

Bingwi Neyaashi Anishinaabek
Consolidated Financial Statements
March 31, 2025

Bingwi Neyaashi Anishinaabek

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For the year ended March 31, 2025

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Management's Responsibility

To the Members of Bingwi Neyaashi Anishinaabek

The accompanying consolidated financial statements of Bingwi Neyaashi Anishinaabek are the responsibility of management and have been approved by the Chief and Council.

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Bingwi Neyaashi Anishinaabek Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the consolidated financial statements. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Council is also responsible for recommending the appointment of the Nation's external auditors.

MNP LLP is appointed by the Members to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.

August 18, 2025



Director of Finance

To the Chief and Council and Members of Bingwi Neyaashi Anishinaabek:

Opinion

We have audited the consolidated financial statements of Bingwi Neyaashi Anishinaabek and its subsidiaries (the "First Nation"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations and accumulated operating surplus, changes in net financial assets (net debt) and cash flows 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, changes in its net financial assets (net debt) 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the First Nation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

Thunder Bay, Ontario

August 18, 2025

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants


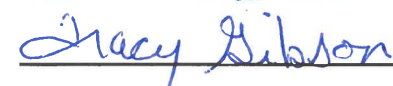
Bingwi Neyaashi Anishinaabek

Consolidated Statement of Financial Position

As at March 31, 2025

	2025	2024
Financial assets		
Cash and cash equivalents (Note 3)	5,870,103	3,488,743
Accounts receivable (Note 4)	1,009,620	560,141
Due from government and other government organizations (Note 5)	2,477,033	2,042,809
Inventory held for resale (Note 6)	538,377	588,416
Investment in government business enterprise (Note 7)	688,135	423,898
	10,583,268	7,104,007
Liabilities		
Accounts payable and accruals (Note 9)	1,904,379	2,282,569
Due to government and other government organizations (Note 10)	312,715	337,015
Deferred revenue (Note 11)	5,841,032	2,489,032
Due to related First Nation entities (Note 12)	152,130	113,765
Long-term debt (Note 13)	7,361,439	6,555,861
	15,571,695	11,778,242
Net debt	(4,988,427)	(4,674,235)
Contingencies (Note 14)		
Non-financial assets		
Tangible capital assets (Note 15) (Schedule 1)	24,425,000	21,997,489
Prepaid expenses	9,948	100,027
	24,434,948	22,097,516
Accumulated surplus	19,446,521	17,423,281

Approved on behalf of the First Nation

Chief

FAC Chair



Councillor

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

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2025

	2025 <i>Budget</i>	2025	2024
Revenue			
Indigenous Services Canada (Note 16)	5,502,582	3,923,296	3,685,928
FedNor (Note 16)	100	1,139,666	288,077
Crown-Indigenous Relations and Northern Affairs Canada (Note 16)	650,444	341,157	35,153
Canada Mortgage and Housing Corporation (Note 16)	1,212,600	302,832	174,606
Ministry of Indigenous Affairs (Note 16)	1,229,550	1,602,086	1,122,375
Ministry of Children, Community and Social Services (Note 16)	475,625	485,656	501,195
Natural Resources Canada (Note 16)	4,607,209	3,596,947	25,000
Other government funding	416,131	292,469	460,884
Administration fees	-	489,523	361,554
Anishinabek Employment & Training	9,893	22,511	9,155
First Nations Land Management	-	-	4,817
Independent Electricity System Operator	590,000	594,121	67,848
Independent First Nations	171,135	173,228	383,998
Thunder Bay DSSAB	157,200	157,300	157,300
OFNLP2008	1,584,000	856,040	689,783
Rental income	98,929	277,752	263,202
Investment income	-	283,181	6,167
Wood sales	-	160,579	173,294
Interest income	-	71,100	88,932
Own source revenue	281,434	235,493	401,990
Other revenue	64,140	147,259	479,012
Recovery of funding	-	(35,750)	-
Deferred revenue - prior year (Note 11)	1,072,850	2,489,031	3,920,940
Deferred revenue - current year (Note 11)	818,688	(5,841,032)	(2,489,031)
	18,942,510	11,764,445	10,812,179
Expenses			
Governance and Administration	1,746,025	3,513,211	2,851,481
Employment, Education and Training	786,925	548,559	996,630
Health and Social Services	3,211,087	3,017,163	2,304,542
Planning and Development	3,246,687	2,704,445	2,713,474
COVID-19 Pandemic	16,720	10,635	6,668
	9,007,444	9,794,013	8,872,795
Surplus before other items	9,935,066	1,970,432	1,939,384
Other income			
Gain on disposal of tangible capital assets	-	18,205	-
Allocations to replacement reserve	-	34,603	21,968
	-	52,808	21,968
Surplus	9,935,066	2,023,240	1,961,352
Accumulated surplus, beginning of year	-	17,423,281	15,461,929
Accumulated surplus, end of year	-	19,446,521	17,423,281

