Doane Grant Thornton

Consolidated Financial Statements

Membertou Reserve Band Council

March 31, 2025

Contents

Management's Responsibility for Financial Reporting

The accompanying consolidated financial statements of the **Membertou Reserve Band Council** and all the information in this annual report are the responsibility of management and have been approved by the Chief and Council.

The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Consolidated financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the consolidated financial statements are presented fairly, in all material respects.

The Band maintains systems of internal accounting and administrative controls of high quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable, and accurate, and the Band's assets are appropriately accounted for and adequately safeguarded.

The Band Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements.

The Council meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the annual report, the consolidated financial statements and the external auditor's report.

The consolidated financial statements have been audited by Doane Grant Thornton LLP in accordance with Canadian generally accepted auditing standards on behalf of the members. Doane Grant Thornton LLP has full and free access to the Council.

Terrance J. Paul

Chief Executive Officer

Michael McNeil

Chief Financial Officer

Doane Grant Thornton

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Independent Auditor's Report

To the Chief and Councillors of the
Membertou Reserve Band Council

Opinion

We have audited the consolidated financial statements of the Membertou Reserve Band Council (the "Band"), which comprise the consolidated statement of financial position as at March 31, 2025, and the consolidated statements of operations, changes in net financial liabilities and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Band 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 Band'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 company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Band'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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional scepticism 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 Band’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 Band'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 Band 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 Band 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.

Doane Grant Thornton LLP

Membertou, Canada
October 6, 2025

Chartered Professional Accounts

Membertou Reserve Band Council
Consolidated Statement of Operations

Year ended March 31	Budget	**2025**	2024
Revenues			
Fisheries	$ 9,049,700	**$ 7,823,451**	$ 7,635,766
Rental	4,072,566	**4,118,030**	3,693,774
Commercial sales	44,443,099	**41,604,115**	42,710,371
Government transfers (Note 21)	29,461,059	**35,849,932**	36,195,631
Income from government business partnership (Note 6)	-	**1,419,961**	79,478
Investment income and other revenues	10,558,434	**12,036,464**	10,894,297
	97,584,858	**102,851,953**	101,209,317
Expenditures			
Administrative	3,735,722	**5,347,172**	4,399,300
Community expenses	3,268,397	**3,806,376**	3,469,713
Core funding and benefits	1,010,660	**1,107,278**	1,007,528
Cost of sales – commercial	21,366,851	**18,992,915**	20,648,704
Education and training	1,571,397	**1,762,267**	2,118,418
Fishing	3,234,525	**3,328,286**	3,239,848
Health programs	1,221,853	**1,249,751**	1,225,937
Insurance	649,764	**787,475**	677,668
Interest	6,802,183	**8,806,241**	6,558,696
Other	2,136,448	**3,237,296**	2,358,718
Professional fees	357,000	**432,284**	555,309
Repairs and maintenance	5,475,287	**7,268,534**	7,003,838
Salaries and benefits	21,776,862	**22,755,178**	19,721,540
Security	433,200	**447,235**	438,006
Social	5,182,104	**4,789,557**	5,386,717
	78,222,253	**84,117,845**	78,809,940
Less: transfers/recoveries	(1,935,768)	**(1,855,960)**	(1,708,683)
	76,286,485	**82,261,885**	77,101,257
Annual surplus before depreciation	21,298,373	**20,590,068**	24,108,060
Depreciation	6,479,100	**7,297,447**	6,904,123
Annual surplus	$ 14,819,273	**13,292,621**	17,203,937
Accumulated surplus, beginning of year		**102,172,182**	84,968,245
Accumulated surplus, end of year		**$ 115,464,803**	$ 102,172,182

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council
Consolidated Statement of Financial Position

March 31	**2025**	2024
Financial assets		
Cash	**$ -**	$ 4,221,109
Receivables (Note 2)	**12,855,000**	16,772,734
Inventory	**864,032**	1,064,089
Restricted cash	**15,725,506**	13,679,750
Investments (Note 3)	**4,125,376**	12,373,862
Due from related party (Note 4)	**3,071,284**	3,097,996
Promissory note receivable (Note 5)	**53,342,929**	50,904,882
Investment in government business enterprise (Note 6)	**27,637,581**	1,561,211
	117,621,708	103,675,633
Financial liabilities		
Bank indebtedness	**2,989,601**	-
Line of credit (Note 7)	**1,261,032**	1,452,235
Payables and accruals (Note 8)	**7,450,233**	10,421,494
Deferred revenue (Note 9)	**15,156,456**	22,129,678
Deferred trust contributions (Note 10)	**6,368,707**	6,578,707
Long-term debt (Note 11)	**288,190,423**	250,542,543
Note payable	**1,526,373**	-
Capital lease obligations (Note 12)	**1,376,641**	873,112
	324,319,466	291,997,769
Net debt (Page 6)	**(206,697,758)**	(188,322,136)
Non-financial assets		
Purchased fishing licenses and permits (Note 13)	**123,651,437**	121,801,437
Capital assets (Note 14)	**198,166,728**	167,626,474
Prepaids	**344,396**	1,066,407
	322,162,561	290,494,318
Accumulated surplus (Note 15)	**$ 115,464,803**	$ 102,172,182

Contingencies (Note 18)

On behalf of the Band Council

Terrance J. Paul Chief   Paul B. Gould Councillor

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council,
Consolidated Statement of Changes in Net Debt

Year ended March 31	Budget	**2025**	2024
Annual surplus	$ 14,819,273	**$ 13,292,621**	$ 17,203,937
Depreciation	6,479,100	**7,297,447**	6,904,123
Licence and permit assets acquired	-	**(1,850,000)**	-
Capital assets acquired	61,125,318	**(37,837,701)**	(28,143,307)
	82,423,691	**(19,097,633)**	(4,035,247)
Acquisition of prepaid expenses	-	**722,011**	(708,001)
Change in net debt	82,423,691	**(18,375,622)**	(4,723,248)
Net debt, beginning of year	(188,322,136)	**(188,322,136)**	(183,578,888)
Net debt, end of year	$ (105,898,445)	**$(206,697,758)**	$ (188,322,136)

See accompanying notes to the consolidated financial statements.

