

**Fort Nelson First Nation
Consolidated Financial Statements**
For the year ended March 31, 2025

Fort Nelson First Nation Contents

For the year ended March 31, 2025

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To the Members of Fort Nelson First Nation:

Opinion

We have audited the consolidated financial statements of Fort Nelson First Nation (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations and accumulated surplus, remeasurement gains, changes in net financial assets, cash flows and the related schedules for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2025, and the results of its consolidated operations, its consolidated remeasurement gains, changes in its consolidated net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

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

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

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

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

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

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

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

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

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

Prince George, British Columbia

July 22, 2025

MNP LLP

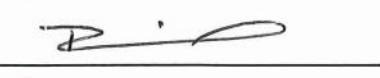
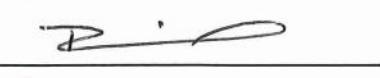
Chartered Professional Accountants

MNP
LLP

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

	2025	2024
Financial assets		
Cash (Note 3)	20,179,608	20,884,261
Portfolio investments (Note 4)	98,770,301	76,359,018
Portfolio investments held in trust (Note 5)	14,940,753	14,700,619
Funds held in trust (Note 6)	11,315,204	10,889,160
Accounts receivable (Note 7)	2,744,506	7,872,442
Investments in First Nation business entities (Note 8)	8,636,208	5,650,639
Note receivable (Note 9)	-	1,000,000
Total of financial assets	156,586,580	137,356,139
Liabilities		
Accounts payable and accruals (Note 10)	6,015,419	4,809,471
Deferred revenue (Note 11)	20,396,262	15,425,046
Debt (Note 12)	2,873,629	3,037,488
Promissory notes payable (Note 13)	212,358	212,358
Total of financial liabilities	29,497,668	23,484,363
Net financial assets	127,088,912	113,871,776
Contingencies (Note 14)		
Non-financial assets		
Tangible capital assets (Schedule 2)	23,485,254	22,937,632
Prepaid expenses	671,978	313,829
Total non-financial assets	24,157,232	23,251,461
Accumulated surplus (Note 15)	151,246,144	137,123,237
Accumulated surplus is comprised of:		
Accumulated surplus (Note 15)	146,050,506	130,660,458
Accumulated remeasurement gains (Note 15)	5,195,638	6,462,779
	151,246,144	137,123,237

Approved on behalf of the Council:

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Fort Nelson First Nation
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2025

	<i>Schedules</i>	2025 <i>Budget</i> <i>(Note 17)</i>	2025	2024
Revenue				
Indigenous Services Canada (Note 16)		7,399,807	7,098,724	7,322,576
Province of British Columbia		18,202,359	22,651,871	49,027,249
First Nations Health Authority		2,714,581	1,863,641	1,692,286
Government of Canada		2,100,205	1,915,260	828,475
North East Native Advancing Agency		176,422	25,658	110,213
First Nations Education Steering Committee		580,438	655,030	639,639
BC First Nation Gaming Revenue Sharing Limited Partnership		550,000	493,542	616,358
Rental income		277,941	261,047	269,339
Canada Mortgage and Housing Corporation		159,204	303,262	237,110
Property taxation		54,985	54,637	52,885
Interest income		555,416	901,912	1,308,052
Other revenue		3,186,527	1,316,010	1,727,625
Trust distributions		-	1,596,569	1,158,770
Income from portfolio investments		3,914,591	11,475,975	4,681,219
Other business activities		422,000	1,343,696	1,260,446
Earnings from investments in First Nation business entities (Note 8)		640,000	3,624,544	70,388
		40,934,476	55,581,378	71,002,630
Program expenses				
Administration and Governance	3	3,733,160	14,206,891	5,236,852
Capital	4	5,992,443	3,727,832	3,375,349
Culture	5	742,203	159,040	152,584
Economic Development	6	47,398	2,073,013	1,772,732
Education	7	5,847,379	5,881,489	4,977,253
Family and Community Services	8	2,199,449	790,485	867,736
Health	9	3,132,477	2,125,280	1,854,063
Housing	10	2,672,823	1,648,954	1,337,687
Investments	11	753,764	3,257,422	2,130,322
Justice	12	1,345,033	1,061,772	821,184
Lands, Resources and Treaty Rights	13	7,590,026	4,527,624	4,682,184
Social Services	14	832,233	731,528	695,727
		34,888,388	40,191,330	27,903,673
Annual surplus		6,046,088	15,390,048	43,098,957
Accumulated surplus, beginning of year		130,660,458	130,660,458	87,561,501
Accumulated surplus, end of year		136,675,046	146,050,506	130,660,458

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

Fort Nelson First Nation
Consolidated Statement of Remeasurement Gains
For the year ended March 31, 2025

	2025	2024
Accumulated remeasurement gains (losses), beginning of year	6,462,779	(281,145)
Unrealized gains (losses) attributable to:		
Portfolio investments	630,997	6,608,945
Amounts reclassified to the statement of operations:		
Portfolio investments	(1,898,138)	134,979
Change in remeasurement gains (losses) for the year	(1,267,141)	6,743,924
Accumulated remeasurement gains, end of year	5,195,638	6,462,779

Fort Nelson First Nation
Consolidated Statement of Changes in Net Financial Assets
For the year ended March 31, 2025

	2025 <i>Budget</i> <i>(Note 17)</i>	2025	2024
Annual surplus	6,046,088	15,390,048	43,098,957
Purchases of tangible capital assets	1,506,992	(2,415,179)	(1,436,345)
Amortization of tangible capital assets	1,519,407	1,867,557	1,752,896
Acquisition of prepaid expenses	-	(358,149)	(190,099)
Change in remeasurement gains (losses) for the year	-	(1,267,141)	6,743,924
Increase in net financial assets	9,072,487	13,217,136	49,969,333
Net financial assets, beginning of year	113,871,776	113,871,776	63,902,443
Net financial assets, end of year	122,944,263	127,088,912	113,871,776

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

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Surplus	15,390,048	43,098,957
Non-cash items		
Amortization	1,867,557	1,752,896
Change in remeasurement losses for the year	(1,267,141)	6,743,924
Earnings from investments in First Nation business entities	(3,624,544)	(70,388)
Ottawa trust funds	(426,044)	(478,868)
Gain on disposal of tangible capital assets	(12,532)	-
Bad debts	170,865	248,596
	12,098,209	51,295,117
Changes in working capital accounts		
Accounts receivable	4,957,071	3,911,974
Prepaid expenses	(358,149)	(190,099)
Accounts payable and accruals	1,205,948	875,465
Deferred revenue	4,971,216	3,401,564
	22,874,295	59,294,021
Financing activities		
Repayment of long-term debt	(163,859)	(167,982)
Capital activities		
Purchases of tangible capital assets	(2,415,179)	(1,436,345)
Proceeds of disposal of tangible capital assets	12,532	-
	(2,402,647)	(1,436,345)
Investing activities		
Increase in portfolio investments - net	(22,411,283)	(55,796,011)
Increase in portfolio investments held in trust - net	(240,134)	(3,865,938)
Decrease (increase) in investment in First Nation business entities	-	(45,000)
Advances to First Nation business entities	638,975	-
Note receivable	1,000,000	-
	(21,012,442)	(59,706,949)
Decrease in cash	(704,653)	(2,017,255)
Cash, beginning of year	20,884,261	22,901,516
Cash, end of year	20,179,608	20,884,261