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

Bingwi Neyaashi Anishinaabek
Consolidated Statement of Change in Net Financial Assets (Net Debt)
For the year ended March 31, 2025

	<i>2025 Budget</i>	<i>2025</i>	<i>2024</i>
Annual surplus	9,935,066	2,023,240	1,961,352
Purchases of tangible capital assets	(8,440,502)	(3,762,384)	(8,035,186)
Amortization of tangible capital assets	-	1,313,509	1,158,569
Gain on sale of tangible capital assets	-	(18,205)	-
Amortization adjustment on disposals	-	-	(62,296)
Proceeds on disposal of tangible capital assets	-	39,569	-
	(8,440,502)	(2,427,511)	(6,938,913)
Use of prepaid expenses	-	90,079	55,679
Decrease in net financial assets	1,494,564	(314,192)	(4,921,882)
Net financial assets (net debt), beginning of year	-	(4,674,235)	247,647
Net financial assets (net debt), end of year	1,494,564	(4,988,427)	(4,674,235)

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

Bingwi Neyaashi Anishinaabek
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	2,023,240	1,961,352
Non-cash items		
Amortization	1,313,509	1,158,569
Gain on disposal of tangible capital assets	(18,205)	-
Income from investment in government business enterprise	(264,237)	(1,112)
Amortization adjustment on disposals	-	(62,294)
	3,054,307	3,056,515
Changes in working capital accounts		
Accounts receivable	(449,479)	197,016
Due from government and other government organizations	(434,224)	(48,336)
Inventory held for resale	50,039	220,692
Accounts payable and accruals	(378,190)	1,145,577
Due to government and other government organizations	(24,300)	(12,792)
Deferred revenue	3,352,000	(1,431,908)
Prepaid expenses	90,079	55,679
	5,260,232	3,182,443
Financing activities		
Advances of long-term debt	1,069,332	4,240,000
Repayment of long-term debt	(263,754)	(175,870)
Advances to related First Nation entities	38,365	-
Repayment of advances to related First Nation entities	-	(38,843)
	843,943	4,025,287
Capital activities		
Purchases of tangible capital assets	(3,762,384)	(8,035,186)
Proceeds on disposal of tangible capital assets	39,569	-
	(3,722,815)	(8,035,186)
Increase (decrease) in cash resources	2,381,360	(827,456)
Cash resources, beginning of year	3,488,743	4,316,199
Cash resources, end of year	5,870,103	3,488,743

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

Bingwi Neyaashi Anishinaabek

Notes to the Consolidated Financial Statements

For the year ended March 31, 2025

1. Operations

Bingwi Neyaashi Anishinaabek (the "First Nation") is located in the province of Ontario, and provides various services to its members. Bingwi Neyaashi Anishinaabek includes the First Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the First Nation.

2. Significant accounting policies

These consolidated financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards and including the following significant accounting policies:

Principles of consolidation

All controlled entities are fully consolidated on a line-by-line basis except for the commercial enterprises which meet the definition of a government business enterprise, which are included in the consolidated financial statements on a modified equity basis. Inter-organizational balances and transactions are eliminated upon consolidation.

Investments in First Nation partnerships are accounted for using the proportionate consolidation method whereby the First Nation's pro-rata share of the assets, liabilities, revenue and expenses of the First Nation partnership are combined on a line-by-line basis with similar items of the First Nation. Partnerships which meet the definition of a government business partnership are included in the consolidated financial statements on a modified equity basis.

Under the modified equity basis of accounting, only the First Nation's investment in government business enterprises/partnerships and the enterprises/partnerships' net income and other changes in equity are recorded. No adjustment is made for accounting policies of the enterprise that are different from the First Nation.

Organizations consolidated in the First Nation's consolidated financial statements include:

- Papasay Management Corporation
- Papasay Value Added Wood Products Ltd.
- Papasay Value Added Wood Products LP
- 2626189 Ontario Ltd.