Membertou Reserve Band Council
Consolidated Statement of Cash Flows

Year ended March 31	**2025**	2024
Increase (decrease) in cash and cash equivalents		
Operating		
Annual surplus	**$ 13,292,621**	$ 17,203,937
Depreciation	**7,297,447**	6,904,123
	20,590,068	24,108,060
Change in non-cash operating working capital		
Receivables	**3,917,734**	(2,293,683)
Prepaids	**722,011**	(708,001)
Inventory	**200,057**	(251,974)
Payables and accruals	**(2,971,261)**	5,213,863
Deferred revenue	**(6,973,222)**	2,443,390
	15,485,387	28,511,655
Investing		
Net change from government business entity	**(26,076,370)**	766,744
Purchase of investments	**(559,775)**	(349,300)
	(26,636,145)	417,444
Financing		
Advances to/from related parties	**26,712**	(79,478)
Change in restricted cash	**(2,045,756)**	(3,149,391)
Deferred trust contributions	**(210,000)**	(154,500)
Receipt of long-term lease	**742,776**	-
Repayment of long-term capital lease obligation	**(239,247)**	(217,726)
Receipt of note payable	**1,526,373**	-
Receipt of long-term debt	**73,642,174**	6,834,567
Repayment of long-term debt	**(29,624,080)**	(7,682,646)
	43,818,952	(4,449,174)
Capital		
Licence and permit assets acquired	**(1,850,000)**	-
Capital assets acquired	**(37,837,701)**	(28,143,307)
	(39,687,701)	(28,143,307)
Net increase (decrease) in cash and cash equivalents	**(7,019,507)**	(3,663,382)
Cash and cash equivalents, beginning of year	**2,768,874**	6,432,256
(Bank indebtedness) cash and cash equivalents, end of year	**$ (4,250,633)**	$ 2,768,874

Cash and cash equivalents consist of:		
(Bank indebtedness) cash	**$ (2,989,601)**	$ 4,221,109
Line of credit	**(1,261,032)**	(1,452,235)
	$ (4,250,633)	$ 2,768,874

See accompanying notes to the consolidated financial statements.

1. Summary of significant accounting policies

Reporting entity and principles of financial reporting
These financial statements have been prepared in accordance with Public Sector Accounting Standards (PSAS), which encompass the principles common with First Nations.

The consolidated financial statements of the Membertou Reserve Band Council are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the Band and the changes thereto. The consolidated statement of financial position includes all the assets and liabilities of the Band.

Significant aspects of the accounting policies adopted by the Band are as follows:

Principles of consolidation
The consolidated financial statements include the accounts of all funds and operations in which the Band has a controlling interest, after the elimination of inter-fund transactions and balances. The entities include the following Membertou Reserve Band Council Funds - Operating Fund, Housing Fund, Public Works Fund, Capital Fund, Economic Development Fund, Enterprise Fund, Employment Development Fund, Health Fund, AFS Program Fund, Social Fund, Enterprise Fund, and Education Fund, as well as, the Membertou Development Corporation, 3306129 Nova Scotia Limited (operating as the Membertou Market), the Membertou Trade & Convention Centre Limited, the Membertou Gaming Commission Inc., 3237395 Nova Scotia Limited (Operating as Membertou Insurance Brokers), Membertou Commercial Fisheries, Membertou Entertainment Centre, the Membertou Business Centre, the Membertou Cultural and Heritage Centre Foundation Inc., Membertou Data Centre, Membertou Geomatics, Membertou Sport and Wellness Centre, Lanes @ Membertou, Membertou Lobster, 35.71% of First Nations Fisheries Interest Group in the current year and 50% of SJDY Holdings Limited.

Membertou Properties Limited Partnership and Saint John Dock Yard Limited have met the definition of a government business enterprise, which is included in the consolidated financial statements on a modified equity basis (Note 6).

Cash and cash equivalents
Cash and cash equivalents include cash on hand, balances with banks, and term deposits net of bank overdraft.

Revenue recognition
Membertou Reserve Band Council follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses or capital expenditures are incurred. Unrestricted contributions are recognized as revenue when recovered or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

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

1. Summary of significant accounting policies (continued)

Revenue recognition (continued)
Rental revenue is recognized when received or receivable and collection is reasonably assured.

Gaming revenue from video lottery net of corresponding direct expenses are recognized at the time of play and are recorded net of commissions and credits paid out. Other gaming revenues are recognized as earned when received or receivable, as long as collection is reasonably assured.

Revenues earned from transactions with performance obligations include fisheries and commercial revenue and are recognized when the performance obligation is satisfied by providing the promised goods and/or services to the payor. Revenue from transactions with no performance obligations, if any, are recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset.

Tangible capital assets
Tangible capital assets are recorded at cost less accumulated depreciation and impairment.

Depreciation
Rates and bases of depreciation applied to write off the cost of property and equipment over their estimated lives are as follows:

Buildings	4%, declining balance
Housing properties	25-year, straight line
Infrastructure	4%, declining balance
Fishing vessels	15%, declining balance
Fishing equipment	20%, declining balance
Equipment	20%, declining balance
Motor vehicles	20%, declining balance
Moveable equipment	20%, declining balance
School buses	20%, declining balance
Computer hardware and software	20%, declining balance
Office equipment and furniture	20%, declining balance
Parking lots	4-20%, declining balance
Equipment under capital lease	20%, declining balance

Purchased fishing licenses and permits
Purchased fishing licenses and permits assets are intangible capital assets. These indefinite-lived fishing licenses and permits are recognized at cost and are not amortized.

The Band evaluates the carrying value of its licenses and permits annually for impairment. Should a permanent impairment be identified, the impairment will be recognized as a reduction in the carrying value and as a charge against income on the statement of operations in the period the impairment occurred.

The Band also owns other communal fishing licenses and permits which were not purchased by the Band but were given to or granted to the Band.

1. Summary of significant accounting policies (continued)

Investments
Investments are valued at the lower of cost and net realizable value.

Use of estimates
In preparing the Band's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the period. Actual results could differ from these estimates.

Income taxes
The Band Council is exempt from income taxes under Section 149(l) (c) of the *Canadian Income Tax Act*.

Government transfers
Government transfers received are recognized in the financial statements as revenue when the transfers are authorized, and all eligibility criteria have been met except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the transfer is recorded as a liability and recognized as revenue as the stipulations are met.

Government transfers to individuals and other entities are recognized as an expenditure when the transfers are authorized, and all eligibility criteria have been met.

Moveable Capital Asset Reserve
The Band is required to maintain a Moveable Capital Asset Reserve in accordance with the consolidated contribution agreement with the Department of Indigenous Services Canada – First Nations and Inuit Health Branch. The reserve is for the maintenance or replacement of capital assets transferred to the Band by the Department of Indigenous Services Canada – First Nations and Inuit Health Branch. Expenditures of capital funds under the reserve are restricted to expenditures on these assets only and there can be no transfer of these funds to the operating budget.

