Wagmatcook First Nation
Consolidated Financial Statements
March 31, 2026

Wagmatcook First Nation
Consolidated Financial Statements
For the year ended March 31, 2026

To the Members of Wagmatcook First Nation:

Opinion

We have audited the consolidated financial statements of Wagmatcook First Nation (the "First Nation") which comprise the consolidated statement of financial position as at March 31, 2026, and the consolidated statements of operations, change in fund balances, change in net financial assets (debt) 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 accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the First Nation as at March 31, 2026, and the results of its consolidated operations, change in fund balances, changes in net financial assets (debt) and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Emphasis of Matter - Comparative Information

As part of the audit of the financial statements of the First Nation for the year ended March 31, 2026, we also audited the adjustments described in note 22 that were applied to restate the financial statements for the year ended March 31, 2025. Our opinion has not been modified in respect of this matter.

Other Matters - Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information included on pages 33 - 36 is presented for purposes of additional information and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion on the audit of the consolidated financial statements as a whole.

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 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.

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.

MNP LLP

Sydney, Nova Scotia
July 29, 2026

Chartered Professional Accountants

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MANAGEMENT'S REPORT

Management's Responsibility for the Financial Statements

The accompanying consolidated financial statements of Wagmatcook First Nation are the responsibility of management and have been approved by the Council.

The consolidated financial statements have been prepared by management in accordance with Canadian public sector accounting standards and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these consolidated statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control 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 consolidated financial statements and the external auditor's report.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the consolidated financial statements. The external auditors have full and free access to financial management of Wagmatcook First Nation and meet when required.

On behalf of Wagmatcook First Nation:

Allan MacNeil
Chief Financial Officer

Wagmatcook First Nation
Consolidated Statement of Financial Position
As at March 31, 2026

		2026		2025 (Restated – Note 22)
FINANCIAL ASSETS				
Cash	$	4,631,764	$	3,999,370
Term deposits (Note 2)		6,017,227		5,715,443
Accounts receivable (Note 3)		1,879,727		1,730,827
Inventories for resale (Note 4)		352,947		287,903
Due from federal government (Note 5)		6,102,747		9,270,359
Due from provincial government (Note 6)		242,317		122,084
Investment in incorporated business enterprises (Note 7)		1,409,143		659,143
Investment in business partnerships (Note 8)		3,481,739		885,795
Trust funds – Indigenous Services Canada (Note 9)		238,822		211,129
		24,356,433		22,882,053
FINANCIAL LIABILITIES				
Accounts payable and accrued liabilities (Note 10)		3,366,541		4,548,753
Deferred revenue (Note 11)		4,858,704		6,095,965
Long-term debt (Note 12)		15,327,130		14,832,413
		23,552,375		25,477,131
NET FINANCIAL ASSETS (DEBT)		804,058		(2,595,078)
NON-FINANCIAL ASSETS				
Tangible capital assets (Note 13)		55,234,809		53,196,002
Intangible assets		14,395,680		14,395,680
Inventories held for use and prepaid expenses		215,826		196,601
		69,846,315		67,788,283
ACCUMULATED SURPLUS	$	70,650,373	$	65,193,205

Contingencies (Note 19)

See accompanying notes to consolidated financial statements.

On behalf of Wagmatcook Band Council:

Wagmatcook First Nation
Consolidated Statement of Operations
For the year ended March 31, 2026

	2026 Budget (Note 21)	2026 Actual	2025 Actual
REVENUES			
Federal Government (Note 14)			
Indigenous Services Canada	$ 10,209,955	$ 11,165,640	$ 8,976,964
Mi'kmaw Kina'matnewey	5,790,429	6,934,921	5,496,397
Indigenous Services Canada - Health	2,880,074	2,249,803	3,997,921
Fisheries and Oceans Canada	217,540	217,540	217,540
Employment and Social Development Canada	203,667	282,927	294,297
Canada Mortgage and Housing Corporation	1,345,000	1,205,403	2,643,355
Province of Nova Scotia (Note 14)	70,869	423,499	290,954
Economic activities	16,442,467	15,400,412	14,735,007
Interest, rent and other	2,952,288	2,386,234	2,144,176
	40,112,289	40,266,379	38,796,611
EXPENSES			
Governance	2,946,601	2,901,495	2,916,232
Economic and employment development	811,289	553,496	569,722
Operations and maintenance	900,657	1,430,315	1,259,623
Community wellness	2,452,904	1,718,055	1,397,754
Proposals and requests	250,000	333,376	415,456
Social development	4,546,769	5,706,533	5,137,105
Education	5,223,580	6,575,047	4,441,755
Capital	6,322,780	282,986	15,832
Housing	2,751,846	1,739,400	1,512,879
Health program	2,660,788	2,426,541	2,125,520
Fisheries – treaty	293,709	212,740	214,815
Fisheries – commercial	3,152,424	2,882,979	3,224,354
Wagmatcook Gas Bar	5,918,122	5,212,056	5,228,572
Gaming	307,223	338,478	696,185
Enterprise, Heritage and Community Complex	1,954,988	1,950,574	1,862,989
Tobacco	144,640	726,969	1,201,345
Community support	1,305,000	1,604,866	–
	41,943,320	36,595,906	32,220,138
Net revenues (expenses) before the following	(1,831,031)	3,670,473	6,576,473
OTHER EARNINGS			
WFN Seafoods Limited Partnership (Note 8)	–	1,759,002	813,195
ANNUAL SURPLUS (DEFICIT)	$ (1,831,031)	$ 5,429,475	$ 7,389,668

See accompanying notes to consolidated financial statements.

