

Fort William First Nation
Consolidated Financial Statements
March 31, 2025

To the Chief and Council of Fort William First Nation:

Qualified Opinion

We have audited the consolidated financial statements of Fort William First Nation 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, accumulated operating surplus, remeasurement gains and losses, changes in net financial assets 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, 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 and losses, changes in its net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Summary of Significant Accounting Policies describes the tangible capital asset policy with respect to the First Nation's tangible capital assets. For fiscal years commencing on or after January 1, 2009, Section 3150, Tangible Capital Assets, of the Public Sector Accounting Board Handbook requires that tangible capital assets be capitalized and amortized over their estimated useful lives. The First Nation has not fully adopted these recommendations. Although the First Nation has recognized certain tangible capital assets and amortization as of the date of consolidated financial statement preparation, the First Nation has not gathered the necessary information to be in a position to recognize and disclose a complete inventory of any of its major classes of tangible capital assets. As a result, we have been unable to determine whether any adjustments to the amounts recorded are necessary for the years ended March 31, 2025 and 2024. Our audit opinion on the consolidated financial statements for the year ended March 31, 2024 was modified accordingly because of the possible effects of this limitation in scope.

Effective April 1, 2022, the First Nation was required to adopt PS 3280 Asset Retirement Obligations which requires the recognition of legal obligations associated with the retirement of tangible capital assets by public sector entities. Under the modified retroactive application method, the asset retirement obligation on transition is to be recorded using assumptions as of April 1, 2022. The corresponding asset retirement cost is added to the carrying value of the related tangible capital assets adjusted for amortization since the time the legal obligation was incurred. The net adjustment is charged to accumulated surplus. Comparative figures are to be restated to reflect this change in accounting policy. Management has not completed its assessment of the tangible capital assets for potential asset retirement obligations. As a result, it is not possible to quantify the impact of this departure from Canadian public sector accounting standards on expenses and annual surplus for the years ended March 31, 2025 and 2024, tangible capital assets and the asset retirement obligation as at March 31, 2025 and 2024, and accumulated surplus as at April 1 and March 31 for both the 2025 and 2024 years.

Basis for Qualified Opinion (Cont'd)

As more fully described in Note 18 to the consolidated financial statements, management has excluded the current year and prior years' property tax liabilities in the accompanying consolidated financial statements. Failure to include the taxes as a liability is not in accordance with Canadian public sector accounting standards. Had the liabilities been recorded the consolidated surplus for the year would have decreased by \$1,142,987 (2024 - \$1,188,100), capital assets would have been increased by \$1,188,553 (2024 - \$1,188,553), accounts payable would have been increased by \$12,985,853 (2024 - \$11,842,866), disputed property taxes receivable would have been decreased by \$10,183,161 (2024 - \$10,093,491) and the consolidated accumulated surplus would have been decreased by \$23,169,014 (2024 - \$21,936,357). Our audit opinion on the consolidated financial statements for the year ended March 31, 2024 was modified because of the effects of this departure from Canadian public sector accounting standards.

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 qualified 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.

Thunder Bay, Ontario

February 11, 2026

MNP LLP

Chartered Professional Accountants

Licensed Public Accountants

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

	2025	2024
Financial assets		
Cash and cash equivalents <i>(Note 3)</i>	63,666,107	62,428,809
Accounts receivables <i>(Note 4)</i>	2,806,003	2,785,100
Inventory	299,101	313,520
Temporary investment <i>(Note 5)</i>	6,866,482	10,573,085
Due from Band members <i>(Note 6)</i>	496,487	98,812
Due from government and government organizations <i>(Note 7)</i>	647,924,317	8,666,676
Due from Bamkushwada Limited Partnership <i>(Note 8)</i>	1,500,000	1,500,000
Portfolio investments <i>(Note 9)</i>	1,240	1,407
Investments in Government Business Partnerships <i>(Note 10)</i>	2,272,627	2,225,394
Investments in Government Business Enterprises <i>(Note 10)</i>	2,412,534	2,259,914
Trust Funds Held by Federal Government <i>(Note 11)</i>	7,753,540	6,390,412
Assets held for sale	300,000	-
Total of assets	736,298,438	97,243,129
Liabilities		
Accounts payable and accruals <i>(Note 12)</i>	13,212,256	10,041,043
Deferred revenue <i>(Note 13)</i>	13,093,678	11,150,945
Due to Government and Government Organizations <i>(Note 14)</i>	7,177,681	7,620,300
Tenant deposits	33,333	33,333
Long-term debt <i>(Note 15)</i>	6,941,724	7,573,113
Amounts held in trust for minors <i>(Note 16)</i>	13,449,549	15,459,009
Total of financial liabilities	53,908,221	51,877,743
Net financial assets	682,390,217	45,365,386
Non-financial assets		
Tangible capital assets <i>(Note 17)</i>	22,734,590	24,347,582
Prepaid expenses	100,459	672,236
Land Claim Costs	354,103	352,010
Community and youth trust accounts <i>(Note 5)</i>	109,270,818	97,097,410
Disputed property taxes receivables <i>(Note 18)</i>	10,183,161	10,093,491
Total non-financial assets	142,643,131	132,562,729
Accumulated surplus	825,033,348	177,928,115
Accumulated surplus is comprised of:		
Accumulated Surplus <i>(Note 19)</i>	802,804,678	160,420,122
Accumulated Remeasurement Gains	22,228,670	17,507,993
	825,033,348	177,928,115

Approved on behalf of the Band

 [Chief]

 [Councillor]

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

	<i>Schedules</i>	<i>2025</i>	<i>2024</i>
Federal Government			
Indigenous Services Canada		12,944,678	12,757,606
Canada Mortgage and Housing Corporation Subsidy		237,438	181,748
Environment and Climate Change Canada		33,620	-
Other-RST Annuity Claim <i>(Note 23)</i>		320,580,000	-
Provincial Government			
Ministry of Indigenous Affairs		303,350	85,000
Ministry of Education		108,071	108,021
Ministry of Environment		-	11,230
Ministry of Community and Social Services		2,583,330	2,534,933
Ministry of Health		158,084	191,333
Ministry of Transportation		43,890	41,250
Ministry of Attorney General		50,000	100,000
Other-RST Annuity Claim <i>(Note 23)</i>		320,580,000	-
		657,622,461	16,011,121
Other revenue <i>(Note 24)</i>		13,042,164	13,334,520
Investment income		4,510,552	4,649,474
Gain on sale of investments		3,524,088	2,191,708
Lottery Fund revenue		2,136,442	1,717,723
		680,835,707	37,904,546
Program expenses			
Covid-19 Response	8	-	242,752
Public Works	3	1,984,741	1,861,584
Administration and Governance	2	1,603,731	961,885
Education	4	5,691,489	5,477,255
Social Services and Employment Development	5	4,152,355	4,686,977
Economic Development	6	1,477,240	956,165
Health	7	1,860,388	1,554,447
Lands	9	556,045	161,269
Family Well-Being	10	2,808,515	1,912,630
Bingo	11	3,797,834	3,802,730
Housing	12	1,003,415	1,044,563
Property Management	13	2,692,833	2,253,923
OFNLP Fund	14	1,663,712	1,550,887
Youth, Social Development and Restorative Justice	15	266,621	234,425
Arena	16	1,372,090	1,098,384
Trust Funds	17	6,549,602	6,971,080
Total expenditures		37,480,611	34,770,956
Operating surplus before other items		643,355,096	3,133,590
Other income (expense)			
Gain (loss) on disposal of capital assets		(970,540)	-
Operating surplus		642,384,556	3,133,590
Accumulated operating surplus, beginning of year		160,420,122	157,286,532
Accumulated operating surplus, end of year		802,804,678	160,420,122