Inventory
The cost of inventories is comprised of directly attributable costs and includes the purchase price plus other costs incurred in bringing the inventories to their present location and condition, such as freight. The cost is reduced by the value of rebates and allowances received from vendors. The Band estimates net realizable value as the amount that inventories are expected to be sold. Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable due to obsolescence, damage, or declining selling prices. When circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in selling price, the amount of the write-down previously recorded is reversed. Costs that do not contribute to bringing inventories to their present location and condition, such as storage and administrative overheads, are specifically excluded from the cost of inventories and are expensed in the period incurred.

The cost of inventory recognized as an expense during fiscal 2025 was $18,992,915 (2024 - $21,097,068). No write-down of inventories below their cost to their net realizable value was made in fiscal 2025. There were no reversals of inventories written down previously that are no longer estimated to sell below cost.

1. Summary of significant accounting policies (continued)

Leases
Leases are classified as either capital or operating in nature. Capital leases are those which transfer substantially all the benefits and risks of ownership to the lessee. If the lease contains a term that allows ownership to pass to the Band or there is a bargain purchase option, the capitalized value is depreciated over the estimated useful life of the related asset. Otherwise, the capitalized value is depreciated on a straight-line basis over the lesser of the lease term and its estimated useful life. Obligations recorded under capital leases are reduced by the principal portion of lease payments as incurred and the imputed interest portion of capital lease payments is charged to expenditures and amortized straight-line over the life of the lease. Operating lease payments are charged to expenditures.

Net debt
The Band's financial statements are presented to highlight net debt as the measurement of financial position. The net debt of the Band is determined by its liabilities less its financial assets.

Hedge accounting
The Band uses derivative instruments to manage the Band's exposure to interest rate risks. When derivative instruments are used, the Band determines whether hedge accounting can be applied. Where hedge accounting can and will be applied, the hedge is documented at inception, detailing the hedging relationship, identifying the hedged item, the related hedging item, the nature of the specific risks being hedged and the intended term of the hedging relationship. Both at the inception of the hedging relationship, and throughout the term, the Band has reasonable assurance that the critical terms of the hedging item and the hedged item are, and will remain, the same. For all hedged items which are anticipated transactions, the Band has determined that it is probable that the transaction will occur at the time and in the amount documented at the inception of the hedging relationship.

The Band has elected to use hedge accounting for the following qualifying hedging relationships:

A prime plus 1.5% mortgage has been hedged with a 3.495% fixed interest rate swap to mitigate the effect of changes in interest rates.

Financial instruments
All financial instruments are recorded at their cost or amortized cost except for portfolio investments in equity instruments quoted in an active market and derivatives which are recorded at their fair value with unrealized remeasurement gains and losses recorded in the statement of remeasurement gains and losses. Once realized, remeasurement gains and losses are transferred to the statement of operations. Changes in the fair value on restricted assets are recognized as a liability until the criterion attached to the restrictions has been met, upon which the gain or loss is recognized in the statement of operations.
Transaction costs related to financial instruments measured at cost or amortized cost are added to the carrying value of the financial instrument. Transaction costs related to financial instruments recorded at their fair values are expensed as incurred.

Financial liabilities (or part of a financial liability) are removed from the statement of financial position when, and only when, they are discharged or cancelled or expire.

1. Summary of significant accounting policies (continued)

Asset retirement obligations

A liability for an asset retirement obligation is recognized when all of the following criteria are met:

- there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- the past transaction or event giving rise to the liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

The liability is measured at the Band's best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the financial statement date. The estimate includes costs directly attributable to the asset retirement activities. The costs also include post-retirement operation, maintenance and monitoring that are an integral part of the retirement of the tangible capital asset and the costs of tangible capital assets acquired as part of asset retirement activities to the extent those assets have no alternative use.

Upon initial recognition of the liability for an asset retirement obligation, the carrying amount of the corresponding tangible capital asset (or component thereof) is increased by the same amount. The capitalized asset retirement cost is expensed in a rational and systematic manner over the useful life of the tangible capital asset (or a component thereof). For obligations for which there is no tangible capital asset recognized or for tangible capital assets that are no longer in productive use, the asset retirement costs are expensed immediately. Subsequently, the liability is reviewed at each financial statement reporting date and adjusted for (1) changes as a result of the passage of time with corresponding accretion expense and (2) adjusted for any revisions to the timing, amount of the original estimate of undiscounted cash flows, or the discount rate. Adjustments to the liability as a result of revisions to the timing, amount of the estimate of undiscounted cash flows or the discount rate are adjusted to the cost of the related tangible capital asset and the revised carrying amount of the related tangible capital asset is amortized except for adjustments related to tangible capital assets that are not recognized or no longer in productive use, which are expensed in the period they are incurred.

A recovery related to asset retirement obligation is recognized when the recovery can be appropriately measured; reasonably estimated and it is expected that future economic benefits will be obtained. The recovery is not netted against the liability.

The Band has estimated that any liability related to asset retirement obligations is immaterial to the consolidated financial statements.

2. Receivables

	2025	2024
Atlantic Canada Opportunities Agency	**$ 52,121**	$ 27,713
Atlantic Integrated Commercial Fisheries Initiative	**623,940**	392,746
Canada Mortgage and Housing Corporation	**155,177**	31,699
Clearwater Seafoods Inc.	**31,713**	140,380
Commodity sales tax	**201,711**	894,740
Department of Fisheries and Oceans	**318,705**	184,513
Indigenous Services Canada	**4,902,950**	7,674,173
Health Canada	**3,460,199**	3,482,931
Kwilmuk Maw-Klusuaqn	**43,662**	24,956
Mi'kmaw Employment Training Secretariat	**23,925**	22,799
Mi'kmaw Kina'matnewey	**25,729**	1,800
Province of Nova Scotia	**197,041**	195,130
Sundry	**463,558**	940,447
Trade (less allowance for doubtful accounts)	**2,354,569**	2,758,707
	$ 12,855,000	$ 16,772,734

3. Investments

	2025	2024
Membertou Hotel Limited Partnership	**$ 3,582,644**	$ 3,229,971
Encyt Technologies Incorporated	**101,000**	101,000
Sydney Harbour Investment Partners Inc.	**-**	8,808,261
Other	**441,732**	234,630
	$ 4,125,376	$ 12,373,862

During the year, the Band sold its interest in Sydney Harbour Investment Partnership Inc. in return for satisfying the security related to the fully non-recourse loan of $8,808,261.