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

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

1. Operations

The Fort Nelson First Nation (the "First Nation") is a First Nations government located in the province of British Columbia. The First Nation is responsible for the well-being of its community and enacts legal policies and programs in the areas of Administration and Governance, Capital, Culture, Economic Development, Education, Family and Community Services, Health, Housing, Justice, Lands, Resources and Treaty Rights, Investments and Social Services. The First Nation is also mandated to take actions to protect the well-being of members and the community and to establish cultural programs and undertake initiatives in economic development.

2. Significant accounting policies

These consolidated financial statements are the representations of management in accordance with Canadian public sector accounting standards as recommended by the Public Accounting Standards Board of CPA Canada and are consistent with the accounting policies set out by the Department of Indigenous Services Canada. Significant accounting policies adopted by the First Nation are as follows:

Reporting entities consolidated

The financial statements consolidate the financial activities of all entities and departments comprising the First Nation reporting entity, except for government business entities. Trusts administered on behalf of third parties by Fort Nelson First Nation are excluded from the First Nation reporting entity.

The First Nation has consolidated the assets, liabilities, revenue and expenses of the following entities and departments:

- Liard Hotsprings Lodge (FNFN) Ltd.
- Chalo Independent School Society
- Fort Nelson Indian Band Land Trust Society
- Reaching For Our Vision Trust

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.

Fort Nelson First Nation business entities, owned or controlled by the First Nation's Council but not dependent on the First Nation for their continuing operations, are included in the consolidated financial statements using the modified equity method. Under the modified equity method, the equity method of accounting is modified only to the extent that the business entity accounting principles are not adjusted to conform to those of the First Nation. Thus, the First Nation's investment in these entities is recorded at acquisition cost and is increased for the proportionate share of post acquisition earnings and decreased by post acquisition losses and distributions received.

Entities accounted for by the modified equity basis include:

- Deh Tai GP Ltd.
- Deh Tai Limited Partnership
- FNFN Forestry Limited Partnership
- FNFN Forestry General Partner Corporation

Basis of presentation

Sources of revenue and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it becomes available and measurable; expenses are recognized as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

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

2. Significant accounting policies *(Continued from previous page)*

Asset classification

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale in the normal course of operations. Non-financial assets include tangible capital assets and prepaid expenses.

Net financial assets

The First Nation's consolidated financial statements are presented so as to highlight net financial assets as the measurement of consolidated financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of consolidated financial position, accumulated surplus.

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 cash (Note 3).

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Portfolio investments with prices quoted in an active market include a guaranteed investment certificate and equity instruments that either have no maturity dates or have a maturity of greater than three months at the time of acquisition, and an investment in a partnership for which there is no control. Changes in fair value of investments quoted in an active market are recorded in the consolidated statement of remeasurement gains and losses. Earnings from portfolio investments that are not quoted in an active market are recognized only to the extent received or receivable.

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. Contributed tangible assets are recorded at their fair value at the date of contribution. All intangibles and items inherited by right of the First Nation, such as reserve lands, forests, water, and mineral resources, are not recognized as assets in the First Nation's consolidated financial statements. Historic works of art and treasures are not recorded as assets in these consolidated financial statements.

Amortization

Assets under construction are not amortized until the asset becomes available for use. Amortization for other tangible capital assets is provided using the declining balance method at rates intended to amortize the cost of the assets over their estimated useful lives:

	Rate
Automotive equipment	10 %
Buildings	4 %
Computer and office equipment	10-30 %
Machinery and equipment	10-30 %
Roads and land improvements	4-20 %
Service installations	5 %

Long-lived assets

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

The First Nation performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. Impairment is measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in operations for the year.

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

2. Significant accounting policies *(Continued from previous page)*

Liability for contaminated site

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 First Nation 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 First Nation 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 First Nation 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, no liability for contaminated sites exists.

Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the First Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.

At each financial reporting date, the First Nation reviews the carrying amount of the liability. The First Nation recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.

The First Nation 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, no liability for asset retirement obligations exists.

Revenue recognition

Funding

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

Government transfers

The First Nation 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 First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

Externally restricted revenue

The First Nation recognizes externally restricted inflows as revenue in the period the resources are used for the purpose specified in accordance with an agreement or legislation. Until this time, the First Nation records externally restricted inflows in deferred revenue.

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

2. Significant accounting policies *(Continued from previous page)*

Revenue recognition *(Continued from previous page)*

Funds held in trust

The First Nation recognizes revenue of the Capital and Revenue Trust Fund at the time funds are contributed from the accounts held in Ottawa. Interest revenue is recognized when earned.

Other income

Investment income reported on investments not subject to significant influence is recorded as revenue in the period earned.

Rental and other revenue is recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Measurement uncertainty (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 collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amounts due from First Nation members and investments in First Nation business entities are stated after evaluation as to their collectability and recoverability and an appropriate allowance for impairment is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the First Nation is responsible for.

Asset retirement obligation

A liability for an asset retirement obligation reflects management's best estimate of the amount required to retire the related tangible capital asset (or component thereof). The best estimate of the liability is based upon assumptions and estimates related to the amount and timing of costs for future asset retirement.

Changes to the underlying assumptions and estimates or legislative changes in the near term could have a material impact on the provision recognized.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the consolidated financial statements of changes in such estimates and assumptions in future periods could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in operations in the periods in which they become known.

Funds held in trust

Funds held in trust on behalf of First Nation 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 moneys consist of:

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

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

2. Significant accounting policies *(Continued from previous page)*

Segments

The First Nation conducts its business through a number of reportable segments as described in Note 23. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

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

Financial instruments

The First Nation recognizes its financial instruments when the First Nation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the First Nation may irrevocably elect to subsequently measure any financial instrument at fair value. The First Nation has made such an election during the year.