Organizations accounted for on a modified equity basis include:

- Papasay Management Limited Partnership

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.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments that are cashable or have maturities of three months or less subsequent to year-end.

Portfolio investments

Portfolio investments in entities that are not owned, controlled or influenced by the First Nation reporting entity are accounted for using the cost method. They are recorded at cost, less any provision for other than temporary impairment.

Expense allocation

Certain expenses which pertain to the operations as a whole have been allocated to various programs at the discretion of Chief and Council.

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

Inventory for resale

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs.

Tangible capital assets

Tangible capital assets are initially recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Cost includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the asset.

When conditions indicate that a tangible capital asset no longer contributes to the First Nation's ability to provide goods and services, or that the value of future economic benefits associated with a tangible capital asset is less than its net book value, the First Nation reduces the cost of the asset to reflect the decline in its value. Write-downs of tangible capital assets are not reversed.

Assets under construction are not amortized until the asset is available to be put into service.

Amortization

Tangible capital assets are amortized annually using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Method</i>	<i>Rate</i>
Buildings	straight-line	30 years
Equipment	straight-line	5 years
Infrastructure	straight-line	30 years
Computer hardware and software	straight-line	3 years
Heavy equipment	straight-line	7 years
Automobiles	straight-line	7 years
Leasehold improvements	straight-line	10 years

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 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 quoted market prices. Any impairment is included in surplus for the year.

Administration fees

It is the First Nation's policy to allocate certain administrative costs to the various programs. Such allocations are recorded as administration recovery revenue under Government and Administration on the consolidated schedule of revenue and expenses and surplus (deficit).

Employee future benefits

The First Nation's employee future benefit program consists of a defined contribution plan. The First Nation contributions to the defined contribution plan are expensed as incurred.

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

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.

Other

Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose.

Revenue related to fees or services received in advance of the fee being earned or the services performed is deferred and recognized when the fee is earned or service performed.

Interest and investment income is recognized as revenue when earned.

Measurement uncertainty

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. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of tangible capital assets. Accounts payable and accruals are estimated based on historical charges for unbilled goods and services at year-end. Deferred revenue is estimated based on management's review of revenue received, but unspent at year-end.

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 years could be significant. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the years in which they become known.

Segments

The First Nation conducts its business through five reportable segments: Governance and Administration; Employment, Education and Training; Health and Social Services; Planning and Development; and COVID-19 Pandemic. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions, and to assess operational performance.

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

The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 2.

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

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 not 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. 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 statement of remeasurement gains and losses. The First Nation has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses). Interest income is recognized in the consolidated statement of operations and accumulated surplus. 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 recent collection experience for the asset such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment, which is not considered temporary, is recorded in the consolidated statement of operations and accumulated surplus. 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 of financial assets measured at fair value are reported in the statement of remeasurement gains and losses.

3. Cash and cash equivalents

Under the terms of an agreement with Canada Mortgage and Housing Corporation ("CMHC"), the First Nation must set aside funds annually for the repair, maintenance, and replacement of worn-out assets. These funds are to be held in a separate bank account and invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as otherwise approved by the Canada Mortgage and Housing Corporation with any interest earned to be credited as revenue to the Apartment Replacement and Subsidy Fund.

The Capital Asset Reserve account is internally restricted for the purpose of investment into capital assets and payment of significant unexpected capital expenditures.

Cash and cash equivalents is comprised of the following:

	2025	2024
Operating accounts	5,641,555	3,460,195
CMHC Replacement Reserve (restricted)	28,507	28,507
Capital Asset Reserve (restricted)	200,000	-
Funds held in trust with Indigenous Services Canada	41	41
	5,870,103	3,488,743

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

4. Accounts receivable

	2025	2024
Trade receivables	1,009,620	560,141

5. Due from government and other government organizations

	2025	2024
Federal Government		
Indigenous Services Canada	826,243	804,762
Canada Revenue Agency - HST recoverable	218,933	287,870
Canada Mortgage and Housing Corporation	33,932	13,041
Crown-Indigenous Relations and Northern Affairs Canada	43,403	-
Human Resources Development Canada	1,216	1,216
FedNor	-	305,743
Natural Resources Canada	407,197	35,000
	1,530,924	1,447,632
Provincial Government		
Ministry of Children, Community and Social Services	141,444	127,172
Ministry of Indigenous Affairs	795,823	218,005
Ministry of Natural Resources	-	250,000
Ministry of Transportation	8,842	-
	946,109	595,177
	2,477,033	2,042,809

6. Inventory held for resale

	2025	2024
Raw materials inventory	15,329	107,605
Finished goods	389,843	332,788
Aggregate	133,205	148,023
	538,377	588,416

The cost of inventories recognized as an expense and included in materials amounted to \$248,237 (2024 - \$447,723).