4. Due from related party

	2025	2024
Membertou Properties Limited Partnership	**$ -**	$ 3,097,996
Saint John Dock Yard Limited	**3,071,284**	-
	$ 3,071,284	$ 3,097,996

The transactions between the band and related parties are recorded as arms-length transaction at the exchange amount. There are no set terms of repayments and no interest on this related party receivable.

5. Promissory note receivable

	2025	2024
Subordinated debt	**$ 6,891,797**	$ 6,891,797
Accrued interests on subordinated debt	**950,172**	212,080
Subordinated debt Series A	**42,860,000**	42,860,000
Accrued interests on subordinated debt Series A	**2,640,960**	941,005
	$ 53,342,929	$50,904,882

Subordinated debt and subordinated debt Series A is receivable from the First Nation Fisheries Interest Group, bearing interest at 8%, with no set-terms of repayment. The increase in the promissory note receivable balance is due to the receipt of long-term debt, which is attributable to other partners and is a non-monetary transaction. Therefore, it was netted with receipt of long-term debt on the statement of cash flow.

6. Investment in government business enterprise

The commercial government business enterprise ("GBE") that is included in the Band's reporting entity, as described in Note 1 to these financial statements includes:

Membertou Properties Limited Partnership

The following table presents condensed financial information for the commercial enterprise:

	2025	2024
Assets		
Cash and cash equivalents	**$ 261,552**	$ 625,938
Accounts receivables	**33,285**	182,099
Derivative interest rate swap asset	**111,817**	543,708
Prepaids	**30,581**	42,689
Capital assets	**13,896,922**	14,264,669
	14,334,157	15,659,103
Liabilities		
Payables and accruals	**56,434**	659,952
Deferred revenue	-	11,068
Due to related parties	**-**	2,982,577
	56,434	3,653,597
Long-term debt	**12,741,594**	10,444,295
Equity	**1,536,129**	1,561,211
Total liabilities and equity	**$ 14,334,157**	$15,659,103

6. Investment in government business enterprise (continued)

Revenue	**$ 3,309,067**	$ 3,163,013
Expenditures	**3,334,149**	3,083,535
Net (loss) income	**$ (25,082)**	$ 79,478

The Partnership has entered into a 3.495% fixed interest rate swap to mitigate the effect of changes in interest rates, on the Bank of Nova Scotia mortgage.

	2025		2024	
	Carrying amount	**Notional amount**	Carrying amount	Notional amount
Interest rate contracts	$ 9,846,005	**$ 9,414,114**	$ 10,429,045	$ 9,885,337
		$ 431,891		$543,708

SJDY Holdings Limited holds interest in a government business enterprise (Saint John's Dockyard Limited) which is accounted for using the modified equity method. As Membertou jointly controls SJDY Holdings Limited it has brought in 50% of the investment in the GBE upon consolidation.

The following table presents condensed financial information for Membertou's portion of Saint John's Dockyard Limited:

	2025
Assets	
Receivables	**$ 10,197,702**
Prepaids	**337,401**
Inventory	**42,925**
Capital assets	**28,568,030**
	39,146,058
Liabilities	
Bank indebtedness	**$ 454,439**
Payables and accruals	**6,522,006**
Deferred revenue	**1,774,133**
Due to related parties	**3,057,891**
Long-term debt	**1,236,137**
	13,044,606
Equity	**26,101,452**
Total liabilities and equity	**$ 39,146,058**
Revenue	**$ 14,187,596**
Expenditures	**12,742,553**
Net income	**$ 1,445,043**

7. Line of credit

The Band Council has an established line of credit of $2,500,000 with the Bank of Montreal, which bears interest at a rate of prime plus 1%. The Band Council also has an established line of credit of $1,500,000 with Peace Hills Trust, which bears interest at their prime rate. At the year end, the line of credit had a balance outstanding of $1,261,032 (2024 - $1,452,235).

8. Payables and accruals

	2025	2024
Accrued liabilities	**$ 3,624,370**	$ 3,987,983
Commodity tax	**495,986**	243,814
Government remittances	**(5,434)**	263,104
Trade	**3,335,311**	5,926,593
	$ 7,450,233	$ 10,421,494

9. Deferred revenue

	2024	Received in 2025	Recognized as revenue	**2025**
Indigenous Services Canada	$ 9,493,305	$ 13,699,233	$ 15,021,759	**$ 8,170,779**
Health Canada	5,801,310	4,074,288	5,248,470	**4,627,128**
CMHC	4,210,548	1,455,440	5,665,988	**-**
Other	2,624,515	9,647,749	9,913,715	**2,358,549**
	$ 22,129,678	$ 28,876,710	$ 35,849,932	**$ 15,156,456**

10. Deferred trust contributions

	2025	2024
Balance, beginning of year	**$ 6,578,707**	$ 6,733,207
Contributions during the year	**(877,500)**	(825,000)
Deferrals during the year	**667,500**	670,500
	6,368,707	6,578,707
Contributions due within one year	**(840,000)**	(800,000)
Deferred trust contributions	**$ 5,528,707**	$ 5,778,707

The Membertou Reserve Band Council has setup a Children's Trust Fund for all children on the Membertou Reserve Band Council list. An annual contribution is made on each child's behalf to the trust fund.

11. **Long-term debt**	**2025**	2024
Canada Mortgage and Housing Corporation		
0.64% - 4.23% mortgages, repayable under various terms by September 2042.	**$ 5,716,383**	$ 5,449,582
First Nation Finance Authority		
1.90% - 3.79% loans, repayable under various terms, maturing June 2030.	**223,064,476**	191,493,446
Royal Bank of Canada		
2.21% - 5.25% mortgages, repayable under various terms by September 20, 2032.	**209,945**	403,716
Ford Credit		
2.49% loan repayable in monthly instalments of $725 of principal and interest maturing in January 2026.	**4,969**	12,780
2.49% loan repayable in monthly instalments of $753 of principal and interest maturing in January 2026.	**5,270**	13,387
2.49% loan repayable in monthly instalments of $1,438 of principal and interest maturing in January 2026.	**26,129**	38,711
Bank of Montreal		
2.79% term loan, due on demand, maturing in February 2037, repayable in monthly instalments of $38,770.	**4,870,374**	5,160,342
Prime plus 1.00% term loan, repaid during the year.	**-**	20,982
3.40% term loan, repayable in monthly instalments of $5,360, including interest, maturing May 2035.	**552,133**	596,948
Prime plus 0.75% term loan, repaid during the year.	**-**	17,309
5.70% term loan, repayable in monthly instalments of $9,889 including interest. Maturing September 2025.	**1,710,778**	-