	Operating	Capital	Trust	CMHC Housing Replacement	Equipment Replacement	Housing Reserve	Community Sewer Equity	Capital Building Fund	Education Reserve	2026 Total	2025 (Restated – Note 22) Total
Balance, beginning of year, as previously reported	$ 10,028,969	$ 50,314,477	$ 211,129	$ 577,040	$ 859,568	$ 600,000	$ 338,460	$ 75,000	$ 148,041	$ 63,152,684	$ 55,734,115
Restatement (Note 22)	2,040,521	–	–	–	–	–	–	–	–	2,040,521	2,040,521
BALANCE, BEGINNING OF YEAR, AS RESTATED	12,069,490	50,314,477	211,129	577,040	859,568	600,000	338,460	75,000	148,041	65,193,205	57,774,636
Annual surplus	5,145,807	283,668	–	–	–	–	–	–	–	5,429,475	7,389,668
Internal transfers	(1,834,437)	1,188,597	–	89,000	(43,160)	600,000	–	–	–	–	–
	3,311,370	1,472,265	–	89,000	(43,160)	600,000	–	–	–	5,429,475	7,389,668
External contribution	–	–	27,693	–	–	–	–	–	–	27,693	28,901
BALANCE, END OF YEAR	$ 15,380,860	$ 51,786,742	$ 238,822	$ 666,040	$ 816,408	$ 1,200,000	$ 338,460	$ 75,000	$ 148,041	$ 70,650,373	$ 65,193,205

Wagmatcook First Nation
Consolidated Statement of Change in Net Financial Assets (Debt)
For the year ended March 31, 2026

	Budget (Note 21)	2026	2025 (Restated – Note 22)
ANNUAL SURPLUS (DEFICIT)	$ (1,831,031)	$ 5,429,475	$ 7,389,668
Tangible capital assets			
Net acquisition of tangible capital assets	–	(3,866,682)	(8,145,303)
Amortization of tangible capital assets	–	1,827,875	1,717,760
CHANGE IN NET FINANCIAL ASSETS (DEBT)	–	(2,038,807)	(6,427,543)
Other non-financial assets			
Change in inventories held for use and prepaid expenses	–	(19,225)	100,433
Other			
External contributions to restricted funds	–	27,693	28,901
CHANGE IN NET FINANCIAL ASSETS (DEBT)	(1,831,031)	3,399,136	1,091,459
Net debt, as previously reported		(4,635,599)	(5,727,058)
Restatement (Note 22)		2,040,521	2,040,521
NET DEBT, AS RESTATED		(2,595,078)	(3,686,537)
NET FINANCIAL ASSETS (DEBT), END OF YEAR		$ 804,058	$ (2,595,078)

See accompanying notes to consolidated financial statements.

Wagmatcook First Nation
Consolidated Statement of Cash Flows
For the year ended March 31, 2026

	2026	2025
Cash provided by (used in)		
OPERATING ACTIVITIES		
Annual surplus	$ 5,429,475	$ 7,389,668
Items not involving cash		
Net income earned from investment in incorporated business partnerships	(71,500)	52,500
Net income earned from WFN Seafoods Limited Partnership	(1,759,002)	(813,195)
Amortization of tangible capital assets	1,827,875	1,717,760
Gain on sale of tangible capital assets	–	(495,000)
	5,426,848	7,851,733
Change in non-cash items		
Accounts receivable	(148,900)	(615,266)
Inventories for resale	(65,044)	(37,730)
Due from federal government	3,167,612	(4,567,301)
Due from provincial government	(120,233)	(615)
Inventories held for use and prepaid expenses	(19,225)	100,433
Accounts payable and accrued liabilities	(1,182,212)	1,370,661
Deferred revenue	(1,237,261)	35,751
	5,821,585	4,137,666
FINANCING ACTIVITIES		
Principal payments on operating loans	–	(20,702)
Issuance of long-term debt	1,754,000	1,750,000
Principal payments on long-term debt	(1,259,283)	(1,208,639)
	494,717	520,659
INVESTING ACTIVITIES		
Additions to tangible capital assets	(3,866,682)	(8,145,303)
Proceeds on sale of tangible capital assets	–	495,000
(Increase) decrease in term deposits	(301,784)	1,684,087
Purchase of investment in incorporated business enterprises	(765,442)	–
Purchase of investment in business partnerships	(750,000)	–
External contributions	27,693	28,901
	(5,656,215)	(5,937,315)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	660,087	(1,278,990)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,210,499	5,489,489
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 4,870,586	$ 4,210,499
Cash and cash equivalents are comprised of the following		
Cash	$ 4,631,764	$ 3,999,370
Trust funds – Indigenous Services Canada	238,822	211,129
	$ 4,870,586	$ 4,210,499

See accompanying notes to consolidated financial statements.