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

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

	2025	2024
Accumulated remeasurement gains, beginning of year	17,507,993	10,136,358
Unrealized gains (losses) attributable to:		
Community and youth trust accounts	8,244,765	9,563,343
Amounts reclassified to the statements of operations:		
Community and youth trust accounts	(3,524,088)	(2,191,708)
Accumulated remeasurement gains, end of year	22,228,670	17,507,993

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

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

	2025	2024
Annual surplus	642,384,556	3,133,590
Purchases of tangible capital assets	(1,158,124)	(946,683)
Amortization of tangible capital assets	1,800,577	2,226,003
(Gain) loss on sale of tangible capital assets	970,540	-
Change in disputed property tax receivable	(89,670)	(26,879)
Change in land claim costs	(2,093)	(2,418)
Change in community and youth trust accounts	(12,173,408)	1,809,760
Acquisition of prepaid expenses	-	(579,673)
Use of prepaid expenses	571,777	-
Change in remeasurement gains (losses) for the year	4,720,677	7,371,634
Net change in financial assets	637,024,832	12,985,334
Net financial assets, beginning of year	45,365,385	32,380,052
Net financial assets, end of year	682,390,217	45,365,386

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

Fort William First Nation
Consolidated Statement of Cash Flows [Changes in Financial Position]
For the year ended March 31, 2025

	2025	2024
Cash provided by (used for) the following activities		
Operating activities		
Operating surplus	642,384,556	3,133,590
Non-cash items		
Amortization	1,800,577	2,226,003
Bad debts (recovery)	(61,910)	366,178
Loss (gain) on disposal of capital assets	970,540	-
Income from Government Business Partnerships	(47,233)	(15,729)
Income from Government Business Enterprises	(152,620)	(177,147)
	644,893,910	5,532,895
Changes in working capital accounts		
Accounts receivable	41,007	1,246,944
Inventory	14,419	28,314
Prepaid expenses	571,777	(579,673)
Due from Band members	(397,675)	(40,595)
Due from government and government organizations	(639,257,641)	(1,308,889)
Accounts payable and accruals	3,171,213	173,773
Deferred revenue	1,942,733	660,667
Due to government and other government organizations	(442,619)	1,748,973
Trust funds held by federal government	(1,363,128)	(1,296,598)
Land Claim costs	(2,093)	(2,418)
Disputed property taxes receivable	(89,670)	(26,880)
Amounts held in trust for minors	(2,009,460)	(2,096,552)
Portfolio investments	167	(100)
Change in Assets held for sale	(300,000)	-
	6,772,940	4,039,861
Financing activities		
Advances of current portion of long-term debt	-	2,277,032
Repayment of current portion of long-term debt	(631,389)	(322,725)
	(631,389)	1,954,307
Capital activities		
Purchases of tangible capital assets	(1,158,124)	(946,683)
Investing activities		
Net purchase and disposals of investments held in community and youth trust accounts	(7,452,732)	9,181,394
Advances to Bamkushwada Limited Partnership	-	(1,500,000)
	(7,452,732)	7,681,394
Increase (decrease) in cash resources	(2,469,305)	12,728,879
Cash resources, beginning of year	73,001,894	60,273,015
Cash resources, end of year	70,532,589	73,001,894
Cash resources are composed of:		
Cash and cash equivalents total (including temporary investments)	70,532,589	73,001,894

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

1. 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:

Reporting entity consolidated

The consolidated financial statements reflect the assets, liabilities, revenues, expenses and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations which are owned or controlled by the First Nation. These financial statements include:

- Fort William First Nation Boundary Claim Trust
- Fort William First Nation Specific Claim Housing Trust
- Fort William First Nation Development Corporation
- Fort William First Nation Land Development Trust
- 1401354 Ontario Ltd
- Fort William First Nation Grand Trunk Pacific Railway Claim Minors Trust
- Fort William First Nation Holdings Inc.
- Fort William First Nation Holdings LP

During the current fiscal year, the First Nation dissolved the following wholly-owned subsidiaries:

- Fort William First Nation Construction Corporation
- Fort William First Nation Consulting Inc.
- 1526045 Ontario Ltd.

Accordingly, the results of operations for these entities are included in the consolidated financial statements up to the effective date of dissolution.

Investments in Government Business Enterprises are recorded using the modified equity method. Under the modified equity method, the business enterprise's accounting principles are not adjusted to conform with those of the First Nation. Fort William First Nation owns 100% of Anemki Mountain Business Trust which is considered a Government Business Enterprise and is recorded using the modified equity method and inter organizational transactions are not eliminated.

Investments in Business Partnerships are recorded using the modified equity method. Under the modified equity method, the business partnership's accounting principles are not adjusted to conform with those of the First Nation.

Fort William First Nation owns 100% of Fort William First Nation Holdings LP, which holds a 25% interest in Lot 251-3 Development LP. Therefore, Lot 251-3 Development LP is considered a Business Partnership and is recorded using the modified equity method and inter organizational transactions are not eliminated.

Fort William First Nation holds a 50% interest in Wiigiwaaganag LP. Therefore, Wiigiwaaganag LP is considered a Business Partnership and is recorded using the modified equity method and inter organizational transactions are not eliminated.

Cash and cash equivalents

Cash and cash equivalent include balances with banks and short-term investments with maturities of three months or less.

Inventory

Raw materials inventories are stated at the lower of cost and net realizable value. Cost is determined on the weighted average cost method.

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

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

Tangible capital assets

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis commencing once the asset is available for productive use as follows:

First Nation housing	28 years
Infrastructure	20 years
Non-subsidized buildings	20 years
Automotive	10 years
Fire and general equipment	10 years
Other equipment	5 years
Assets under capital lease obligation	10 years

Tangible capital assets under construction, development or that have been removed from service are not amortized until they are available to be put into service.

Subsidized housing supported by CMHC long term debt is amortized at a rate equivalent to the long term debt principal repayment.

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

Revenue recognition

Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when the accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable. Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled. Contributions from other sources are deferred when restrictions are placed on their use by the contributor, and are recognized as revenue when used for the specific purpose. Revenue related to fees or services received in advance of the fee being earned or the service is performed is deferred and recognized when the fee is earned or service performed.

Replacement Reserves

Under the terms of agreements with Canada Mortgage and Housing Corporation, the Replacement Reserve for housing is to be credited in varying amounts annually until it accumulates to a maximum amount plus accumulated interest. These funds along with accumulated interest, must be held in separate bank accounts and may only be used as approved by Canada Mortgage and Housing Corporation.

Use of Estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. Actual results could differ from management's best estimates as additional information becomes available in the future.

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

Financial Instruments

The First Nation classifies its financial instruments as either fair value or amortized cost. The First Nation's accounting policy for each category is as follows:

Fair Value

This category includes equity instrument quoted in an active market. The First Nation has designated its bond portfolio that would otherwise be classified into the amortized cost category at fair value as the First Nation manages and reports performance of it on a fair value basis.