11. Long-term debt (continued)	**2025**	2024
2.97% mortgage repayable in monthly instalments of $7,310 on account of principal and interest maturing on December 2038, secured by a Department of Indigenous Services Canada Ministerial Guarantee.	**998,138**	1,056,206
3.40% mortgage repayable in monthly instalments of $5,338 on account of principal and interest maturing on May 2039, secured by a Department of Indigenous Services Canada Ministerial Guarantee. Loan will be repayable over 25 years.	**705,763**	747,043
Prime plus 3.29% mortgage repayable in monthly instalments of $15,988 on account of principal and interest maturing on July 2041, secured by a Department of Indigenous Services Canada Ministerial Guarantee.	**2,484,743**	2,581,160
4.26% loan repayable in monthly instalments of $18,593, maturing in November of 2038.	**2,326,131**	2,439,216
Prime plus 2.75% mortgage repayable in monthly instalments of $15,198 on account of principal and interest maturing on May 2027, secured by a Department of Indigenous Services Canada Ministerial Guarantee. Loan will be repayable over 25 years.	**505,353**	633,171
Prime plus 0.75% term loan advance, repayable in monthly principal and interest instalments of $6,666, matures in July 2030.	**927,833**	981,790
3.89% mortgage repayable in monthly instalments of $8,137 of principal and interest maturing on October 2042, secured by a Department of Indigenous Services Canada Ministerial Guarantee. Fixed rate. Loan will be repayable over 25 years.	**1,239,658**	1,290,387
Prime plus 0.75% term loan advance, repayable in monthly principal and interest instalments of $26,127, matures in November 2025.	**2,407,256**	2,539,299
3.80% loan payable, repayable in monthly instalments of $4,347, maturing March 2030.	**239,992**	282,178
5.70% loan payable, repayable in monthly instalments of $9,025, maturing November 2027.	**364,058**	442,747
5.70% loan payable, repayable in monthly instalments of $11,002, maturing November 2027.	**449,450**	534,330

11. **Long term debt** (continued)	**2025**	2024
3.89% fixed term loan, repayable in monthly instalments of $35,645, matures in April 2046.	**6,248,175**	6,430,172
6.55% fixed rate term loan, repayable in monthly instalments of $22,225, matures in September 2034	**2,841,071**	3,173,571
6.81% fixed rate option loan, repayable in monthly instalments of $22,117, matures in March 2034.	**2,516,794**	2,657,964
Prime plus 0.75% demand loan, repayments commencing in Fiscal 2026.	**58,750**	58,750
Prime plus 0.75% term loan repayable on a straight line basis over 10 years with principal payments commencing on substantial completion of building.	**4,316,500**	2,347,497
5.70% loan payable, repayable in monthly instalments of $19,054, maturing September 2030. .	**1,999,200**	2,269,925
Prime plus 0.75% term loan repayable on a straight line basis over 30 years with principal payments commencing on substantial completion of building.	**18,999,596**	5,167,108
Peace Hills Trust		
4.25% mortgage repayable in monthly instalments of $17,162, maturing July 2028.	**579,758**	765,198
4.00 % mortgage, repayable in monthly instalments of $15,140, maturing May 2028.	**531,550**	685,085
4.00% loan, repayable in monthly instalments of $6,104, maturing June 2034.	**614,549**	660,943
Bank of Nova Scotia		
1.49% loan, repaid during the year.	**-**	3,821
1.49% loan, repaid during the year.	**-**	4,242
Atlantic Canada Opportunities Agency		
Non-interest bearing, repayable in monthly instalments of $6,250, maturing in 2032	**562,500**	637,500

11. Long term debt (continued)	**2025**	2024
Nova Scotia Lands		
Non-interest-bearing lease, repayable in annual instalments of $12,800, plus HST, maturing July 2028.	**38,400**	51,200
Ulnooweg		
4.00% loan amortized over 10 years, repayable in monthly instalments of $928, including interest	**74,747**	86,576
Bridging Finance Inc.		
12.50% non-recourse loan, repaid during the year.	**-**	8,808,261
	288,190,423	250,542,543
Current portion of long-term debt Principal payments due within one year.	**7,495,942**	7,140,898
	$ 280,694,481	$ 243,401,645

As security, the Bank of Montreal has been given a general security agreement constituting a first ranking security interest in all personal property of the Membertou Reserve Band Council, Membertou Gaming Commission and the Membertou Trade and Convention Centre, as well as guarantees in the amount of $2,700,000 from each entity. As security, the Band has provided a Band Council Resolution providing an irrevocable authorization to the Department of Indigenous Services Canada to assign all funding until all loans are repaid to the bank and a floating charge on the assets of the Band Council.

As security, Peace Hills Trust has been given a first general security agreement on all fixed/floating assets and specific charge over Business and Professional Centres and assignment of all rents and leases.

Repayments in each of the next five (5) years are as follows:

2026	$ 7,495,942
2027	7,615,618
2028	7,685,833
2029	7,776,085
2030	6,996,803
Thereafter	250,650,142
	$ 288,190,423

12. Capital lease obligations

	2025	2024
John Deere		
4.99% capital lease, repaid during the year.	**-**	18,953
4.35% capital lease, repayable in monthly instalments of $6,176 including interest, maturing in November 2025.	**113,198**	186,284
6.20% capital lease, repayable in monthly instalments of $10,306 including interest, maturing in January 2031.	**604,059**	-
5.80% capital lease, repayable in monthly instalments of $2,398 including interest, maturing in December 2030.	**138,717**	-
Bank of Nova Scotia		
5.31% capital lease repaid during the year.	**-**	3,036
5.45% capital lease repayable in monthly instalments of $12,503, including interest, maturing December 2025.	**520,667**	664,839
	1,376,641	873,112
Less: current portion	**306,957**	208,152
	$ 1,069,684	$ 664,960

Repayments in each of the next five (5) years are as follows:

2026	**$ 306,957**
2027	**292,981**
2028	**265,197**
2029	**256,070**
2030	**141,605**
Thereafter	**113,831**
	$ 1,376,641

13. Purchased fishing licenses and permits

	2025	2024
Purchased fishing licenses and permits	**$ 123,651,437**	$ 121,801,437

The Band records all purchased commercial fishing licenses and permits as intangible assets. All other permits and licenses owned by Membertou Reserve Band Council have been granted for a nil consideration and therefore have not been capitalized.