The First Nation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations that are available in an open market. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the consolidated statement of remeasurement gains and losses. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

All financial assets except derivatives are tested annually for impairment. Management considers whether the investee has experienced continued losses for a period of years, recent collection experience for the loan, such as a default or delinquency in interest or principal payments, etc. in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations. Write-downs of financial assets measured at cost and/or amortized cost to reflect losses in value are not reversed for subsequent increases in value. Reversals of any net remeasurements can occur, provided they are not greater than the amount that would have been reported at the date of reversal had the impairment not been previously recognized. In such instances these reversals are recognized in the consolidated statement of operations.

Consolidated statement of remeasurement gains and losses

By presenting remeasurement gains (losses) separately, changes in the carrying value of financial instruments arising from fair value measurement, unrealized foreign exchange gains (losses) and other comprehensive income arising from investments in First Nation business entities are distinguished from revenues and expenses reported in the consolidated statement of operations. The consolidated statement of operations reports the extent to which revenue raised in the period were sufficient to meet the expenses incurred. Remeasurement gains (losses) do not affect this assessment as they are recognized in the consolidated statement of remeasurement gains and losses. Taken together, the two statements account for changes in a First Nation's net assets (liabilities) in the period.

Upon settlement, the cumulative gain (loss) is reclassified from the consolidated statement of remeasurement gains and losses and recognized in the consolidated statement of operations. Interest and dividends attributable to all financial instruments are reported in the consolidated statement of operations.

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

3. Cash resources

Restricted cash

Included in cash are externally restricted funded reserves in the amount of \$571,875 (2024 - \$547,695).

Credit facilities

The First Nation has available a \$250,000 bank overdraft and a \$150,000 bank overdraft with interest charged at the Scotiabank prime rate plus 0.5% per annum respectively. The First Nation also has available a \$150,000 revolving line of credit. At March 31, 2025, the outstanding bank overdraft and line of credit balances were \$Nil (2024 - \$Nil), and are secured by certain vehicles owned and a general security agreement over all present and future personal property with appropriate insurance coverage. Prime rate at March 31, 2025 was 4.95% (2024 - 7.20%).

4. Portfolio investments

Included in portfolio investments are the following:

- Publicly traded securities with a market value of \$98,770,301 (2024 - \$76,359,018) and an adjusted cost base of \$94,449,121 (2024 - \$70,925,297).
- The First Nation has an investment in a limited partnership representing 49.9% ownership of the partnership units with an adjusted cost base of \$1 (2024 - \$1). The limited partnership is accounted for as a portfolio investment and is not quoted in an active market.
- A 1-year Guaranteed Investment Certificate of \$Nil (2024 - \$70,198).

5. Portfolio investments held in trust

Included in portfolio investments held in trust are publicly traded securities with a market value of \$14,940,753 (2024 - \$14,700,619) and an adjusted cost base of \$13,908,888 (2024 - \$13,601,363).

6. Funds held in trust

Funds held in trust include the Ottawa Trust accounts which 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. The management of these funds is primarily governed by Sections 63 to 69 of the *Indian Act*. Capital and revenue trust moneys are transferred to the First Nation on the authorization of the Minister of Indigenous Services Canada, with the consent of the First Nation's Council.

	2025	2024
Capital Trust		
Balance, beginning of year	9,816,464	9,739,605
Additions	14,032	76,859
Balance, end of year	9,830,496	9,816,464
Revenue Trust		
Balance, beginning of year	1,072,696	670,687
Additions	412,012	402,009
Balance, end of year	1,484,708	1,072,696
	11,315,204	10,889,160

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

7. Accounts receivable

	2025	2024
Indigenous Services Canada	602,422	-
First Nations Health Authority	198,578	3,350
Province of British Columbia	551,055	6,559,650
Government of Canada	587,684	209,593
Due from members	1,620,082	1,630,249
Other receivables	1,374,347	1,488,771
Allowance for doubtful accounts	(2,189,662)	(2,019,171)
	2,744,506	7,872,442

8. Investments in First Nation business entities

The First Nation has investments in the following entities:

	Balance, beginning of year	Loans/ advances	Share of earnings (loss)	Total investment
First Nation Business entities – Modified Equity:				
Deh Tai Limited Partnership - 99.99%	7,373,876	(642,724)	(1,593,521)	5,137,631
Deh Tai GP Ltd. - 100%	(2,109,997)	-	(454,584)	(2,564,581)
FNFN Forestry Limited Partnership - 99.99%	386,760	-	5,677,022	6,063,782
FNFN Forestry General Partner Corporation - 100%	-	3,749	(4,373)	(624)
	5,650,639	(638,975)	3,624,544	8,636,208

	Balance, beginning of year	Loans/ advances	Share of earnings (loss)	Total investment
First Nation Business entities – Modified Equity:				
Deh Tai Limited Partnership - 99.9%	6,934,799	55,000	384,076	7,373,875
Deh Tai GP Ltd. - 100%	(1,606,144)	-	(503,853)	(2,109,997)
FNFN Forestry Limited Partnership - 99.99%	206,595	(10,000)	190,165	386,760
	5,535,250	45,000	70,388	5,650,638

The First Nation has fully consolidated the assets, liabilities, revenue and expenses of Liard Hotsprings Lodge (FNFN) Ltd., which was established to provide accommodations, restaurant operations and sales of gasoline, food and souvenirs near Fort Nelson, British Columbia.

FNFN Forestry Limited Partnership together with its general partner, FNFN Forestry General Partner Corporation was established to enter into forestry operations near Fort Nelson, British Columbia.

Deh Tai Limited Partnership together with its general partner, Deh Tai GP Ltd. were established as part of a Master Limited Partnership structure to invest in entities to pursue economic development opportunities. As of March 31, 2025, the Limited Partnership held investments in the following:

- Eh Cho Dene Limited Partnership was established to carry on road construction, site preparation and maintenance and land clearing for gas plants, hydro stations and right-of-ways.
- Fern Lake Commercial Holdings Limited Partnership was established to hold commercial rental properties.

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

8. Investments in First Nation business entities *(Continued from previous page)*

- Fern Lake Residential Holdings Limited Partnership was established to hold residential rental properties.
- Clarke Lake Geothermal Limited Partnership was established to develop geothermal electricity production facilities.

As at March 31, 2025, Deh Tai GP Ltd. held an investment in 1164062 B.C. Ltd., which was established to provide accommodations through hotel and restaurant operations in Fort Nelson, British Columbia.