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

7. Investment in government business enterprise

The First Nation has an investment in the following entity:

		2025
	<i>Investment cost</i>	<i>Net advances and cumulative share of earnings</i>
		<i>Total investment</i>
First Nation Business Entities - Modified Equity:		
Papasay Management Limited Partnership	100	688,035
		688,135

Summary financial information for the government business enterprise, accounted for using the modified equity method, for the respective year-end is as follows:

	<i>As at March 31, 2025 (Unaudited)</i>	<i>As at March 31, 2024 (Unaudited)</i>
Assets		
Cash	7,108	40,440
Accounts receivable	498,911	165,318
Prepaid expenses	-	374
Investments	1,426	1,426
Due from related parties	263,122	244,635
Property, plant and equipment	88,969	92,142
Total assets	859,536	544,335
Liabilities		
Accounts payable and accruals	64,933	3,378
Advances from related parties	109,707	122,991
Total liabilities	174,640	126,369
Partners' Capital	684,896	417,966
Total revenue	479,483	241,645
Total expenses	210,198	227,103
Net income	269,285	14,542

Papasay Management Limited Partnership holds investments in partnerships and provides contracting equipment and labour services.

8. Credit facilities

The First Nation has a Royal Bank operating line of credit with a limit of \$400,000 (2024 - \$350,000). The line of credit bears interest at prime plus 1.45% (effective interest rate of 6.40%; 2024 - 8.15%) and is secured by a general security agreement. As at March 31, 2025, the First Nation has a balance available on the line of credit of \$400,000 (2024 - \$350,000).

9. Accounts payable and accruals

	2025	2024
Trade payables	1,669,640	1,787,794
Wages, vacation and benefits payable	229,200	205,598
Holdbacks payable	5,539	289,177
	1,904,379	2,282,569

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

10. Due to government and other government organizations

	2025	2024
Federal Government		
Canada Revenue Agency - payroll deductions	33,407	57,707
Indigenous Services Canada	279,308	279,308
	312,715	337,015

11. Deferred revenue

The following table represents changes in the deferred revenue balance attributable to each major category of external restrictions:

	<i>Balance, beginning of year</i>	<i>Contributions received</i>	<i>Revenue recognized</i>	<i>Balance, end of year</i>
Indigenous Services Canada	1,668,299	2,514,251	2,544,434	1,638,116
Independent First Nations	344,707	138,439	387,178	95,968
FedNor	314,623	1,139,666	1,075,140	379,149
TBDSSAB	56,232	157,300	157,300	56,232
Natural Resources Canada	35,792	3,750,000	288,089	3,497,703
Ministry of Indigenous Affairs	-	141,536	-	141,536
Other	69,379	60,000	97,051	32,328
	2,489,032	7,901,192	4,549,192	5,841,032

12. Related party transactions

During the year, the First Nation conducted the following transactions with related entities. The transactions were recorded at the exchange amount at the date of transaction.

	2025	2024
Equipment rental expense from Papasay Management Limited Partnership, a controlled First Nation business enterprise.	-	62,800

Amounts due to/from related First Nation entities are as follows:

	2025	2024
Due to:		
Papasay Management Limited Partnership, a government business enterprise. The advance is unsecured, bears no interest and has no fixed terms of repayment.	152,130	113,765