14. Capital assets

	Cost, beginning of year	Additions	Disposals	Cost, end of year	Accumulated depreciation, beginning of year	Depreciation	Depreciation on Disposal	Accumulated depreciation, end of year	2025 Net book value	2024 Net book value
Land	26,841,939	1,049,658	-	27,891,597	-	-	-	-	27,891,597	26,841,939
Buildings	86,017,023	7,345,022	-	93,362,045	27,673,870	2,548,231	-	30,222,101	63,139,944	58,343,153
Infrastructure	31,889,879	313,099	-	32,202,978	12,040,610	762,030	-	12,802,640	19,400,338	19,849,269
Housing Properties	46,947,916	5,978,679	593,660	52,332,935	19,951,739	1,601,316	-	21,553,055	30,779,880	26,996,177
Fishing vessels	5,772,372	4,581,174	-	10,353,546	2,781,780	659,687	-	3,441,467	6,912,079	2,990,592
Fishing equipment	901,433	558,202	-	1,459,635	423,461	122,579	-	546,040	913,595	477,972
Equipment	11,867,504	944,974	-	12,812,478	8,680,292	703,699	-	9,383,991	3,428,487	3,187,212
Motor Vehicles	1,864,305	21,500	-	1,885,805	1,221,153	148,189	-	1,369,342	516,463	643,152
Computer hardware & software	603,483	-	-	603,483	554,092	10,019	-	564,111	39,372	49,391
Office equipment	883,496	-	-	883,496	809,701	10,499	-	820,200	63,296	73,795
Parking lots	669,530	-	-	669,530	635,402	34,128	-	669,530	-	34,128
Leasehold improvements	8,400,810	3,393,099	-	11,793,909	3,797,888	679,476	-	4,477,364	7,316,545	4,602,922
Signage	535,126	-	-	535,126	447,155	17,594	-	464,749	70,377	87,971
Assets under construction	23,448,801	26,982,794	12,736,840	37,694,755	-	-	-	-	37,694,755	23,448,801
	246,643,617	51,168,201	13,330,500	284,481,318	79,017,143	7,297,447	-	86,314,590	198,166,728	167,626,474

15. Accumulated surplus

The Band segregates its accumulated surplus into the following categories:

	2025	2024
Unallocated	**$ 114,669,635**	$ 100,641,449
Health Canada Moveable Capital Asset Reserve (Note 16)	**139,042**	131,542
Tangible Capital Asset Reserve (Note 17)	**656,126**	1,399,191
	$ 115,464,803	$ 102,172,182

The funds on deposits have been set aside to be spent on specific projects.

16. Moveable Capital Asset Reserve

	2025	2024
Opening balance	**$ 131,542**	$ 125,542
Allocations during the year	**7,500**	6,000
	$ 139,042	$ 131,542

17. Tangible Capital Asset Reserve

	2025	2024
Opening balance	**$ 1,399,191**	$ 609,747
Allocations during the year	**(743,065)**	789,444
	$ 656,126	$ 1,399,191

18. Contingencies

a) The Band has entered into an alternative funding arrangement with Indigenous Services Canada, effective April 1, 2013. These funds may be repayable if any of the following conditions are not met:

1) minimum program requirements are not met,
2) capital funds are not expended for capital purposes; and
3) any mandatory capital projects are not completed.

b) As at March 31, 2025, the Band has provided a guarantee for mortgages payable by Band members, totalling $3,912,717 (2024 - $3,865,450), which were obtained under Section 10 of the *Indian Act*. In the event that the individual is unable to meet its obligations at some future date and the Band is required to honour its guarantee, any payments will be accounted for as a charge to operations in the year such payments are made.

c) The Band's pension plan contributions are funded by the Indigenous and Department of Indigenous Services Canada. Any unexpended portion of these funds is repayable by the band.

d) The Band has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if the band fails to comply with the terms and conditions of the agreements.

e) Under an agreement with the Bank of Nova Scotia, the Band is jointly and severally liable for loans provided by the Bank of Nova Scotia to Membertou Properties Limited Partnership. The Band has provided the Bank of Nova Scotia with a General Security Agreement providing a 2nd security interest in all present and future personal property subject with appropriate insurance coverage, loss if any, payable to the Bank and including specific charges over equipment financed. At March 31, 2025, outstanding loan balances were $12,741,595.

19. Replacement reserve fund

Under the terms of the agreement with the CMHC, the replacement reserve account is to be increased by annual charges to equity. The charge in the current year is $113,933 (2024 - $110,074). These funds, along with accumulated interest, must be held in a separate bank account and/or invested only in accounts or instruments insured by the Canada Deposit Insurance Corporation or as may otherwise be approved by the CMHC from time to time. The funds in the account may only be used as approved by the CMHC. Withdrawals are credited to interest first and then principal.

As of March 31, 2025, the reserve was fully funded.

20. Pension costs and obligations

The Band is required to match contributions to a group registered retirement savings plan for all full-time employees to a limit of 5.5% of the yearly maximum pensionable earnings for non-band members and 9% for band members. Total contributions during the year amounted to $503,800 (2024 - $483,338).

21. Government transfers

	2025			2024		
	Operating	**Capital**	**Total**	Operating	Capital	Total
Build Nova Scotia	**$ -**	**$ -**	**$ -**	$ -	$ 1,000,000	$ 1,000,000
Canada Mortgage and Housing Corporation	**2,115,073**	**3,550,915**	**5,665,988**	376,029	4,892,657	5,268,686
Department of Fisheries and Oceans	**237,834**	**570,000**	**807,834**	277,712	374,158	651,870
Indigenous Services Canada	**10,898,094**	**4,123,665**	**15,021,759**	10,506,009	3,821,828	14,327,837
Indigenous Services Canada - First Nations and Inuit Health Branch	**3,017,209**	**2,231,261**	**5,248,470**	3,067,017	4,345,281	7,412,298
Mi'kmaw Employment Training Secretarit	**642,941**	**-**	**642,941**	644,328	-	644,328
Mi'kmaw Kina'matnewey	**6,995,708**	**-**	**6,995,708**	6,005,234	-	6,005,234
Other	**272,313**	**287,327**	**559,640**	53,621	373,615	427,236
Unooweg Development Group Inc.	**342,202**	**565,390**	**907,592**	458,142	-	458,142
	$ 24,521,374	**$ 11,328,558**	**$ 35,849,932**	$ 21,388,092	$ 14,807,539	$ 36,195,631

22. Comparative figures

Certain comparative figures have been reclassified to conform to the current year financials.