They are initially recognized at cost and subsequently carried at fair value. Unrealised changes in the fair value on investments are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations.

Interest and dividends attributable to these financial instruments are reported in the statement of operations.

Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Amortized Cost

This category includes cash, accounts receivable, due from band members, due from government and government organizations, trust funds held by federal government, investments in and advances to corporations, accounts payable and accrued liabilities, due to government and government organizations, tenant deposits, amounts held in trust for minors, bank loans, and term debt. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

2. **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.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and equity risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The First Nation is exposed to currency risk through foreign investments purchased and sold in foreign currencies. Approximately 40% (2024 - 41%) of the First Nation's portfolio investments are in a foreign currency and converted to Canadian dollars at year-end.

The First Nation considers this risk to be acceptable and therefore does not hedge its foreign exchange rate risks. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

2. Financial Instruments *(Continued from previous page)*

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 structuring its finance so as to stagger the maturities of debt.

The First Nation is exposed to interest rate risk with respect to interest bearing investments, bank loans and long term debt. The First Nation's bond portfolio has interest ranging from 2.10% to 5.97% (2024 - 2.10% to 5.97%) with maturities ranging from June 1, 2025 to December 1, 2051 (2024 - June 15, 2024 to December 1, 2051).

Interest rate risk sensitivity analysis

At March 31, 2025, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of bonds of \$102,643 (2024 - \$87,522). A 1% fluctuation in interest rates would have an estimated impact on interest expense related to the First Nation's Bank loans of \$70,903 (2024 - \$75,919)

Credit Risk

Credit risk is the risk of financial loss to the First Nation if a debtor fails to make payments of interest and principal when due. Other than the impairment of receivables disclosed in Note 4 and 6, it is management's opinion that the First Nation is not exposed to significant credit risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Equity Risk

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. The First Nation is exposed to this risk through its equity holdings within its investment portfolio. At March 31, 2025 a 10% movement in the stock markets with all other variables held constant would have an estimated effect on the fair values of the First Nation's equities of \$10,184,241 (2024 - 9,485,188).

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

Liquidity Risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the First Nation will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The organization is exposed to this risk mainly in respect of its accounts payable and long-term debt. Unless otherwise noted, the expected cash outflows are within one year.

The First Nation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The First Nation maintains a portion of its invested assets in liquid securities. The organization also maintains certain credit facilities, which can be drawn upon as needed.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

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

2. Financial Instruments *(Continued from previous page)*

Fair Value of Financial Instruments

The following table provides an analysis of financial instruments that are measured at fair value, using a fair value hierarchy of levels 1, 2 and 3. The levels reflect the significance of the inputs used in making the fair value measurements, as described below:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 – Inputs for the asset or liability that are not based on observable market date (unobservable inputs)

	March 31, 2025			
	Fair Value	Level 1	Level 2	Level 3
Temporary investments	6,866,482	3,920,642	2,945,840	-
Community and youth trust accounts	109,270,818	109,270,818	-	-

	2024			
	Fair Value	Level 1	Level 2	Level 3
Financial assets				
Temporary investments	10,573,085	7,839,676	2,733,409	-
Community and youth trust accounts	97,097,410	97,097,410	-	-

3. Cash and cash equivalents

	2025	2024
Youth funds in trust	1,959,139	1,310,437
Boundary claim trust	289,521	3,982,210
Boundary claim interest	31,232,158	26,939,589
Specific housing trust	39,006	28,692
Low rental trust	124,065	118,470
GTP claim trust	6,005	23,048
GTP funds	18,668,773	17,824,117
Fort William First Nation Consulting Inc.	1,064	1,064
Fort William First Nation Development Corp.	9,020	9,020
Unrestricted Cash	11,337,356	12,192,162
	63,666,107	62,428,809

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

4. Accounts receivable

	2025	2024
Other receivables	5,276,532	5,344,477
Allowance for doubtful accounts	(2,470,529)	(2,559,377)
	2,806,003	2,785,100

5. Investments

	2025	2024
Investments held in Account #2802196 are as follows:		
Fixed Income Securities:		
Bond Funds (939,880 Units)	10,996,789	10,355,479
Investments held in Account #2802197 are as follows:		
Cash Equivalents:		
Treasury Bills (2,465,000 Units, maturing between April 6, 2025 - June 2, 2025)	2,446,989	1,950,609
Money Market Funds		
Fixed Income Securities:		
Bond Funds (956,856 Units)	10,596,315	9,169,123
Equity Securities:		
Canadian Common Stocks (130,253 Units)	9,192,906	8,968,244
Foreign Common Stocks (216,935 Units)	21,688,446	19,712,359
	43,924,656	39,800,335
Investments held in Account #2802198 are as follows:		
Cash Equivalents:		
Money Market Funds (10 Units, cost \$10)	100	100
Short Term Deposit		
(1,698,000 Units, Maturing between May 7, 2025 - May 22, 2025)	1,691,174	1,280,869
Fixed Income Securities:		
Canada Bonds		
(2,672,000 Units, 2.1% - 3.55%, Maturing between March 1, 2028 - September 15, 2032)	2,700,426	2,162,165
Provincial Bonds		
(5,450,000 Units, 2.3% - 3.75%, Maturing between June 1, 2025 - December 1, 2051)	5,095,055	4,780,783
Corporate Bonds		
(2,334,000 Units, 4.672% - 5.97%, Maturing between August 1, 2029 - November 30, 2054)	2,468,837	1,809,242
Equity Securities:		
Canadian Common Stocks (174,669 Units)	10,759,474	9,611,346
Foreign Common Stocks (189,682 Units)	19,127,327	18,876,139
	41,842,393	38,520,644

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

5. Investments (Continued from previous page)

	2025	2024
Investments held in Account #2802200 are as follows:		
Cash Equivalents:		
Treasury Bills (693,000 Units, maturing between April 9, 2025 - June 2, 2025)	687,878	483,635
Mutual Funds:		
Bond Funds (608,644 Units)	6,740,183	6,313,111
Canadian Equity Class (25,724 Units)	2,144,225	2,190,670
Canada Fund (5,000 Units)	435,506	724,477
International Equity Fund (34,330 Units)	2,702,033	2,572,864
U.S. Equity Fund (25,466 Units)	2,633,066	2,642,858
	15,342,891	14,927,615
Interest Bearing accounts, Specific Housing Trust	1,084,731	1,333,013
Other	2,945,840	2,733,409
	4,030,571	4,066,422
	116,137,300	107,670,495

The investments listed above are included on the statement of financial position as follows:

	2025	2024
Investments		
Community and youth trust accounts	<u>109,270,818</u>	<u>97,097,410</u>
	<u>109,270,818</u>	<u>97,097,410</u>

The investments arise from the consolidation of the Fort William First Nation Boundary Claim and Specific Claim Housing Trusts fully controlled by the First Nation as follows:

	2025	2024
Temporary investments		
Fort William First Nation Boundary Claim Trust	3,920,642	7,839,676
Other	2,945,840	2,733,409
	6,866,482	10,573,085
Investments held in trust for the Community and Youth	<u>109,270,818</u>	<u>97,097,410</u>