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

13. Long-term debt

	2025	2024
CMHC term loan, repayable in monthly instalments of \$5,746 including interest at 3.18%, maturing March 2035. Secured by a ministerial guarantee from Indigenous Services Canada.	590,536	644,239
BMO term loan, repayable in monthly instalments of \$1,979 plus interest at prime plus 1.65% (6.60% per annum at year-end, 2024 - 8.35%), maturing August 2025 and secured by land and building having a net book value of \$459,135.	223,646	247,396
RBC demand loan, repayable in monthly instalments of \$2,220 plus interest at prime plus 1.75% (6.70% per annum at year-end; 2024 - 8.35%), maturing April 2033 and secured by land and building having a net book value of \$388,520.	215,902	242,539
CMHC term loan, repayable in monthly instalments of \$5,216 including interest at 1.12%, maturing October 2036. Secured by a ministerial guarantee from Indigenous Services Canada.	679,710	734,388
NADF unsecured loan, repayable in monthly instalments of \$725 including interest at 5.0%, maturing April 2025.	688	9,129
FNFA promissory note, repayable in monthly instalments of \$13,779 including interest at 4.47%, maturing June 2054. Secured by the First Nation's OFNLP revenue.	2,459,837	2,500,001
CMHC term loan, repayable in monthly instalments of \$6,660 including interest at 4.18%, maturing December 2028. Secured by a ministerial guarantee from Indigenous Services Canada.	836,510	880,837
CMHC term loan, repayable in monthly instalments of \$6,659 including interest at 3.58%, maturing January 2029. Secured by a ministerial guarantee from Indigenous Services Canada.	872,028	920,078
CMHC term loan, repayable in monthly instalments of \$10,435 including interest at 3.23%, maturing February 2030. Secured by a ministerial guarantee from Indigenous Services Canada.	1,482,582	377,254
	7,361,439	6,555,861

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

	Principal
2026	371,953
2027	382,996
2028	395,282
2029	407,952
2030	420,999
	1,979,182
Thereafter	5,382,257

Interest on long-term debt amounted to \$296,910 (2024 - \$146,360).

Bingwi Neyaashi Anishinaabek
Notes to the Consolidated Financial Statements
For the year ended March 31, 2025

14. Contingencies

The First Nation has entered into contribution agreements with various federal and provincial government departments. Funding received under these contribution agreements is subject to repayment if the First Nation fails to comply with the terms and conditions of these agreements.

In addition, in the normal course of operations, the First Nation may become involved in legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur. To the extent that the future event is likely to occur, and a reasonable estimate of loss can be made, an estimated liability is accrued and an expense recorded on the First Nation's consolidated financial statements. As of March 31, 2025, no contingent liabilities have been recorded in the consolidated financial statements.

15. Tangible capital assets

The tangible capital assets reconciliation is included in Schedule 1.

Buildings includes construction in progress with a carrying value of \$154,100 (2024 - \$2,865,828). No amortization of these assets has been recorded during the year because they are currently under construction.

The First Nation holds works of art, historical documents and artifacts which have historical and cultural value, which have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

16. Government transfers

	<i>Operating</i>	<i>Capital</i>	<i>2025</i>	<i>2024</i>
Federal government transfers				
Indigenous Services Canada	3,670,974	252,322	3,923,296	3,685,928
CIRNAC	341,157	-	341,157	35,153
Natural Resources Canada	96,947	3,500,000	3,596,947	25,000
FedNor	-	1,139,666	1,139,666	288,077
Canada Mortgage and Housing Corporation	302,832	-	302,832	174,606
	4,411,910	4,891,988	9,303,898	4,208,764
Provincial government transfers				
Ministry of Children, Community and Social Services	485,656	-	485,656	501,195
Ministry of Indigenous Affairs	1,602,086	-	1,602,086	1,122,375
	2,087,742	-	2,087,742	1,623,570
	6,499,652	4,891,988	11,391,640	5,832,334

17. Defined benefit and contribution plans and other post-employment benefits

Defined contribution pension plan

The First Nation has a defined contribution pension plan covering all elected officials and employees. The amount of retirement benefit to be received by the officials and employees will be the amount of retirement annuity that could be purchased based on the member's share of the pension plan at the time of the member's withdrawal from the plan. The First Nation contributions and corresponding expense totalled \$107,860 in 2025 (2024 - \$78,974).

18. Segments

The First Nation has five reportable segments. These segments are differentiated by the major activities or services they provide. The First Nation's segments are as follows:

Governance and Administration - This segment provides oversight of the First Nation and administrative activities that are needed to operate the First Nation.

Employment, Education and Training - This segment focuses on the improvement and development of general and employment skills of the First Nation's members which includes recreational or cultural programming and career development programs.

Health and Social Services - This segment provides public health services to improve the overall health of the population and overcome health inequalities.

Planning and Development - This segment represents all activities that provide economic and infrastructure support for the First Nation.

COVID-19 Pandemic - This segment represents all activities related to services and supports relating to funding provided for the purposes of fighting and preventing COVID-19.

19. Economic dependence

Bingwi Neyaashi Anishinaabek receives a significant portion of its revenue from Indigenous Services Canada as a result of Treaties entered into with the Government of Canada. These Treaties are administered by Indigenous Services Canada 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.