23. Classification of financial instruments

The following table provides the carrying amount information of the Public Sector Entity's financial instruments by category. The maximum exposure to credit risk for the financial assets would be the carrying values shown below.

The Investment in government business enterprise includes a derivative financial asset related to the interest rate swap, described in Note 6, and is measured at fair market value. This derivative financial asset is a level 2 fair value measurement, which are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

	2025	2024
Financial Instrument	**Amortized Cost**	Amortized Cost
Cash	(2,989,601)	4,221,109
Receivables	12,855,000	16,772,734
Restricted cash	15,725,506	13,679,750
Due from related party	3,071,284	3,097,996
Promissory note receivable	53,342,929	50,904,882
Line of credit	1,261,032	1,452,235
Payables and accruals	7,450,233	10,421,494
Deferred revenue	15,156,456	22,129,678
Long-term debt	288,190,423	250,542,543
Note payable	1,526,373	-
Deferred trust contributions	6,368,707	6,578,707
Capital lease obligations	1,376,641	873,112

24. Risk disclosures

Credit risk

Credit risk is the risk of financial loss to the Band if a debtor fails to discharge their obligation (e.g., pay the accounts receivable owing to the Band). The Band is exposed to this risk arising from its cash, investments and accounts receivable.

Accounts receivable is primarily due from government, and corporations and individuals. Credit risk is mitigated by the highly diversified nature of the debtors and other customers. The Band measures its exposure to credit risk based on how long the amounts have been outstanding. An impairment allowance is set up based on the Band's historical experience regarding collections. In the current and prior years, all of the impairment allowance related to trade receivables. There were no changes in exposures to credit risk during the period. All amounts described in Note 2 are considered to be current other that the amount outstanding with Clearwater Seafoods Inc.

The Band has also provided a loan guarantee as described in Note 18.

24. Risk disclosures (continued)

Liquidity risk

Liquidity risk is the risk that the Band will not be able to meet all cash outflow obligations as they come due. The Band mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and maintaining investments that may be converted to cash in the near-term if unexpected cash outflows arise. The Band is exposed to this risk arising from its payables and long-term debt.

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. The expected maturities, representing undiscounted cash-flows of the Band's long-term debt is set out in Note 11.

Interest rate risk

Interest rate risk is the potential for financial loss caused by fluctuations in the fair value or future cash flows of financial instruments because of changes in market interest rates. The Band is exposed to this risk through its interest-bearing investments and debt. 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.

25. Segment disclosure

The Band provides a wide range of services to its members, including training, education, social, health care and housing. For management reporting purposes Membertou First Nation's operations and activities are organized and reported by divisions. The divisions were created for the purpose of recording activities to comply with specific regulations and requirements.

Divisions that have been separately disclosed in the consolidated schedules of revenues and expenditures on the following pages are:

- Social Development – social assistance provided to qualifying members.
- Band Government – all associated with the administration of the First Nation operations.
- Human Resources and Quality Management – associated with payroll, hiring, and HR.
- Capital Projects – provides capital construction projects for the community.
- Operations and Maintenance – repairs and maintenance carried out during the year to the community buildings.
- Economic Development – specified development projects undertaken by the First Nation.
- Education – providing elementary, secondary, and post-secondary tuition for qualifying members along with related programs and support.
- Employment Development – activities related to job training and skills.
- Health Canada – activity of the Health Centre which provides a variety of health care programs and support.
- Department of Fisheries and Oceans – AFS Program – management of the DFO fisheries operations.
- Miscellaneous – all other items not reported in a specified division.
- Housing Fund – Section 95 and non-subsidized housing operations.

25. Segment disclosure (continued)

- Public Works – infrastructure, maintenance, and repairs.
- Membertou Lands – land and waste management.
- Commercial enterprises – Operating results from Membertou Development Corporation, Membertou Enterprise Fund, 3306129 Nova Scotia Limited (operating as the Membertou Market), the Membertou Trade & Convention Centre Limited, the Membertou Gaming Commission Inc., 3237395 Nova Scotia Limited (Operating as Membertou Insurance Brokers), Membertou Commercial Fisheries, the Membertou Business Centre, the Membertou Cultural and Heritage Centre Foundation Inc., Membertou Data Centre, Membertou Geomatics, Membertou Sport and Wellness Centre, and Lanes @ Membertou.

Membertou Reserve Band Council
Note 27 – Segment Disclosure (continued)
Year ended March 31, 2025

	Band Government			Capital Projects			Commercial			Department of Fisheries and Oceans		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
Revenues												
Government operating transfers	$ 542,803	**$ 691,564**	$ 1,289,758	$ -	**$ -**	$ -	$ 93,000	**$ 1,005,960**	$ 981,409	$ 162,000	**$ 237,835**	$ 277,712
Government capital transfers	-	-	-	331,092	**421,831**	691,000	1,300,000	**337,344**	3,098,728	-	**570,000**	320,537
Economic activities	-	-	-	-	-	-	49,034,264	**45,856,541**	45,585,228	-	-	-
Gain on disposal of property	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	**1,419,961**	79,478	-	-	-
Other	-	-	-	-	-	-	310,950	**693,765**	420,518	-	-	-
	542,803	**691,564**	1,289,758	331,092	**421,831**	691,000	50,738,214	**49,313,571**	50,165,361	162,000	**807,835**	598,249
Expenses												
Salaries and benefits	1,813,803	**1,961,436**	1,811,838	-	-	-	10,416,164	**10,835,727**	9,192,887	90,738	**136,862**	81,995
Depreciation	150,384	**130,740**	111,420	-	-	-	3,807,504	**5,803,590**	4,201,280	-	**1,244**	1,555
Interest	-	-	-	-	-	-	681,119	**2,199,060**	1,623,319	-	-	-
Other	1,881,172	**3,226,073**	2,758,059	120,000	-	89,500	24,164,304	**23,070,796**	23,713,861	71,262	**44,072**	50,896
	3,845,359	**5,318,249**	4,681,317	120,000	-	89,500	39,069,091	**41,909,173**	38,731,347	162,000	**182,178**	134,446
Surplus (deficit) for the year	$ (3,302,556)	**$ (4,626,685)**	$ (3,391,559)	$ 211,092	**$ 421,831**	$ 601,500	$ 11,669,123	**$ 7,404,398**	$ 11,434,014	$ -	**$ 625,657**	$ 463,803