6. Due from Band members

	2025	2024
Rents receivable	338,892	184,182
Other Receivables	778,971	714,551
Allowance for doubtful accounts	(621,376)	(799,921)
	496,487	98,812

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

7. Due from Government and Government Organizations

	2025	2024
Government of Canada		
Indigenous Services Canada	3,058,393	4,850,575
Canada Mortgage and Housing Corporation	6,777	481,029
Environment and Climate Change Canada	25,628	-
RST Annuity Claim	320,580,000	-
	323,670,798	5,331,604
Province of Ontario		
Ministry of Education	314,234	261,189
Ministry of Energy	101,722	101,722
Ministry of Health	81,409	125,975
Ministry of Indigenous Affairs	326,926	512,885
Ministry of Transportation	147,338	369,788
RST Annuity Claim	320,580,000	-
	321,551,629	1,371,559
Other		
Anishinabek Nation	2,565,202	1,215,982
Dilico Ojibway Child and Family Services	400,909	1,011,754
	2,966,111	2,227,736
Allowance for doubtful accounts	(264,221)	(264,223)
	647,924,317	8,666,676

8. Due from Bamkushwada Limited Partnership

During the prior year, the First Nation earned consulting and management revenues totaling \$400,000 from Bamkushwada Limited Partnership and \$1,100,000 from a third party, East-West Tie Limited Partnership. East-West Tie Limited Partnership agreed to advance the \$1,100,000 to Bamkushwada Limited Partnership for the closing of Bamkushwada Limited Partnership's purchase of shares of East-West Tie Limited Partnership. The amount is unsecured and interest-free, and will be repaid with no set repayment terms by East-West Tie Limited Partnership via reductions in future distributions to Bamkushwada Limited Partnership.

As at the end of the 2025 financial year, the total amount of \$1,500,000 remains outstanding.

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

9. Portfolio investments

	2025	2024
Shares		
Shares in various corporations	500	1,000
Ontario First Nations (2008) Limited Partnership	1	1
Oshki-Aki Limited Partnership	100	100
Supercom Industries Ltd.	100	100
Supercom Industries Limited Partnership	1	1
Gwayakocchigewin GP Inc.	1	1
Gwayakocchigewin Limited Partnership	100	100
OFN Asset Management GP Corp	1	1
OFN Sovereign Wealth Limited Partnership	1	1
Bamkushwada General Partner Inc.	1	1
Bamkushwada Limited Partnership	1	1
Wiigiiwaaganag General Partner Inc.	100	100
AKI Resources Northwest INC	300	-
AKI Resources Northwest LP	33	-
	1,240	1,407

10. Investments in partnerships and government business entities

The First Nation has investments in the following entities:

	Investment cost	Loans / advances	2025 Total investment
Government Business Enterprises:			
Anemki Mountain Business Trust	100	2,412,434	2,412,534
Business Partnerships – Modified Equity:			
Lot 251-3 Development LP	1,835,000	26,358	1,861,358
Wiigiiwaaganag LP	100,000	311,269	411,269
	1,935,000	337,627	2,272,627
	1,935,100	2,750,061	4,685,161

	Investment cost	Loans / advances	2024 Total investment
Government Business Enterprises:			
Anemki Mountain Business Trust	100	2,259,814	2,259,914
Government Business Partnerships:			
Lot 251-3 Development LP	1,835,000	14,913	1,849,913
Wiigiiwaaganag LP	100,000	275,481	375,481
	1,935,000	290,394	2,225,394
	1,935,100	2,550,208	4,485,308

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

10. Investments in partnerships and government business entities *(Continued from previous page)*

The First Nation's investments in Anemki Mountain Business Trust, are included in these financial statements using financial information of Anemki Mountain Business Trust prepared as of December 31, 2024, covering the period January 1, 2024 to December 31, 2024.

The following table presents condensed financial information for these commercial enterprises

	<i>(Unaudited)</i>	
	<i>Anemki Mountain Business Trust -</i>	
	<i>100%</i>	
	<i>As at December</i>	<i>As at December</i>
	<i>31, 2024</i>	<i>31, 2023</i>
Assets		
Cash	1,810,619	1,537,301
Accounts receivable	119,089	116,684
Tangible capital assets	1,051,766	1,095,589
Other assets	54,825	54,246
Total assets	3,036,299	2,803,820
Liabilities		
Accounts payable and accruals	179,825	136,009
Long-term debt	2,423,632	1,938,881
Other liabilities	2,747	3,046
Total liabilities	2,606,204	2,077,936
Net assets	430,095	725,884
Total revenue	674,727	673,992
Total expenses	502,064	437,339
Net income	172,663	236,652

The First Nation's investments in Lot 251-3 Development LP and Wiigiwaaganag LP, are included in these financial statements using financial information of Lot 251-3 Development LP and Wiigiwaaganag LP prepared as of December 31, 2024, covering the period January 1, 2024 to December 31, 2024.

The following table presents condensed financial information for these commercial enterprises:

	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	<i>Lot 251-3 Development LP - 25%</i>		<i>Wiigiwaaganag LP - 50%</i>	
	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>
	<i>31, 2024</i>	<i>31, 2023</i>	<i>31, 2024</i>	<i>31, 2023</i>
Assets				
Cash	59,613	45,383	55,476	25,205
Accounts receivable	3,526	2,985	6,686	18,474
Tangible capital assets	1,843,418	1,843,418	1,305,354	1,329,692
Other assets	4,639	4,282	10,821	8,766
Total assets	1,911,196	1,896,068	1,378,337	1,382,137
Liabilities				
Accounts payable and accruals	13,256	12,278	8,782	19,083
Long-term debt	-	-	939,630	959,029
Other liabilities	-	-	15,767	9,442
Total liabilities	13,256	12,278	964,179	987,554
Net liabilities excluding accumulated other comprehensive income (loss)	1,897,940	1,883,790	414,158	394,583
Total revenue	189,579	186,658	197,117	195,964

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

10. Investments in partnerships and government business entities (Continued from previous page)

	<i>(Unaudited)</i>		<i>(Unaudited)</i>	
	<i>Lot 251-3 Development LP - 25%</i>		<i>Wiigiwaaganag LP - 50%</i>	
	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>	<i>As at December</i>
	<i>31, 2024</i>	<i>31, 2023</i>	<i>31, 2024</i>	<i>31, 2023</i>
Total expenses	40,622	40,460	172,542	184,389
Net income	148,957	146,198	24,575	11,575

11. Trust Funds Held by Federal Government

The trust funds arise from monies derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act.