20. Comparative figures

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

21. Budget information

The disclosed budget information has been approved by the Chief and Council of Bingwi Neyaashi Anishinaabek. The budget was prepared on an unconsolidated basis and, as a result, does not include the activity of the consolidated entities.

22. First Nations Financial Transparency Act

The First Nation is required by the First Nations Financial Transparency Act to post its consolidated financial statements on a website and submit the consolidated financial statements to Indigenous Services Canada by July 29, 2025. As the audit report date is after this date, the First Nation is not in compliance with the requirement. The possible effect of this non-compliance has not yet been determined.

23. 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 that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure through entering into fixed rate debt whenever possible.

The First Nation is exposed to interest rate risk with respect to its long-term debt which is at fixed rates from 1.12% to 5.0% and floating rates of prime plus 1.65% to 1.75%.

Interest rate risk sensitivity analysis

The First Nation has determined that its interest rate risk exposure on its long-term debt is not significant to these consolidated financial statements.

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets
For the year ended March 31, 2025

	<i>Automobiles</i>	<i>Equipment</i>	<i>Computer hardware</i>	<i>Computer software</i>	<i>Land</i>	<i>Infrastructure</i>	<i>Subtotal</i>
Cost							
Balance, beginning of year	687,504	1,953,381	191,463	55,304	1,993,035	9,740,242	14,620,929
Acquisition of tangible capital assets	8,048	1,734,946	25,377	14,708	-	347,165	2,130,244
Construction-in-progress	-	-	-	-	-	-	-
Disposal of tangible capital assets	(49,850)	-	-	-	-	-	(49,850)
Balance, end of year	645,702	3,688,327	216,840	70,012	1,993,035	10,087,407	16,701,323
Accumulated amortization							
Balance, beginning of year	303,789	1,272,583	136,582	46,263	-	918,200	2,677,417
Annual amortization	72,181	322,140	40,570	13,944	-	336,243	785,078
Accumulated amortization on disposals	(28,486)	-	-	-	-	-	(28,486)
Balance, end of year	347,484	1,594,723	177,152	60,207	-	1,254,443	3,434,009
Net book value of tangible capital assets	298,218	2,093,604	39,688	9,805	1,993,035	8,832,964	13,267,314
2024							
Net book value of tangible capital assets	383,715	680,798	54,881	9,041	1,993,035	8,822,042	11,943,512

Bingwi Neyaashi Anishinaabek
Schedule 1 - Consolidated Schedule of Tangible Capital Assets

For the year ended March 31, 2025

	<i>Subtotal</i>	<i>Buildings</i>	<i>Leasehold improvements</i>	<i>Heavy equipment</i>	<i>2025 Total</i>	<i>2024 Total</i>
Cost						
Balance, beginning of year	14,620,929	10,742,677	752,286	231,647	26,347,539	18,312,353
Acquisition of tangible capital assets	2,130,244	1,226,161	6,259	245,620	3,608,284	5,227,960
Construction-in-progress	-	154,100	-	-	154,100	2,865,828
Disposal of tangible capital assets	(49,850)	-	-	-	(49,850)	(58,602)
Balance, end of year	16,701,323	12,122,938	758,545	477,267	30,060,073	26,347,539
Accumulated amortization						
Balance, beginning of year	2,677,417	1,220,935	305,271	146,427	4,350,050	3,253,777
Annual amortization	785,078	384,803	81,044	62,584	1,313,509	1,158,569
Accumulated amortization on disposals	(28,486)	-	-	-	(28,486)	(62,296)
Balance, end of year	3,434,009	1,605,738	386,315	209,011	5,635,073	4,350,050
Net book value of tangible capital assets	13,267,314	10,517,200	372,230	268,256	24,425,000	21,997,489
	2024					
Net book value of tangible capital assets	11,943,512	9,521,742	447,015	85,220	21,997,489	

Bingwi Neyaashi Anishinaabek
Schedule 2 - Consolidated Schedule of Expenses by Object
For the year ended March 31, 2025