	Economic Development			Education			Employment Development			Enterprise		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
Revenues												
Government operating transfers	$ 88,787	**$ 113,120**	$ 733,386	$ 6,045,996	**$ 6,995,708**	$ 6,171,345	$ 434,580	**$ 642,941**	$ 644,328	$ 20,000	**$ 30,385**	$ 17,559
Government capital transfers	-	-	-	-	-	-	-	-	-	-	-	-
Economic activities	-	-	-	-	-	-	-	-	-	7,182,000	**6,367,223**	7,196,989
Gain on disposal of property	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
	88,787	**113,120**	733,386	6,045,996	**6,995,708**	6,171,345	434,580	**642,941**	644,328	7,202,000	**6,397,608**	7,214,548
Expenses												
Salaries and benefits	70,832	**34,481**	78,048	3,668,877	**3,941,952**	3,278,655	142,129	**272,452**	282,551	263,190	**241,044**	272,447
Depreciation	-	-	-	274,644	**295,373**	309,985	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-
Other	88,000	**88,000**	90,740	1,759,638	**2,366,128**	2,127,771	290,920	**312,373**	648,714	6,945,395	**7,186,844**	7,635,199
	158,832	**122,481**	168,788	5,703,159	**6,603,453**	5,716,411	433,049	**584,825**	931,265	7,208,585	**7,427,888**	7,907,646
Surplus (deficit) for the year	$ (70,045)	**$ (9,361)**	$ 564,598	$ 342,837	**$ 392,255**	$ 454,934	$ 1,531	**$ 58,116**	$ (286,937)	$ (6,585)	**$ (1,030,280)**	$ (693,098)

Membertou Reserve Band Council
Note 27 – Segment Disclosure (continued)

Year ended March 31, 2025

	Health Canada			Housing Fund			Human Resources/Quality Management			Land Management		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
Revenues												
Government operating transfers	$ 3,014,528	**$ 3,017,209**	$ 2,545,326	$ 360,600	**$ 2,115,073**	$ 376,029	$ -	**$ -**	$ -	$ 200,240	**$ 255,118**	$ 206,516
Government capital transfers	3,000,000	**2,231,261**	4,345,281	5,476,531	**7,085,742**	6,351,993	-	-	-	-	-	-
Economic activities	-	-	-	1,349,100	**1,310,504**	1,246,810	-	-	-	-	-	-
Gain on disposal of property	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
	6,014,528	**5,248,470**	6,890,607	7,186,231	**10,511,319**	7,974,832	-	-	-	200,240	**255,118**	206,516
Expenses												
Salaries and benefits	1,283,622	**918,922**	762,116	881,717	**1,034,630**	807,695	440,712	**425,633**	402,235	290,742	**286,677**	305,876
Amortization	9,648	**12,226**	12,753	1,290,696	**40,704**	1,320,861	-	-	-	-	-	-
Interest	-	-	-	647,436	**681,300**	716,407	-	-	-	-	-	-
Other	1,672,441	**1,758,330**	1,575,653	2,171,139	**4,065,690**	3,385,170	255,260	**898,513**	412,401	134,840	**137,781**	63,448
	2,965,711	**2,689,478**	2,350,522	4,990,988	**5,822,324**	6,230,133	695,972	**1,324,146**	814,636	425,582	**424,458**	369,324
Surplus (deficit) for the year	$ 3,048,817	**$ 2,558,992**	$ 4,540,085	$ 2,195,243	**$ 4,688,995**	$ 1,744,699	$ (695,972)	**$ (1,324,146)**	$ (814,636)	$ (225,342)	**$ (169,340)**	$ (162,808)

	Miscellaneous			Operations and Maintenance			Public Works			Social		
	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024	Budget 2025	Actual 2025	Actual 2024
Revenues												
Government operating transfers	$ -	**$ -**	$ -	$ 1,005,187	**$ 1,280,669**	$ 577,238	$ -	**$ -**	$ -	$ 6,385,716	**$ 8,135,792**	$ 7,567,486
Government capital transfers	-	-	-	-	-	-	1,000,000	**682,380**	-	-	-	-
Economic activities	-	**11,328**	10,884	-	-	-	-	-	-	-	-	-
Gain on disposal of property	-	-	-	-	-	-	-	-	-	-	-	-
Income from investment in GBE's	-	-	-	-	-	-	-	-	-	-	-	-
Other	10,247,484	**11,272,699**	10,473,779	-	-	-	-	**70,000**	-	-	-	-
	10,247,484	**11,284,027**	10,484,663	1,005,187	**1,280,669**	577,238	1,000,000	**752,380**	-	6,385,716	**8,135,792**	7,567,486
Expenses												
Salaries and benefits	-	-	-	515,955	**634,259**	576,133	1,000,537	**1,241,865**	1,043,786	897,844	**789,237**	825,276
Amortization	-	-	-	28,260	**26,888**	28,593	917,964	**986,682**	917,677	-	-	-
Interest	5,466,656	**5,919,335**	4,206,893	-	-	-	6,972	**6,546**	12,077	-	-	-
Other	2,370,000	**2,326,096**	2,315,250	209,900	**(13,464)**	(3,936)	511,581	**384,134**	550,263	5,061,588	**4,849,101**	5,408,033
	7,836,656	**8,245,431**	6,522,143	754,115	**647,683**	600,790	2,437,054	**2,619,227**	2,523,803	5,959,432	**5,638,338**	6,233,309
Surplus (deficit) for the year	$ 2,410,828	**$ 3,038,596**	$ 3,962,520	$ 251,072	**$ 632,986**	$ (23,552)	$ (1,437,054)	**$ (1,866,847)**	$ (2,523,803)	$ 426,284	**$ 2,497,454**	$ 1,334,177

Membertou Reserve Band Council
Note 27 – Segment Disclosure (continued)
Year ended March 31, 2025

	Totals		
	Budget 2025	Actual 2025	Actual 2024
Revenues			
Government operating transfers	18,353,437	**24,521,374**	21,388,092
Government capital transfers	11,107,623	**11,328,558**	14,807,539
Economic activities	57,565,364	**53,545,596**	54,039,911
Gain on disposal of property	-	-	-
Income from investment in GBE's	-	**1,419,961**	79,478
Other	10,558,434	**12,036,464**	10,894,297
	97,584,858	**102,851,953**	101,209,317
	-	-	-
Expenses			
Salaries and benefits	21,776,862	**22,755,177**	19,721,538
Amortization	6,479,100	**7,297,447**	6,904,124
Interest	6,802,183	**8,806,241**	6,558,696
Other	47,707,440	**50,700,467**	50,821,022
	82,765,585	**89,559,332**	84,005,380
Surplus (deficit) for the year	14,819,273	**13,292,621**	17,203,937