	2025	2024
Capital Trust		
Balance, beginning of year	387,366	387,366
Additions	14,244	-
Balance, end of year	401,610	387,366
Revenue Trust		
Balance, beginning of year	6,003,046	4,706,448
Additions	1,348,884	1,296,598
Balance, end of year	7,351,930	6,003,046
	7,753,540	6,390,412

12. Accounts payable and accruals

	2025	2024
Trade payables	5,679,313	3,900,208
Due to members	7,532,943	6,140,835
	13,212,256	10,041,043

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

13. Deferred Revenue

	Balance March 31, 2024	Funding Received 2025	Funding Repayable 2025	Revenue Recognized 2025	Balance March 31, 2025
Federal Government					
Indigenous Services Canada	\$ 10,308,543	\$ 13,533,532	\$ 1,526,746	\$ 12,944,678	\$ 12,424,143
CMHC	76,726	223,846	-	237,438	63,134
Environment and Climate Change Canada	-	120,000	-	33,620	86,380
Other-RST Annuity Claim	-	320,580,000	-	320,580,000	-
	<u>10,385,269</u>	<u>334,457,378</u>	<u>1,526,746</u>	<u>333,795,736</u>	<u>12,573,657</u>
Provincial Government					
Ministry of Indigenous Affairs	100,045	340,150	(136,845)	303,350	-
Ministry of Education	-	108,071	-	108,071	-
Ministry of Health	-	328,384	(170,300)	158,084	-
Ministry of Community and Social Services	4,414	2,583,330	(4,414)	2,583,330	-
Ministry of Transportation	-	43,890	-	43,890	-
Ministry of Attorney General	-	50,000	-	50,000	-
Other- RST Annuity Claim	-	320,580,000	-	320,580,000	-
	<u>104,459</u>	<u>324,033,825</u>	<u>(311,559)</u>	<u>323,826,725</u>	<u>-</u>
Other					
Lottery fund revenue	-	2,136,442	-	2,136,442	-
Other (Note 24)	661,217	13,532,832	(631,864)	13,042,164	520,021
Investment income	-	8,034,640	-	8,034,640	-
	<u>661,217</u>	<u>23,703,914</u>	<u>(631,864)</u>	<u>23,213,246</u>	<u>520,021</u>
	<u>\$ 11,150,945</u>	<u>\$ 682,195,117</u>	<u>\$ 583,323</u>	<u>\$ 680,835,707</u>	<u>\$ 13,093,678</u>

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

14. Due to Government and Government Organizations

	2025	2024
Federal government		
Receiver General	189,949	161,121
Repayable to funders	2,561,397	4,207,456
	2,751,346	4,368,577
Provincial government		
Repayable to funders	4,426,335	3,251,723
	7,177,681	7,620,300

15. Long-term debt

	2025	2024
Non-Profit Housing Program - Lynx Court (repayable at \$4,546 per month including interest at 3.81%, secured by land and buildings and guaranteed by Indigenous Services Canada, due August 2037)	541,737	575,338
Non-Profit Housing Program - 8 Unit (repayable at \$6,683 per month including interest at 4.07%, secured by land and buildings and guaranteed by Indigenous Services Canada, due February 2043)	1,025,074	1,063,408
Non-Profit Housing Program - 11 Unit (repayable at \$11,708 per month including interest at 3.78%, secured by land and buildings and guaranteed by Indigenous Services Canada, due February 2049)	2,222,731	2,279,309
Land Claims, due on settlement of outstanding land claims against the Government of Canada, unless otherwise stated in the claim settlement agreement	289,074	289,074
Ontario Native Affairs loan, due on settlement of outstanding land claims against the Government of Canada, unless otherwise stated in the claim settlement agreement	114,602	114,602
RBC - Lagoon Project Loan (repayable at \$10,728 per month, plus variable interest at the bank's prime rate plus 2%, due November 29, 2025, with an expectation of automatic renewal upon maturity)	1,880,427	1,992,921
RBC - Vehicle Lease (repayable at \$4,213 per month including interest at 3.96%, due December 2024)	-	37,279
RBC - Wasaya Building Loan (repayable at \$3,734.23 per month, plus variable interest at the bank's prime rate plus 2%, due November 29, 2025, with an expectation of automatic renewal upon maturity)	430,173	471,971
RBC - Term Loan (repayable at \$19,423 per month including interest at 7.27%, due March 2026)	234,271	469,298
RBC - Equipment Lease (repayable at \$3,150 per month including interest at 7.20%, due November 2028)	119,036	147,156
RBC - Equipment Lease (repayable at \$4,380 per month including interest at 3.97%, due November 2026)	84,599	132,757
	6,941,724	7,573,113

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

15. Long-term 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:

	Amount
2026	619,316
2027	347,780
2028	349,037
2029	341,194
2030	325,475
2026-2030	1,982,802
Thereafter	4,958,922

16. Youth Trust Accounts

As part of the Specific Claim Housing Trust, Loch Lomond and Neebing agreements, all members of Fort William First Nation on the voting day for each respective claim were entitled to receive one time "per capita" payments. All members alive but under the age of 18 on the voting day for each respective claim are not entitled to receive this payment until they reach the age of 18. The Trust has established individual interest-bearing trust bank accounts with the RBC Royal Bank for each member under 18. Once members reach the age of 18, they are entitled to receive the "per capita" payments plus interest that has accrued in their trust bank accounts. For those members under the age of 18, this one time payment was deposited into the pre-existing individual interest bearing trust accounts with the Royal Bank of Canada.

As part of the Boundary Claim Settlement Trust there was a one time "per capita" distribution to members of \$25,000. For those members who were under the age of 18 at the date of the distribution, these monies are held by the Fort William First Nation Boundary Claim Settlement Trust until such time as the member reaches the age of 18. These monies will be distributed to the members as they achieve the age of 18 at the principal amount plus interest calculated at the bank rate plus one percent.

As part of the Grand Trunk Pacific Railway Claim Settlement, a one time "per capita" distribution of \$35,000 per member was declared. For those members who were under the age of 18 at the date of the declaration, these monies are to be held in trust by Fort William First Nation until such time as the member reaches the age of 18. At that time, the \$35,000 distribution is to be paid to each of the minors. At the conclusion of eighteen years from the date of settlement, all investment income earned by the First Nation, net of any holding costs, are to be distributed to the minors on a pro-rata basis calculated based on the time that their monies were held in trust.

	2025	2024
Specific Claim Housing Trust	1,157,583	1,395,232
Boundary Claim Settlement Trust	2,631,966	3,458,777
Grand Trunk Pacific Railway Claim Settlement Trust	9,660,000	10,605,000
	13,449,549	15,459,009

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

17. Tangible capital assets

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2025 Net book value</i>
First Nation Housing	13,182,888	68,597	1,583,110	5,261,084	6,407,291
Infrastructure	26,705,009	-	-	17,825,006	8,880,003
Buildings	40,157,854	602,220	-	38,515,183	2,244,891
Automotive, fire and general equipment	7,166,018	719,405	-	5,781,301	2,104,122
Other Equipment	668,313	-	-	662,017	6,296
Vacant land	2,377,076	105,000	-	-	2,482,076
Construction in progress	860,822	(250,911)	-	-	609,911
	91,117,980	1,244,311	1,583,110	68,044,591	22,734,590

	<i>Cost</i>	<i>Additions</i>	<i>Disposals</i>	<i>Accumulated amortization</i>	<i>2024 Net book value</i>
First Nation Housing	12,370,982	811,906	-	5,484,376	7,698,512
Infrastructure	26,705,009	-	-	17,027,259	9,677,750
Buildings	40,157,854	-	-	38,186,947	1,970,907
Automotive, fire and general equipment	6,867,744	298,274	-	5,412,611	1,753,407
Other Equipment	668,313	-	-	659,205	9,108
Vacant land	2,377,076	-	-	-	2,377,076
Construction in progress	1,024,318	(163,496)	-	-	860,822
	90,171,296	946,684	-	66,770,398	24,347,582

Amortization expense of \$1,800,577 (2024 - \$2,226,003) was recorded in the statement of operations.

