,449	--	68,254	--	--	12,635,703
Social Development	15,472,124	--	2,849,927	--	--	18,322,051
Tribal Government ⁽¹⁾	747,500	--	670,492	--	--	1,417,992
	\$ 103,919,142	\$ 2,783,005	\$ 65,423,574	\$ 30,279,246	\$ 3,023,353	\$ 205,428,320

(1) Departments are reported with the Blood Tribe Administration reporting department and total ISC funding is \$18,059,459.

BLOOD TRIBE

Notes to Consolidated Financial Statements
Year ended March 31, 2025

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 May 9, 2024.

20. Comparative information:

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

21. Contractual rights

The Tribe has contractual rights which 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.