Summary financial information for each First Nation business entity, accounted for using the modified equity method, for their respective year-end is as follows:

	<i>FNFN Forestry Limited Partnership As at December 31, 2024</i>	<i>FNFN Forestry General Partner Corporation As at December 31, 2024</i>	<i>Deh Tai GP Ltd. As at December 31, 2024</i>	<i>Deh Tai Limited Partnership As at December 31, 2024</i>
Assets				
Cash	-	-	-	528,246
Accounts receivable	-	-	-	119,029
Other current assets	-	-	-	76,174
Investments	6,071,210	-	112,041	7,488,474
Loans receivable	-	-	-	17,621
Equipment	-	-	-	25,767
Advances to related parties	100	-	-	3,048,956
Total assets	6,071,310	-	112,041	11,304,267
Liabilities				
Accounts payable and accruals	7,500	-	7,364	246,247
Deficiency in investment	-	(72)	2,651,082	-
Payable to the First Nation	-	-	-	11,753,120
Advances from related parties	101,875	(4,300)	18,175	3,766,448
Total liabilities	109,375	(4,372)	2,676,621	15,765,815
Equity/Partners' Capital	5,961,935	4,372	(2,564,580)	(4,461,548)
Total revenue	5,678,533	-	-	476,160
Total expenses	(1,500)	(1,114)	(570,082)	(2,069,742)
Net income (loss)	5,677,033	(1,114)	(570,082)	(1,593,585)

9. Note receivable

The note receivable from an unrelated party was fully repaid during the year.

10. Accounts payable and accruals

	2025	2024
Indigenous Services Canada	114,132	562,599
First Nations Health Authority	458,003	298,716
Province of British Columbia	370,143	349,157
Other accounts payable and accrued liabilities	5,073,141	3,598,999
	6,015,419	4,809,471

Included in accounts payable and accruals are \$77,683 (2024 - \$108,778) of government remittances payable.

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

11. Deferred revenue

Deferred revenue consists of funds received for specific purposes which were not completed at the end of the fiscal year.

	<i>Balance, beginning of year</i>	<i>Funding received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	7,453,659	5,802,045	4,922,081	8,333,623
First Nations Health Authority	1,434,810	2,317,099	1,660,759	2,091,150
Province of British Columbia	5,226,393	6,216,830	4,860,036	6,583,187
Other deferred revenue	1,310,184	8,023,476	5,945,358	3,388,302
	15,425,046	22,359,450	17,388,234	20,396,262

12. Debt

	2025	2024
All Nations Trust (8 units - Phase 4) (CMHC Full Program) - mortgage payable in monthly instalments of \$6,408, including interest at 1.12% per annum, due for renewal October 2026 and maturing October 2041, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$1,493,443 (2024 - \$1,556,976).	1,163,399	1,228,094
All Nations Trust (6 units - Phase 5) (CMHC Full Program) - mortgage payable in monthly instalments of \$5,966, including interest at 3.75% per annum, due for renewal July 2027 and maturing July 2047, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$1,588,309 (2024 - \$1,618,998).	1,084,755	1,118,961
All Nations Trust (3 units - Phase 3) (CMHC Full Program) - mortgage payable in monthly instalments of \$2,701, including interest at 3.75% per annum, maturing July 2037, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$730,016 (2024 - \$750,136).	320,286	341,480
All Nations Trust - mortgage payable in monthly instalments of \$1,030, including interest at 3.50% per annum, maturing August 2037, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$372,348 (2024 - \$406,023).	116,995	125,148
All Nations Trust (6 units - Phase 2) (CMHC Full Program) - mortgage payable in monthly instalments of \$2,481, including interest at 3.58% per annum, maturing December 2028, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$132,176 (2024 - \$161,935).	104,352	130,316
All Nations Trust - mortgage payable in monthly instalments of \$451, including interest at 3% per annum, due for renewal February 2026 and maturing February 2036, guaranteed by Indigenous Services Canada, secured by assets with a net book value of \$52,439 (2024 - \$57,357).	50,551	54,403
Scotiabank - mortgage payable in monthly instalments of \$463, including interest at 5.76%, due for renewal May 2028 and maturing May 2032, guaranteed by Indigenous Services Canada.	33,291	36,311
All Nations Trust - repaid in full during the year.	-	2,775
	2,873,629	3,037,488

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

12. Debt *(Continued from previous page)*

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

2026	162,320
2027	165,928
2028	169,647
2029	166,662
2030	148,177
Thereafter	2,060,895
	2,873,629

13. Promissory notes payable

The Council has filed a specific claim in the British Columbia Supreme Court for damage for injunctive relief, infringement of Treaty Rights and for related declaration of rights pursuant to Treaty 8 and Trapline Registration System. Negotiations towards an out of court settlement are currently in progress. The outcome is not certain and presently undeterminable. The Council received funding from Indigenous Services Canada as advance for the negotiation of this claim. Under the terms of the funding agreement, these advances are to be repaid by the Council out of their claim settlements. These advances have been recorded as a liability, as the Council has provided promissory notes to the Government of Canada in 2015 in accordance with the Native Claims Loan Agreement. The first note of \$157,708 is non-interest bearing, unsecured and is due on the date on which the Specified Claim is settled.

The second note of \$54,650 was issued by Canada Mortgage and Housing Corporation for the purposes of renovations and repairs on a band owned house. Subject to certain conditions, the loan is forgivable.

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

14. Contingencies

The First Nation is subject to funding recoveries according to their agreement with federal government agencies. It has not yet been determined to what extent any funding agreements related to the year ended March 31, 2025 might be recovered.

The First Nation is contingently liable for member housing loans provided to individual members for loans made by various financial institutions for purposes of acquiring on reserve housing. In the event that members default on their obligations under these loans, the First Nation would be required to pay the outstanding loan balance to the lenders. In the event that the First Nation is unable to pay on any defaulted member loans, these loans are guaranteed by Indigenous Services Canada. The First Nation's guarantee is itself secured by the related real properties.

As at March 31, 2025, the loans are analyzed as follows:

CIBC Mortgages Corporation	40,502
CIBC Mortgages Corporation	45,417
North Peace Savings and Credit Union	53,892
North Peace Savings and Credit Union	<u>153,210</u>
	<u>293,021</u>

One of the First Nation's consolidated entities, Liard Hotsprings Lodge (FNFN) Ltd., is contingently liable for decommissioning costs that will be incurred at the end of the operating life of the fuel tanks on the entity's property. The ultimate decommissioning liability is uncertain and can vary in response to many factors including environmental factors, new restorative techniques and changes in legal requirements. As a result, the entity is unable to measure the potential liability at the date of these consolidated financial statements and, accordingly, no provision has been made in the accounts.

The First Nation is contingently liable for remediation costs for properties that are not in productive use where contamination may exceed environmental standards. As of the date of these consolidated financial statements, there is uncertainty as to whether the First Nation is responsible or will accept responsibility for the remediation costs, and a reasonable estimate of the remediation costs is not available. Accordingly no provision has been made in the accounts.