Construction in progress are projects which are carried at cost until completion at which time the projects are capitalized. Cost includes all direct costs relating to these projects, as well as interest on debt and overhead costs that can be clearly identified as relating to these projects

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

18. Contingent liabilities

In 1999 the Corporation of the City of Thunder Bay returned approximately 1,100 acres of land that had previously been expropriated in 1905 to Fort William First Nation. Since that time, the City of Thunder Bay has been assessing municipal property taxes on the returned lands. As of March 31, 2025, property taxes owing to the Corporation of the City of Thunder Bay, including interest and penalties, amounted to \$12,985,853 (2024 - \$11,842,866). This amount continues to increase with all subsequent tax assessments, as well as, with interest and penalties accruing monthly

The First Nation is disputing the taxes charged, as management does not believe the lands have ever left reserve status, and as such, are not subject to municipal taxation.

In 2004, the First Nation applied for an interlocutory injunction to restrain the City of Thunder Bay from collecting unpaid taxes until such time as a decision is rendered regarding the status of the lands; however the court ruled against the injunction.

Had the above mentioned liabilities been recorded, the balances in these consolidated financial statements would have changed as follows:

Consolidated statement of operations

Surplus for the year	642,384,556
Adjustment for property taxes not recorded	<u>(1,142,987)</u>
Adjusted surplus for the year	<u>641,241,569</u>

Consolidated statement of financial position

Capital assets reported	22,734,590
Addition for property taxes on vacant land	<u>1,188,553</u>
Adjusted capital asset balance	<u>23,923,143</u>
Accounts payable and accruals as reported	13,212,256
Property taxes, including penalties and interest, not recorded	<u>12,985,853</u>
Adjusted accounts payable and accruals balance	<u>26,198,109</u>
Disputed property taxes receivable as reported	10,183,161
Tenants' payments applied against payable in excess of payable recorded	<u>(10,183,161)</u>
Adjusted disputed property taxes receivable balance	<u>-</u>

The First Nation is a party to a claim relating to the band member listing as it pertains to the "per capita" distributions resulting from various claim settlements. The First Nation does not expect the resolution of this matter to have any material adverse effect on the financial position or results of operations of the First Nation. No provision has been provided for in these financial statements as the outcome and measurement are uncertain. Any liability that may be incurred related to this matter will be expensed in the year that it becomes determinable.

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

19. Accumulated operating surplus

Accumulated operating surplus consists of the following:

	2025	2024
Unrestricted surplus		
Equity in Anemki Mountain Business Trust	2,372,268	2,266,900
Equity in Tangible capital assets	22,734,590	24,347,582
General Fund Balance	27,397,591	27,800,960
	<hr/> 52,504,449	<hr/> 54,415,442
Restricted surplus		
Boundary Claim Settlement Trust	72,459,699	70,189,727
Unspent Boundary Trust investment income	17,948,890	18,185,664
Grand Trunk Pacific Railway Minors Trust	4,210,646	3,553,107
Equity Specific Claim Housing Trust	(38,300)	(37,924)
Replacement reserves - other	959,901	846,468
Equity Revenue Trust	7,351,930	6,003,046
Equity Capital Trust	401,611	387,366
Replacement Reserve-CMHC	178,850	164,609
Replacement Reserve-CMHC	54,753	47,113
Replacement Reserve-CMHC	40,003	23,503
Equity in Rama Trust	3,500	3,500
Fund balance - Lottery Reserve	3,165,868	2,999,032
Supercom Fund	2,759,078	3,639,469
RST Annuity Claim	640,803,800	-
	<hr/> 750,300,229	<hr/> 106,004,680
	<hr/> 802,804,678	<hr/> 160,420,122

A portion of General Fund Balance includes surpluses or deficits from funds contributed by government agencies. Such surpluses or deficits may be subject to recovery or repayment by the contributing agencies, depending on the terms and conditions of the relevant contribution agreements. These potential liabilities or recoveries are estimated and accrued on an annual basis.

20. Member Distributions

Included in Trust Funds expense is per capita distributions to members as approved by Chief and Council. These distributions were as follows:

	2025	2024
Christmas distribution at \$35 per member	-	35
Boundary Claim payment at \$500 per member	-	500
Boundary Claim payment at \$1,500 per member	4,102,500	4,023,000
Accrued interest on Boundary Claim payment to minors	86,688	141,000
	<hr/> 4,189,188	<hr/> 4,164,535

Trust Funds department information is also included in Schedule 17

21. Comparative figures

Certain of the comparative figures presented in the accompanying consolidated financial statements have been reclassified to conform with the current year's presentation.

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

22. Loan guarantees

The First Nation has guaranteed bank loans for Band members in the amount of \$1,644,886 (2024 - \$1,433,683).

The First Nation has guaranteed the bank financing for Anemki Mountain Business Trust up to a maximum of \$100,000 (2024 - \$100,000).

The First Nation has a letter of credit for the Ministry of Finance - Alcohol and Gaming up to a maximum of \$120,000 (2024 - \$120,000).

23. RST Annuity Claim

On January 27, 2025 the Government of Canada and Province of Ontario committed to pay an amount in settlement of the RST Annuity Claim to the First Nations who are parties to the Treaty. Fort William First Nation's share of this amount is \$641,160,000. While there are ongoing legal arguments over the sufficiency of the amount committed, it represents the minimum amount that will be received. As such, these balances became due and collectible on the date of the advisement from Canada and Ontario.

Under the proposed settlement of the claims, Canada and Ontario were to each contribute 50% of the total settlement amount. For Fort William First Nation, the total settlement amount was \$320,580,000 from both Canada and Ontario.

Subsequent to year end, by way of a Band Council Resolution date May 26, 2025, Chief and Council committed to utilizing the funds of the settlement in the following manner:

Payment to Red Rock First Nation and Whitesand First Nation	\$ 356,200
Amount withheld for future membership claims	\$ 10,385,000
Balance to be paid to members	\$630,418,800

Payments to members were determined based on the membership listing for Fort William First Nation as of January 27, 2025. Based on this listing, each member is to receive a total distribution of \$226,432 subsequent to year end. The majority of total distributions were completed in June and July 2025. As of the reporting date, \$142,100,417 remains undistributed. These distributions will be recognized as expenses in the fiscal 2026 financial statement for Fort William First Nation.

24. Other revenue

	2025	2024
Rental operations	3,372,290	3,231,726
Supercom Industries LP	-	500,000
Dilico Anishinabek Family Care	400,909	347,268
Anishinabek Nation	1,177,663	1,141,916
Bingo revenue	3,553,770	3,697,050
Equipment rentals and construction revenue	284,637	369,329
Interest	847,372	784,261
Income from investments in business enterprises	121,020	187,267
Income from investments in business partnerships	148,808	146,052
Other	3,135,695	2,929,650
	13,042,164	13,334,519

25. Segments

25. Segments *(Continued from previous page)*

Fort William First Nation is a diversified community that provides a wide range of services to its members. For management reporting purposes the Fort William First Nation's operations and activities are organized and reported by Program.