	2025 Budget	2025	2024
Consolidated expenses by object			
Administration	685,475	452,902	460,386
Advertising	12,310	20,851	14,603
Amortization	-	1,313,509	1,158,569
Band support	794,214	680,145	462,066
Bank charges and interest	-	11,549	12,707
Honouraria	452,732	411,424	390,877
Insurance	58,913	154,412	126,568
Interest on long-term debt	-	296,910	146,360
Materials	-	248,237	447,723
Occupancy costs	610,319	299,840	277,107
Office supplies and expenses	139,497	359,157	178,450
Professional development	89,254	62,779	62,608
Professional fees	2,107,587	1,812,648	2,003,710
Program expense	882,285	365,911	268,331
Property tax	-	31,038	33,218
Repairs and maintenance	42,546	116,979	107,644
Salaries and benefits	2,574,438	2,686,268	2,354,807
Travel and meetings	557,874	394,017	301,070
Utilities	-	75,437	65,991
	9,007,444	9,794,013	8,872,795

Bingwi Neyaashi Anishinaabek
Schedule 3 - Consolidated Schedule of Revenue and Expenses and Surplus (Deficit)
For the year ended March 31, 2025

	<i>ISC Revenue</i>	<i>Other Revenue</i>	<i>Total Revenue</i>	<i>Total Expenses</i>	<i>Adjustments/ Transfers From (To)</i>	<i>Current Surplus (Deficit)</i>
Governance and Administration	201,665	2,352,937	2,554,602	3,513,211	(250,604)	(1,209,213)
Employment, Education and Training	335,605	232,296	567,901	548,559	692	20,034
Health and Social Services	2,014,199	1,020,897	3,035,096	3,017,163	214,703	232,636
Planning and Development	1,367,278	4,136,765	5,504,043	2,704,445	177,993	2,977,591
COVID-19 Pandemic	4,549	151,062	155,611	10,635	(142,785)	2,191
Total	3,923,296	7,893,957	11,817,253	9,794,013	(1)	2,023,239

Bingwi Neyaashi Anishinaabek
Schedule 4 - Consolidated Schedule of Revenue and Expenses
Governance and Administration

For the year ended March 31, 2025

	2025	2024
Revenue		
Indigenous Services Canada	201,665	427,336
Ministry of Indigenous Affairs	880,450	750,000
Natural Resources Canada	22,197	-
CIRNAC	341,157	35,153
Additional government funding	14,653	14,910
Administration fees	489,523	379,486
First Nations Land Management	-	1,532
Independent Electricity System Operator	4,121	1,975
Independent First Nations	2,093	3,549
Interest income	70,575	85,170
Investment income	283,181	6,167
OFNLP2008	-	98,490
Other revenue	2,250	61,372
Own source revenue	121,724	294,465
Repayment of funding	(35,750)	-
Deferred revenue - prior year	104,538	-
Deferred revenue - current year	-	(104,538)
	2,502,377	2,055,067
Expenses		
Administration	91,704	47,267
Advertising	13,140	3,156
Amortization	1,102,510	910,225
Band support	5,601	6,174
Bank charges and interest	7,532	9,304
Honouraria	252,918	212,332
Insurance	25,217	10,143
Occupancy costs	77,762	77,182
Office supplies and expenses	172,896	132,986
Professional development	20,529	16,099
Professional fees	974,911	696,319
Program expense	10,996	(1,638)
Repairs and maintenance	10,347	2,251
Salaries and benefits	639,029	686,385
Travel and meetings	103,204	39,831
Utilities	4,915	3,465
	3,513,211	2,851,481
Other income		
Capital reserve allocation	52,225	34,603
Deficit before transfers	(958,609)	(761,811)
Transfers between programs	(250,604)	(2,113,054)
Deficit	(1,209,213)	(2,874,865)

Bingwi Neyaashi Anishinaabek
Schedule 5 - Consolidated Schedule of Revenue and Expenses
Employment, Education and Training
For the year ended March 31, 2025

	2025	2024
Revenue		
Indigenous Services Canada	335,605	475,728
Additional government funding	22,702	54,165
Anishinabek Employment & Training	22,511	9,155
OFNLP2008	-	41,686
Own source revenue	4,770	4,280
Other revenue	30,800	44,025
Deferred revenue - prior year	397,354	908,361
Deferred revenue - current year	(245,841)	(397,354)
	567,901	1,140,046
Expenses		
Administration	26,856	63,571
Advertising	-	813
Band support	164,259	151,598
Honouraria	26,613	43,733
Insurance	1,968	1,968
Occupancy costs	6,671	842
Office supplies and expenses	9,758	7,671
Professional development	8,980	399
Professional fees	75,983	513,037
Program expense	3,208	4,149
Repairs and maintenance	7,331	2,743
Salaries and benefits	194,139	184,039
Travel and meetings	21,489	20,602
Utilities	1,304	1,465
	548,559	996,630
Surplus before transfers	19,342	143,416
Transfers between programs	692	57,729
Surplus	20,034	201,145