As part of its normal operations, a subsidiary entity of the First Nation engages in gravel quarry operations that involve the use of several gravel pits. As per environmental regulations and the Nation's commitment to environmental stewardship, these gravel pits will require remediation at the end of their operational lives.

At present, there is no established timeline for the remediation of these gravel pits. The timing of the remediation is contingent upon several factors, including the rate of extraction and market demand for gravel. As such, it is not possible to determine with certainty when the remediation process will commence.

Due to the uncertainties surrounding the timing of the remediation and the potential changes in environmental regulations and remediation technologies, an estimate of the remediation costs cannot be reliably measured at this time. Therefore, no provision for remediation costs has been recognized in the consolidated financial statements.

The First Nation continues to monitor the situation and will recognize a provision for the remediation costs in the period in which it becomes probable that the remediation will be carried out and the costs can be reliably estimated.

These consolidated statements are subject to review by the First Nation's funding agents. It is possible that the adjustments could be made based on the results of their reviews.

Fort Nelson First Nation is currently negotiating its Trapline Registration Specific Claim with Crown-Indigenous Relations and Northern Affairs Canada pursuant to Canada's Specific Claims Policy. Fort Nelson First Nation would receive approximately \$39,800,000 in compensation for Canada's breaches if Canada's settlement offer is ratified by the Fort Nelson First Nation members.

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

15. Accumulated surplus

Accumulated surplus consists of the following:

	2025	2024
Equity in Ottawa trust funds	11,315,204	10,889,160
Equity in operating fund	105,322,221	93,915,252
Equity in tangible capital assets	20,611,625	19,900,144
Investment in business entities (enterprise fund)	8,636,208	5,650,639
Replacement and operating reserve	165,248	305,263
Accumulated remeasurement gains	5,195,638	6,462,779
	151,246,144	137,123,237

16. Indigenous Services Canada ("ISC") funding reconciliation

	2025	2024
Direct Nation Funding		
Revenue per confirmation	8,092,820	8,619,094
Add: deferred revenue, beginning of year	7,453,659	6,575,782
Less: deferred revenue, end of year	(8,333,623)	(7,453,659)
Less: current year recovery	(114,132)	(418,641)
	7,098,724	7,322,576

17. Budget information

The disclosed budget information has been approved by the Chief and Council of the Fort Nelson First Nation. The original budget was approved at the Chief and Council meeting held on March 21, 2024.

18. Trust funds

Fort Nelson First Nation Future Generations Trust (2018)

The First Nation's revenue for the year included distributions from the trust of \$410,055 (2024 - \$246,846). As at March 31, 2025, the balance of funds held in trust was \$8,194,401 (2024 - \$7,415,675) and the fair market value of the investments held in trust was \$8,752,372 (2024 - \$8,018,525). The Fort Nelson First Nation Future Generations Society acts as trustee to the Fort Nelson Future Generations Trust (2018).

Fort Nelson First Nation Agricultural Benefits Trust

The First Nation's revenue for the year included distributions from the trust of \$1,596,569 (2024 - \$911,924). As at March 31, 2025, the balance of funds held in trust was \$34,506,672 (2024 - \$31,777,877) and the fair market value of the investments held in trust was \$35,848,746 (2024 - \$34,303,396).

Under Canadian public sector accounting standards, the trusts are not recorded as an asset with the corresponding equity in accumulated surplus of the First Nation as the trusts are not controlled by the First Nation, they are controlled by a third party for the benefit of the First Nation membership.

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

19. Defined contribution pension plan

Fort Nelson First Nation has a defined contribution registered pension plan covering all indeterminate full-time and part-time employees. Contributions to the plan are based on the employee electing to contribute either 2.5% or 5.5% of contributions on their gross income. The employer matches the participants' contributions to a maximum of 5.5%. There have been no significant changes to the plan in the current year.

20. Economic dependence

Fort Nelson First Nation receives a significant portion of its revenue from Indigenous Services Canada and First Nations Health Authority as a result of Treaties entered into with the Government of Canada. These treaties are administered by Indigenous Services Canada and First Nations Health Authority under the terms and conditions of the *Indian Act*. The ability of the First Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

21. Financial Instruments

The First Nation as part of its operations carries a number of financial instruments. It is management's opinion that the First Nation is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk to the First Nation's earnings that arises from fluctuations in market interest rates and the degree of volatility of these rates. The First Nation does not use derivative instruments to reduce its exposure to interest rate risk. Management expects interest rates to remain relatively constant for the coming year and therefore considers the related risk to be low.

Market risk

Market risk relates to the possibility that the equity investments will change in value due to future fluctuations in market prices. The First Nation does not use derivative instruments to reduce its exposure to market risk.

Fair values

Due to their short-term nature, the carrying values of cash resources, portfolio investments, accounts receivable, accounts payable and accruals approximate their fair values. The terms and interest rates of the First Nation's long-term debt are similar to those currently offered for similar loans, therefore the carrying values of these loans are also considered to approximate their fair values.

Credit risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

Risk management

The First Nation manages its credit risk by assessing the collectability of its receivables and creating allowances for potentially uncollectible accounts receivable.

22. Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

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

23. Segments

The First Nation describes its operating segments as follows:

Administration and Governance

This segment provides band support and administrative services for the operations of the First Nation, including governance, various financial functions, human resources and IT.

Capital

This segment is comprised of programs that oversee the First Nation's infrastructure, including buildings, water & waste water and roads

Culture

This segment provides programs, services and events designed to enhance language revitalization and cultural fluency.

Economic Development

This segment implements community economic development planning and capacity building initiatives, which are pursued to benefit the First Nation's community by enhancing employment, income generation activities, use of land and resources, economic infrastructure and business opportunities.

Education

This segment is responsible for managing and delivering K to grade 12 education programs and services. This includes language and culture, employment counselling services and the management of post-secondary student funding and support programs. Education is responsible for Pre-4 to post secondary programs. Chalo School is responsible for Pre-4 to Gr 12 and the post secondary function administers programs related to post-secondary funding and trades.

Family and Community Services

This segment is comprised of programs that support community wellbeing, promote early childhood development and culture to children and young families.

Health

This segment administers the delivery of health programs and services.

Housing

This segment's activities include First Nation owned and CMHC housing rental units and repairs.

Investments

This segment includes income and investments in government business enterprises, as well as income from portfolio investments and partnerships.

Justice

This segment administers services to assist community members in the local administration of justice, in a culturally relevant fashion.

Lands, Resources & Treaty Rights

This segment is responsible for ensuring that interests of the First Nation are represented in matters of lands and natural resources.

Social Services

This segment administers benefits and services to individuals and families living on reserve who are in need of support. Department services include income assistance, assisted living and child out of parental home.