Programs were created for the purpose of recording specific activities to attain certain objectives in accordance with specific regulations, restrictions or limitations. The services are provided by several entities of Fort William First Nation. The activities can also be categorized into segments. The following segments have been identified and as such are separately disclosed.

Administration and Governance

Includes those activities relating to the overall management of the Fort William First Nation organization, including the activities of Administration, Chief and Council and communications.

Public Works

Includes the activities relating to the planning and maintenance of community infrastructure, including roads, water, wastewater, fire protection, sanitation and heavy equipment.

Education

Includes the activities that provide education to band members for primary and secondary schooling and sponsorship to attend post secondary institutions.

Social Services and Employment Development

Includes those activities that provide supports to band members that are aimed at developing both the individual as well as the community, and includes those activities relating to skills development, employment training and summer employment programs.

Health

Includes the activities relating to the delivery of health and wellness programs to band members.

Family Well-Being

Includes the activities relating to the delivery of band representative, family support, well-being, and violence prevention services, as well as child and family initiatives and residential school trauma support programs.

Economic Development

Includes activities relating to the development of business and investment opportunities for the band, including benefit agreements and joint-ventures.

Covid-19 Response

Includes those activities relating to the delivery of programs specifically addressing the response to the Covid-19 pandemic.

Lands

Includes the activities of the First Nation as it relates to reserve land management.

Property Management

Includes the activities relating to band owned properties including commercial rental properties and properties used to house band operations and programs.

Arena

Includes the activities related to the operation of the Fort William First Nation Arena comprised of two ice rinks and a fitness centre.

Bingo

Includes the activities relating to the Mountain Bingo Hall operations.

Housing

Includes the activities relating to the provision of rental housing and repairs and maintenance services to band members.

25. Segments *(Continued from previous page)*

Youth, Social Development and Restorative Justice

Includes community wellness activities relating to youth, culture, recreation and restorative justice.

OFNLP Fund

Includes the programs funded by the Ontario First Nations Limited Partnership.

Trust Funds

Includes the operations of the Boundary Claim, Grand Trunk Pacific Railroad Minor Trusts and the expenditures funded by the Revenue Account.

26. Supplies and services

Included in the expenses classified as supplies and services are legal fees of \$307,980 (2024 - \$205,481) and audit fees of \$219,107 (2024 - \$144,341).

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

	2025	2024
Consolidated expenses by object		
Amortization	1,800,577	2,226,003
Bad debts (recovery)	(61,910)	366,178
General welfare assistance	2,518,529	2,849,337
Donations	206,992	154,305
Cash short	4,302	6,192
Honorarium	602,738	471,883
Insurance	193,369	160,333
Interest on long-term debt	307,202	265,562
Student allowance	808,250	815,220
Prizes	2,754,497	2,730,505
Repairs and maintenance	2,812,625	2,263,210
Wages and benefits	8,964,048	7,614,814
Supplies and services (Note 26)	6,338,723	5,045,443
Travel and transportation	592,253	600,690
Tuition	3,282,737	3,079,833
Utilities and telephone	595,200	565,453
Interest and bank charges	99,350	82,654
Per capital distribution	4,186,638	4,163,885
Interdepartmental costs	(90,564)	(203,873)
Transfer cost	1,565,056	1,513,329
	37,480,612	34,770,956

Fort William First Nation
Administration and Governance
Schedule 2 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	371,415	742,423
Provincial Government		
Ministry of Indigenous Affairs	205,150	-
	576,565	742,423
Interest	337,366	321,027
Income from investments in business enterprises	121,020	187,267
Other	1,026,943	1,725,990
	2,061,894	2,976,707
Expenses		
Amortization of tangible capital assets	22,841	29,965
Bad debts (recovery)	(79,979)	(3,170)
Donations	99,321	44,489
Honorarium	493,668	382,382
Interest on long-term debt	156,068	139,455
Repairs and maintenance	146,306	96,906
Wages and benefits	1,908,740	1,422,336
Supplies and service	1,475,046	949,699
Travel and transportation	85,518	64,779
Utilities and telephone	37,356	31,210
Interest and bank charges	81,265	70,332
Interdepartmental costs	(2,822,419)	(2,266,498)
	1,603,731	961,885
Surplus before other items	458,163	2,014,822
Other income (expense)		
Gain (loss) on disposal of capital assets	(213,315)	-
Surplus	244,848	2,014,822

Fort William First Nation
Public Works
Schedule 3 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	802,623	602,840
Provincial Government		
Ministry of Transportation	43,890	41,250
	846,513	644,090
Equipment rentals and construction revenue	284,637	369,329
Other	2,526	4,126
	1,133,676	1,017,545
Expenses		
Amortization of tangible capital assets	958,671	970,910
Insurance	36,119	35,079
Interest on long-term debt	4,403	11,675
Repairs and maintenance	502,291	565,960
Wages and benefits	824,461	691,690
Supplies and service	72,388	61,101
Travel and transportation	102,181	139,543
Utilities and telephone	55,105	56,051
Interdepartmental costs	(570,878)	(670,425)
	1,984,741	1,861,584
Deficit	(851,065)	(844,039)

Fort William First Nation
Education

Schedule 4 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	5,753,104	5,600,673
Anishinabek Nation	12,354	-
Other	36,420	16,565
	5,801,878	5,617,238
Expenses		
Amortization of tangible capital assets	107,492	87,959
Student allowance	808,250	815,220
Repairs and maintenance	136,582	120,826
Wages and benefits	497,750	450,736
Supplies and service	195,435	142,350
Travel and transportation	23,987	20,046
Tuition	3,282,737	3,079,833
Utilities and telephone	3,856	1,629
Interdepartmental costs	635,400	758,656
	5,691,489	5,477,255
Surplus	110,389	139,983

Fort William First Nation
Social Services and Employment Development
Schedule 5 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	897,786	1,236,997
Provincial Government		
Ministry of Community and Social Services	2,583,330	2,534,933
Ministry of Health	158,084	191,333
<hr/>		
	3,639,200	3,963,263
Anishinabek Nation	466,450	711,948
Other	30,213	11,766
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	4,135,863	4,686,977
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Expenses		
General welfare assistance	2,518,529	2,849,337
Repairs and maintenance	70,600	28,061
Wages and benefits	1,003,212	895,300
Supplies and service	858,184	1,082,519
Travel and transportation	47,474	68,215
Utilities and telephone	9,317	9,556
Interdepartmental costs	(354,961)	(246,011)
<hr/>		
	4,152,355	4,686,977
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Surplus (deficit)	(16,492)	-

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

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	260,453	95,303
Environment and Climate Change Canada	33,620	-
Provincial Government		
Ministry of Indigenous Affairs	85,000	85,000
Ministry of Environment	-	11,230
	379,073	191,533
Rental operations	45,000	45,000
Supercom Industries LP	-	500,000
Anishinabek Nation	-	165
Interest	158,734	180,310
Other	1,483,894	603,095
	2,066,701	1,520,103
Expenses		
Amortization of tangible capital assets	7,243	1,092
Honorarium	4,000	2,300
Repairs and maintenance	228,911	24,222
Wages and benefits	664,699	531,430
Supplies and service	189,580	148,005
Travel and transportation	42,235	14,392
Utilities and telephone	8,841	5,345
Interdepartmental costs	331,731	229,379
	1,477,240	956,165
Surplus before other items	589,461	563,938
Other income (expense)		
Gain (loss) on disposal of capital assets	(500)	-
Surplus	588,961	563,938