Bingwi Neyaashi Anishinaabek
Schedule 6 - Consolidated Schedule of Revenue and Expenses
Health and Social Services
For the year ended March 31, 2025

	2025	2024
Revenue		
Indigenous Services Canada	2,014,199	1,324,967
Ministry of Indigenous Affairs	121,536	113,375
MCCSS	485,656	501,195
Additional government funding	134,712	98,561
Independent First Nations	171,135	380,449
OFNLP2008	-	145,902
Thunder Bay DSSAB	157,300	157,300
Own source revenue	1,212	-
Other revenue	107,459	-
Deferred revenue - prior year	543,859	139,033
Deferred revenue - current year	(720,177)	(543,859)
	3,016,891	2,316,923
Expenses		
Administration	180,008	227,370
Advertising	4,577	9,788
Band support	475,459	247,024
Bank charges and interest	1,058	849
Honouraria	84,754	90,662
Insurance	9,548	8,983
Occupancy costs	108,655	111,943
Office supplies and expenses	112,993	9,903
Professional development	30,783	41,308
Professional fees	214,424	70,007
Program expense	342,418	257,749
Repairs and maintenance	23,218	19,614
Salaries and benefits	1,228,056	1,066,002
Travel and meetings	190,066	133,736
Utilities	11,146	9,604
	3,017,163	2,304,542
Surplus (deficit) before other items	(272)	12,381
Other income		
Gain on disposal of capital assets	18,205	-
Surplus before transfers	17,933	12,381
Transfers between programs	214,703	(38,380)
Surplus (deficit)	232,636	(25,999)

Bingwi Neyaashi Anishinaabek
Schedule 7 - Consolidated Schedule of Revenue and Expenses
Planning and Development
For the year ended March 31, 2025

	2025	2024
Revenue		
Indigenous Services Canada	1,367,278	1,453,557
Ministry of Indigenous Affairs	600,100	259,000
FedNor	1,139,666	288,077
Natural Resources Canada	3,574,750	25,000
Canada Mortgage and Housing Corporation	302,832	174,606
Additional government funding	120,402	293,248
Administration fees (recovery)	-	(17,932)
First Nations Land Management	-	3,286
Independent Electricity System Operator	590,000	65,873
OFNLP2008	856,040	403,705
Rental income	277,752	263,202
Sales	160,579	173,294
Interest income	525	3,762
Own source revenue	107,786	103,245
Other revenue	6,750	373,615
Deferred revenue - prior year	1,232,579	2,659,188
Deferred revenue - current year	(4,815,374)	(1,232,579)
	5,521,665	5,292,147
Expenses		
Administration	154,053	121,175
Advertising	3,135	847
Amortization	210,999	248,344
Band support	34,825	55,050
Bank charges and interest	2,960	2,555
Honouraria	45,390	44,151
Insurance	117,679	105,474
Interest on long-term debt	296,910	146,360
Materials	248,237	447,723
Occupancy costs	106,578	87,140
Office supplies and expenses	63,509	27,891
Professional development	2,487	4,803
Professional fees	547,329	724,347
Program expense	6,084	4,626
Property tax	31,038	33,218
Repairs and maintenance	75,941	83,035
Salaries and benefits	625,043	418,377
Travel and meetings	74,175	106,901
Utilities	58,073	51,457
	2,704,445	2,713,474
Other income (expense)		
Capital reserve allocation	(17,622)	(12,635)
Surplus before transfers	2,799,598	2,566,038
Transfers between programs	177,993	2,099,625
Surplus	2,977,591	4,665,663

Bingwi Neyaashi Anishinaabek
Schedule 8 - Consolidated Schedule of Revenue and Expenses
COVID-19 Pandemic
For the year ended March 31, 2025

	2025	2024
Revenue		
Indigenous Services Canada	4,549	4,340
Deferred revenue - prior year	210,702	214,359
Deferred revenue - current year	(59,640)	(210,702)
	155,611	7,997
Expenses		
Administration	280	1,002
Band support	-	2,221
Honouraria	1,750	-
Occupancy costs	174	-
Program expense	3,206	3,445
Repairs and maintenance	141	-
Travel and meetings	5,084	-
	10,635	6,668
Surplus before transfers	144,976	1,329
Transfers between programs	(142,785)	(5,921)
Surplus (deficit)	2,191	(4,592)