Fort Nelson First Nation
Schedule 1 - Schedule of Consolidated Expenses by Object
For the year ended March 31, 2025

	2025 <i>Budget</i> <i>(Note 17)</i>	2025	2024
Consolidated expenses by object			
Wages and benefits	12,896,720	11,097,170	9,428,761
Member distributions	-	9,529,000	1,967,830
Professional fees	5,508,693	4,168,135	4,133,802
Repairs and maintenance	3,341,254	2,075,124	1,705,151
Contributions to trusts	-	2,006,624	1,158,770
Transportation	1,074,471	1,266,913	656,645
Community programs	1,683,411	1,172,168	874,580
Furniture and equipment	347,073	1,062,743	111,564
Honoraria	1,542,485	1,056,733	978,657
Administrative fees	1,429,842	953,978	1,055,396
Bank charges and interest	399,171	935,234	558,479
Cost of goods sold	-	650,347	596,667
Post secondary	462,003	578,061	386,705
Social services payments	484,600	465,190	423,574
Travel and training	1,595,669	455,162	479,568
Nominal roll tuition fees	407,554	393,262	317,188
Utilities	427,071	384,038	336,686
Telephone	619,379	383,344	313,308
Office and miscellaneous	287,874	327,038	227,519
Distribution to minors	320,000	280,000	420,000
Insurance	361,133	262,006	249,192
Bad debts	-	170,865	248,596
Interest on long-term debt	98,381	78,792	81,856
Student incentives	77,320	74,481	62,018
Property tax	24,000	34,311	31,047
Meeting and conventions	296,284	12,645	62,685
Advertising	22,350	12,420	11,620
Supplies and other (recoveries)	1,160,319	(205,640)	710,892
Administration recoveries	(1,498,076)	(1,356,371)	(1,437,979)
Amortization	1,519,407	1,867,557	1,752,896
	34,888,388	40,191,330	27,903,673

Fort Nelson First Nation
Schedule 2 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2025

	<i>Land</i>	<i>Buildings</i>	<i>Automotive equipment</i>	<i>Computer and office equipment</i>	<i>Machinery and equipment</i>	<i>Roads and land improvements</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	2,255,652	26,054,710	1,800,387	2,528,634	1,248,704	12,635,649	46,523,736
Acquisition of tangible capital assets	-	358,245	648,481	305,740	116,381	4,816	1,433,663
Disposal of tangible capital assets	-	-	(208,723)	-	-	-	(208,723)
Balance, end of year	2,255,652	26,412,955	2,240,145	2,834,374	1,365,085	12,640,465	47,748,676
Accumulated amortization							
Balance, beginning of year	-	16,292,598	1,158,833	1,921,540	835,931	9,285,747	29,494,649
Annual amortization	-	811,116	114,385	182,035	62,413	380,810	1,550,759
Accumulated amortization on disposals	-	-	(208,723)	-	-	-	(208,723)
Balance, end of year	-	17,103,714	1,064,495	2,103,575	898,344	9,666,557	30,836,685
Net book value of tangible capital assets	2,255,652	9,309,241	1,175,650	730,799	466,741	2,973,908	16,911,991
2024 Net book value of tangible capital assets	2,255,652	9,762,112	641,554	607,094	412,773	3,349,902	17,029,087

Fort Nelson First Nation
Schedule 2 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2025

	<i>Subtotal</i>	<i>Service installations</i>	<i>Assets under construction</i>	<i>CMHC Housing units</i>	<i>Liard Hot springs Lodge (FNFN) Ltd. - Property and equipment</i>	2025	2024
Cost							
Balance, beginning of year	46,523,736	10,847,857	39,900	5,278,227	1,753,516	64,443,236	63,006,891
Acquisition of tangible capital assets	1,433,663	605,918	190,438	-	185,160	2,415,179	1,436,345
Disposal of tangible capital assets	(208,723)	-	-	-	-	(208,723)	-
Balance, end of year	47,748,676	11,453,775	230,338	5,278,227	1,938,676	66,649,692	64,443,236
Accumulated amortization							
Balance, beginning of year	29,494,649	10,050,313	-	1,191,892	768,750	41,505,604	39,752,708
Annual amortization	1,550,759	119,186	-	139,918	57,694	1,867,557	1,752,896
Accumulated amortization on disposals	(208,723)	-	-	-	-	(208,723)	-
Balance, end of year	30,836,685	10,169,499	-	1,331,810	826,444	43,164,438	41,505,604
Net book value of tangible capital assets	16,911,991	1,284,276	230,338	3,946,417	1,112,232	23,485,254	22,937,632
2024 Net book value of tangible capital assets	17,029,087	797,544	39,900	4,086,335	984,766	22,937,632	

Fort Nelson First Nation
Administration and Governance
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Province of British Columbia	13,000,000	19,310,197	45,007,787
Indigenous Services Canada	1,028,206	523,814	1,124,053
Government of Canada	-	591,302	-
First Nations Health Authority	-	88,822	-
BC First Nation Gaming Revenue Sharing Limited Partnership	550,000	493,542	616,358
Other revenue	56,550	181,260	181,529
Property taxation	54,985	54,637	52,885
	14,689,741	21,243,574	46,982,612
Expenses			
Member distributions	-	9,529,000	1,967,830
Wages and benefits	2,473,493	2,438,630	1,832,135
Professional fees	743,189	1,287,517	823,119
Honoraria	558,700	622,334	502,740
Community programs	135,000	312,088	120,357
Office and miscellaneous	266,041	190,464	138,728
Bad debts	-	170,491	248,596
Travel and training	312,103	160,507	213,111
Amortization	132,792	142,132	121,556
Supplies and other	266,115	292,834	204,790
Telephone	142,740	118,030	109,418
Utilities	24,385	25,667	19,481
Furniture and equipment	24,956	17,975	22,006
Insurance	9,780	17,932	15,436
Repairs and maintenance	20,000	13,287	20,000
Advertising	22,350	12,420	11,620
Transportation	19,392	8,741	3,301
Meeting and conventions	16,950	6,287	55,511
Bank charges and interest	1,155	1,390	6,227
Interest on long-term debt	-	-	310
Administrative fees	-	-	40,775
Administration recoveries	(1,435,981)	(1,160,835)	(1,240,195)
	3,733,160	14,206,891	5,236,852
Surplus before transfers	10,956,581	7,036,683	41,745,760
Transfers between programs	(2,309,010)	383,706	(3,024,732)
Annual surplus	8,647,571	7,420,389	38,721,028