**Fort William First Nation
Health**

Schedule 7 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	1,365,112	1,112,224
Provincial Government		
Ministry of Education	108,071	108,021
	1,473,183	1,220,245
Dilico Anishinabek Family Care	109,087	109,087
Anishinabek Nation	242,903	84,087
Other	3,564	145,077
	1,828,737	1,558,496
Expenses		
Amortization of tangible capital assets	15,392	15,392
Bad debts (recovery)	1,020	(3,852)
Donations	-	915
Honorarium	56,475	21,300
Insurance	1,391	1,391
Repairs and maintenance	165,217	4,302
Wages and benefits	785,260	742,993
Supplies and service	467,455	460,884
Travel and transportation	218,071	244,826
Utilities and telephone	8,382	3,280
Interdepartmental costs	141,725	63,016
	1,860,388	1,554,447
Surplus (deficit)	(31,651)	4,049

Fort William First Nation
Covid-19 Response
Schedule 8 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	-	242,752
Expenses		
Wages and benefits	-	76,877
Supplies and service	-	165,875
	-	242,752
Surplus (deficit)	-	-

**Fort William First Nation
Lands**

Schedule 9 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	70,000	70,000
Other-RST	320,580,000	-
Provincial Government		
Other-RST	320,580,000	-
	641,230,000	70,000
Other	70,000	44,000
Investment income	430,429	463,843
	641,730,429	577,843
Expenses		
Wages and benefits	134,223	231,936
Supplies and service	384,769	23,962
Travel and transportation	2,736	8,520
Interdepartmental costs	34,317	(103,149)
	556,045	161,269
Surplus	641,174,384	416,574

Fort William First Nation
Family Well-Being
Schedule 10 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	2,222,264	1,438,346
Provincial Government		
Ministry of Indigenous Affairs	13,200	-
	2,235,464	1,438,346
Dilico Anishinabek Family Care	291,822	238,181
Anishinabek Nation	276,229	236,103
Other	5,000	-
	2,808,515	1,912,630
Expenses		
Honorarium	-	150
Wages and benefits	600,374	433,202
Supplies and service	743,037	408,109
Travel and transportation	32,229	25,650
Utilities and telephone	6,224	2,187
Interdepartmental costs	1,426,651	1,043,332
	2,808,515	1,912,630
Surplus	-	-

Fort William First Nation
Bingo

Schedule 11 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Bingo revenue	3,553,770	3,697,050
Interest	103,095	88,358
Other	5,726	4,809
	3,662,591	3,790,217
Expenses		
Amortization of tangible capital assets	3,716	3,716
Donations	83,371	79,651
Cash short	4,302	6,192
Prizes	2,754,497	2,730,505
Repairs and maintenance	55,216	55,798
Wages and benefits	431,404	434,573
Supplies and service	295,352	326,760
Travel and transportation	7,602	-
Utilities and telephone	6,404	2,338
Interest and bank charges	15,073	9,033
Interdepartmental costs	140,897	154,164
	3,797,834	3,802,730
Deficit	(135,243)	(12,513)

**Fort William First Nation
Housing**

Schedule 12 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	556,180	987,213
Canada Mortgage and Housing Corporation Subsidy	237,438	181,748
	793,618	1,168,961
Rental operations	299,781	292,440
	1,093,399	1,461,401
Expenses		
Amortization of tangible capital assets	306,193	232,802
Bad debts (recovery)	(172,113)	31,296
Insurance	27,896	20,034
Interest on long-term debt	146,732	114,432
Repairs and maintenance	693,984	563,900
Wages and benefits	213,895	254,036
Supplies and service	309,541	31,619
Travel and transportation	11,968	5,103
Utilities and telephone	1,596	794
Interdepartmental costs	(536,277)	(209,453)
	1,003,415	1,044,563
Surplus before other items	89,984	416,838
Other income (expense)		
Gain (loss) on disposal of capital assets	(756,725)	-
Surplus (deficit)	(666,741)	416,838

Fort William First Nation
Property Management
Schedule 13 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	585,742	568,835
Rental operations	2,181,708	2,133,121
Interest	248,176	194,566
Income from investments in business partnerships	148,808	146,052
Other	261,691	312,255
	3,426,125	3,354,829
Expenses		
Amortization of tangible capital assets	272,982	735,705
Bad debts (recovery)	169,056	340,528
Honorarium	3,600	-
Insurance	127,503	101,991
Repairs and maintenance	583,604	618,154
Wages and benefits	716,686	533,347
Supplies and service	373,759	320,371
Travel and transportation	2,613	4,214
Utilities and telephone	137,160	134,442
Interdepartmental costs	305,870	(534,829)
	2,692,833	2,253,923
Surplus	733,292	1,100,906

Fort William First Nation
OFNLP Fund

Schedule 14 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Lottery Fund revenue	2,136,442	1,717,723
Expenses		
Interest and bank charges	2,692	2,859
Interdepartmental costs	95,962	34,700
Transfer cost	1,565,058	1,513,328
	1,663,712	1,550,887
Surplus	472,730	166,836

Fort William First Nation
Youth, Social Development and Restorative Justice
Schedule 15 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Provincial Government		
Ministry of Attorney General	50,000	100,000
Anishinabek Nation	179,727	109,614
Other	178,726	26,811
	408,453	236,425
Expenses		
Amortization of tangible capital assets	50,424	42,959
Bad debts (recovery)	13,344	-
Donations	24,300	29,250
Honorarium	44,994	65,751
Insurance	460	1,838
Repairs and maintenance	6,048	1,083
Wages and benefits	519,397	516,846
Supplies and service	232,905	187,690
Travel and transportation	13,839	5,402
Utilities and telephone	8,254	-
Interdepartmental costs	(647,344)	(616,394)
	266,621	234,425
Surplus	141,832	2,000

**Fort William First Nation
Arena**

Schedule 16 - Consolidated Schedule of Revenue and Expenses

For the year ended March 31, 2025

	2025	2024
Revenue		
Government funding		
Federal Government		
Indigenous Services Canada	60,000	60,000
Rental operations	845,802	761,164
Other	30,991	35,155
	936,793	856,319
Expenses		
Amortization of tangible capital assets	55,623	105,504
Bad debts (recovery)	6,763	1,377
Repairs and maintenance	223,864	183,999
Wages and benefits	663,947	399,511
Supplies and service	71,902	55,393
Travel and transportation	1,800	-
Utilities and telephone	312,704	318,620
Interest and bank charges	-	53
Interdepartmental costs	35,487	33,927
	1,372,090	1,098,384
Deficit	(435,297)	(242,065)

Fort William First Nation
Trust Funds

Schedule 17 - Consolidated Schedule of Revenue and Expenses
For the year ended March 31, 2025

	2025	2024
Revenue		
Investment income	4,080,123	4,185,631
Gain on sale of investments	3,524,088	2,191,708
	7,604,211	6,377,339
Expenses		
Supplies and service	669,369	681,106
Interest and bank charges	320	376
Per capital distribution	4,186,638	4,163,885
Interdepartmental costs	1,693,275	2,125,713
	6,549,602	6,971,080
Surplus (deficit)	1,054,609	(593,741)