Fort Nelson First Nation
Capital
Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada	2,425,126	2,111,617	1,756,832
First Nations Health Authority	13,276	59,807	50,670
Government of Canada	-	51,697	-
North East Native Advancing Agency	7,000	-	-
Province of British Columbia (recovery)	-	(808)	100,611
Other revenue	1,238,528	555,137	47,027
	3,683,930	2,777,450	1,955,140
Expenses			
Furniture and equipment	56,850	1,269,272	23,298
Wages and benefits	1,237,754	1,131,120	936,316
Repairs and maintenance	1,687,436	887,840	852,522
Professional fees	1,523,259	658,183	587,503
Administrative fees	203,856	164,075	151,307
Transportation	148,748	134,964	70,057
Insurance	117,032	62,497	50,896
Utilities	60,540	53,061	59,713
Travel and training (recovery)	154,200	45,512	(2,447)
Community programs	35,820	23,737	123,736
Telephone	19,229	17,084	12,831
Office and miscellaneous	1,060	574	4,275
Meeting and conventions	-	320	63
Bank charges and interest (recovery)	-	(23)	6,181
Administration recoveries	15,364	(53,110)	(49,484)
Supplies and other (recovery)	63,300	(981,097)	35,187
Amortization	667,995	313,823	513,395
	5,992,443	3,727,832	3,375,349
Deficit before transfers	(2,308,513)	(950,382)	(1,420,209)
Transfers between programs	-	2,069,476	637,756
Annual surplus (deficit)	(2,308,513)	1,119,094	(782,453)

Fort Nelson First Nation
Culture
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
First Nations Health Authority	-	101,968	11,557
Other revenue	185,860	2,750	750
	185,860	104,718	12,307
Expenses			
Wages and benefits	371,085	153,029	12,600
Honoraria	110,346	2,500	37,489
Travel and training	9,300	1,971	1,837
Professional fees	25,980	500	41,875
Community programs	123,094	48	25,677
Administrative fees	23,745	-	1,065
Transportation	9,819	-	3,502
Telephone	8,800	-	674
Meeting and conventions	6,000	-	-
Utilities	3,600	-	4,877
Supplies and other	50,434	-	22,988
Amortization	-	992	-
	742,203	159,040	152,584
Deficit before transfers	(556,343)	(54,322)	(140,277)
Transfers between programs	378,916	30,529	148,576
Annual surplus (deficit)	(259,927)	(23,793)	8,299

Fort Nelson First Nation
Economic Development
Schedule 6 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Province of British Columbia	-	99,887	-
Indigenous Services Canada	47,398	51,254	89,499
Earnings from investments in First Nation business entities	927,000	3,624,544	-
Other business activities	422,000	1,343,696	1,260,446
Income from portfolio investments	1,200,000	-	-
Deh Tai GP Ltd. income (loss)	(287,000)	-	-
Eh Cho Dene GP Ltd.	-	-	70,388
Other revenue (recovery)	-	(416,626)	1,050
	2,309,398	4,702,755	1,421,383
Expenses			
Cost of goods sold	-	650,347	596,667
Wages and benefits	-	492,494	396,438
Professional fees	42,658	406,830	205,639
Repairs and maintenance	-	169,663	110,427
Office and miscellaneous	-	128,114	63,423
Utilities	-	124,981	84,856
Telephone	-	20,493	19,098
Insurance	-	15,476	46,350
Transportation	-	9,657	17,101
Property tax	-	7,707	5,787
Administrative fees	4,740	5,125	8,950
Travel and training	-	2,236	62,936
Bank charges and interest	-	2,145	31,862
Bad debts	-	374	-
Honoraria	-	-	43,461
Supplies and other (recovery)	-	(7,791)	14,178
Furniture and equipment (recovery)	-	(12,532)	-
Amortization	-	57,694	65,559
	47,398	2,073,013	1,772,732
Surplus (deficit) before transfers	2,262,000	2,629,742	(351,349)
Transfers between programs	-	385,476	756,484
Annual surplus	2,262,000	3,015,218	405,135

Fort Nelson First Nation
Education
Schedule 7 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada	2,259,208	2,967,501	2,718,978
Province of British Columbia	1,198,889	1,361,275	1,318,873
North East Native Advancing Agency	25,000	-	25,000
First Nations Education Steering Committee	560,227	644,075	627,389
Interest income	-	96,827	-
Other revenue	282,777	35,871	356,200
	4,326,101	5,105,549	5,046,440
Expenses			
Administrative fees	200,178	332,764	306,196
Amortization	-	563,562	296,315
Administration recoveries	(82,959)	(123,205)	(131,096)
Bank charges and interest	1,056	557	841
Honoraria	46,900	111,304	55,267
Insurance	86,100	66,257	50,212
Post secondary	462,003	578,061	386,705
Meeting and conventions	-	96	169
Office and miscellaneous (recovery)	1,500	(5,000)	2,531
Professional fees	255,316	303,380	222,439
Repairs and maintenance	370,804	219,573	272,980
Supplies and other	287,049	20,489	211,399
Wages and benefits	3,288,811	3,051,477	2,693,353
Nominal roll tuition fees	407,554	393,262	317,188
Student incentives	77,320	74,481	62,018
Transportation	-	10,052	4,118
Telephone	66,350	85,277	63,791
Travel and training	292,297	51,001	96,807
Utilities	77,400	67,486	59,374
Community programs	9,700	80,615	6,646
	5,847,379	5,881,489	4,977,253
Surplus (deficit) before transfers	(1,521,278)	(775,940)	69,187
Transfers between programs	-	173,255	-
Annual surplus (deficit)	(1,521,278)	(602,685)	69,187

Fort Nelson First Nation
Family and Community Services
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada	464,702	253,925	142,638
First Nations Health Authority	1,088,330	776,089	457,761
Province of British Columbia	612,402	321,120	258,488
North East Native Advancing Agency	104,000	-	57,627
	2,269,434	1,351,134	916,514
Expenses			
Wages and benefits	1,166,687	499,330	551,904
Community programs	392,512	98,397	86,447
Administrative fees	224,626	72,503	84,277
Telephone	28,980	34,264	20,393
Supplies and other	43,126	22,756	21,720
Transportation	19,044	16,881	26,374
Professional fees	59,740	15,452	300
Travel and training	66,431	8,601	17,565
Utilities	8,500	5,554	7,678
Honoraria	24,750	1,359	750
Meeting and conventions	-	81	-
Food and beverage	1,670	-	-
Furniture and equipment (recovery)	133,167	(11,648)	25,115
Amortization	30,216	26,955	25,213
	2,199,449	790,485	867,736
Annual surplus	69,985	560,649	48,778

Fort Nelson First Nation
Health
Schedule 9 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
First Nations Health Authority	1,612,975	836,956	1,172,298
Indigenous Services Canada	7,738	7,549	-
Other revenue	2,500	8,537	66,020
	1,623,213	853,042	1,238,318
Expenses			
Wages and benefits	1,325,656	715,695	670,479
Community programs	821,865	579,040	457,972
Honoraria	278,000	257,850	246,338
Professional fees	18,077	148,291	37,705
Administrative fees	55,727	48,811	56,215
Supplies and other	89,825	40,100	45,266
Transportation	42,732	30,379	23,240
Telephone	23,400	27,599	24,702
Utilities	14,640	11,773	21,868
Furniture and equipment	9,072	2,825	7,427
Travel and training	212,500	2,008	4,595
Insurance	2,700	858	788
Meeting and conventions	-	-	93
Office and miscellaneous	-	-	138
Amortization	238,283	260,051	257,237
	3,132,477	2,125,280	1,854,063
Deficit before transfers	(1,509,264)	(1,272,238)	(615,745)
Transfers between programs	945,300	609,095	462,537
Annual surplus (deficit)	(563,964)	(663,143)	(153,208)

Fort Nelson First Nation
Housing
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada (recovery)	3,600	(116,661)	280,320
Government of Canada	-	49,554	-
Canada Mortgage and Housing Corporation	271,224	303,262	237,110
Rental income	277,941	261,047	269,339
Interest income	-	24,180	26,790
	552,765	521,382	813,559
Expenses			
Repairs and maintenance	1,259,078	783,894	447,416
Wages and benefits	552,826	452,331	335,738
Insurance	145,521	98,987	85,510
Transportation	32,332	98,831	18,821
Utilities	220,206	87,084	69,980
Interest on long-term debt	96,077	76,258	79,105
Professional fees	43,794	21,145	12,002
Travel and training	20,877	9,187	6,860
Office and miscellaneous	11,600	8,345	15,559
Telephone	3,545	1,986	1,156
Administrative fees	2,202	-	359
Bank charges and interest	-	-	14
Administration recoveries	-	(16,589)	(17,204)
Furniture and equipment (recovery)	6,100	(261,440)	2,724
Amortization	278,665	288,935	279,647
	2,672,823	1,648,954	1,337,687
Deficit before transfers	(2,120,058)	(1,127,572)	(524,128)
Transfers between programs	(31,500)	1,153,034	455,907
Annual surplus (deficit)	(2,151,558)	25,462	(68,221)

Fort Nelson First Nation
Investments
Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Income from portfolio investments	2,714,591	11,475,975	4,681,219
Trust distributions	-	1,596,569	1,158,770
Interest income	555,416	780,905	1,281,262
Lease income	26,664	45,245	45,246
Royalties and dues	91,200	14,032	76,859
Other revenue	-	58	-
	3,387,871	13,912,784	7,243,356
Expenses			
Amortization	10,500	10,497	10,497
Bank charges and interest	396,960	931,164	513,354
Interest on long-term debt	2,304	2,533	2,441
Property tax	24,000	26,604	25,260
Contributions to trusts	-	2,006,624	1,158,770
Distribution to minors	320,000	280,000	420,000
	753,764	3,257,422	2,130,322
Surplus before transfers	2,634,107	10,655,362	5,113,034
Transfers between programs	-	(6,351,441)	(756,484)
Annual surplus	2,634,107	4,303,921	4,356,550

Fort Nelson First Nation
Justice
Schedule 12 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada	504,793	226,640	629,945
Government of Canada	72,130	48,031	95,330
Province of British Columbia	72,130	44,027	82,573
Other revenue	492,200	396,158	8,236
	1,141,253	714,856	816,084
Expenses			
Wages and benefits	794,993	707,309	605,407
Administrative fees	114,106	64,987	74,297
Community programs	165,420	64,569	53,745
Supplies and other	54,116	45,038	22,608
Professional fees	64,800	40,172	20
Transportation	32,614	39,875	25,455
Travel and training	52,800	35,516	2,456
Furniture and equipment	6,400	14,213	4,049
Telephone	12,490	8,463	9,251
Honoraria	27,000	6,522	3,050
Utilities	4,800	3,675	919
Office and miscellaneous	350	2,185	1,384
Amortization	15,144	29,248	18,543
	1,345,033	1,061,772	821,184
Deficit before transfers	(203,780)	(346,916)	(5,100)
Transfers between programs	247,614	323,729	251,337
Annual surplus (deficit)	43,834	(23,187)	246,237

Fort Nelson First Nation
Lands, Resources and Treaty Rights
Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Province of British Columbia	3,342,003	1,516,173	2,258,917
Government of Canada	2,028,075	1,174,676	733,145
Indigenous Services Canada	-	114,289	-
Other revenue	675,163	400,804	937,773
	6,045,241	3,205,942	3,929,835
Expenses			
Professional fees	2,731,279	1,286,666	2,203,200
Wages and benefits	1,383,502	1,219,546	1,151,987
Transportation	754,190	906,037	454,915
Supplies and other	299,947	358,288	129,471
Administrative fees	590,219	258,625	324,658
Travel and training	463,811	131,550	67,535
Telephone	312,525	69,419	50,901
Honoraria	496,789	54,866	89,562
Furniture and equipment	110,528	44,078	26,945
Community programs	-	13,674	-
Meeting and conventions	271,665	5,860	6,849
Utilities	13,000	4,758	7,940
Office and miscellaneous	7,323	2,356	1,481
Repairs and maintenance	3,936	867	1,806
Administration recoveries	5,500	(2,633)	-
Amortization	145,812	173,667	164,934
	7,590,026	4,527,624	4,682,184
Deficit before transfers	(1,544,785)	(1,321,682)	(752,349)
Transfers between programs	-	1,142,885	992,676
Annual surplus (deficit)	(1,544,785)	(178,797)	240,327

Fort Nelson First Nation
Social Services
Schedule 14 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025 Budget (Note 17)	2025	2024
Revenue			
Indigenous Services Canada	659,035	1,051,579	580,311
North East Native Advancing Agency	40,422	25,658	27,586
First Nations Education Steering Committee	20,211	10,955	12,250
	719,668	1,088,192	620,147
Expenses			
Social services payments	484,600	465,190	423,574
Wages and benefits	301,913	236,209	242,404
Transportation	15,600	11,497	9,761
Administrative fees	10,443	7,088	7,297
Travel and training	11,350	7,073	8,313
Supplies and other	6,407	3,743	3,285
Telephone	1,320	728	1,093
Professional fees	600	-	-
	832,233	731,528	695,727
Surplus (deficit) before transfers	(112,565)	356,664	(75,580)
Transfers between programs	-	80,256	75,943
Annual surplus (deficit)	(112,565)	436,920	363