NATURE OF OPERATIONS

Wagmatcook First Nation Council is comprised of a Chief and seven councilors under the Indian Act of Canada. The Council is accountable to the local Mi'kmaq community members for the delivery of programs and services, management of all financial resources and planning to support future community-based self-government.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

(b) Reporting entity

The Wagmatcook First Nation reporting entity includes Wagmatcook First Nation government and all related entities which are accountable to the First Nation.

(c) Principles of consolidation

These consolidated financial statements consolidate the assets, liabilities and results of operations for the following entities which use accounting principles which lend themselves to consolidation:

Wagmatcook First Nation Operating, Capital and Reserve Funds
Wagmatcook First Nation Trust Funds
Wagmatcook Enterprise, Heritage and Community Complex
Wagmatcook Education Authority Limited

The Wagmatcook First Nation includes all organizations accountable to the Band Council for the administration of their financial affairs and that are owned or controlled by the Band Council. The interfund accounts and interfund transfers are eliminated in the consolidation.

(d) Fund accounting

The resources and operations of the First Nation are comprised of the operating, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate fund balance. Supporting schedules to the consolidated financial statements are included to show the financial activities and change in the balance of each fund.

(e) Asset classification

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

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Segments

The First Nation conducts its business through various reportable segments: Governance, economic and employment development, operations and maintenance, community wellness, proposals and requests, social development, education, capital, housing, health program and other. These operating segments are established by senior management to facilitate the achievement of the First Nation's long-term objectives to aid in resource allocation decisions and to assess operational performance.

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

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

(g) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks net of bank overdrafts and term deposits having a maturity of three months or less at acquisition which are held for the purpose of meeting short-term cash commitments.

(h) Inventories for resale

Inventory of goods available for resale, is recorded at the lower of cost and net realizable value. Cost is determined by the first in, first out method.

(i) Investments in business partnerships

Investments in business partnerships are recorded using the modified equity basis of accounting. The First Nation's investment in business partnerships is initially recorded at acquisition cost and is increased for their proportionate share of earnings, decreased by distributions received.

(j) Investments in incorporated business enterprises

Investments in incorporated business enterprises are recorded using the modified equity basis of accounting. The First Nation's investment in incorporated business enterprises is initially recorded at acquisition cost and is increased for their proportionate share of earnings, decreased by distributions received.

(l) Employee future benefits – service awards

Service awards are recognized as an expenditure and accrued in the year the award is earned.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Tangible capital assets

Tangible capital assets acquired since 1987 are reported in the statement of financial position at cost net of accumulated amortization. All tangible capital assets acquired prior to 1987 have been written off. They are amortized on a straight-line basis over their estimated useful lives at the following rates:

Asset	Basis	Rate
Buildings	Straight-line	40 years
Equipment	Straight-line	5-10 years
Roads	Straight-line	50 years
Lagoons and water systems	Straight-line	40 years
Fishing vessels	Straight-line	15 years
Wharf	Straight-line	40 years

Tangible capital assets are written down when conditions indicate that they no longer contribute to Wagmatcook 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 consolidated statement of operations.

Contributed capital assets are recorded into revenues at their fair value on the date of donation, except in circumstances where fair value cannot be reasonably determined, in which case they are recognized at nominal value. Transfers of capital assets from related parties are recorded at carrying value.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service.

(m) Intangible assets

Intangible assets consist of purchased fishing licenses and are recorded at cost. They are not amortized as they have an indefinite life.

(n) Asset retirement obligation

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

(a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;

(b) The past transaction or event giving rise to the liability has occurred;

(c) It is expected that future economic benefits will be given up; and

(d) A reasonable estimate of the amount can be made.

Any liability is recognized as the estimated future costs of remediation.

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) 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 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 performance obligations to the customer are satisfied. All other revenue is recognized when a price is agreed and all significant performance obligations have been satisfied and collectability is reasonably assured.

(p) Financial instruments

Measurement of financial instrument

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

Subsequent measurement

At each reporting date, the First Nation measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for investments, which must be measured at fair value. The First Nation uses the effective interest rate method to amortize any premiums, discounts, transaction fees and financing fees to the statement of revenues and expenses.

Financial instrument	Measurement basis
Cash and cash equivalents	Fair value
Term deposits	Amortized cost
Accounts receivables	Amortized cost
Government receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Operating loan	Amortized cost
Long-term debt	Amortized cost

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Financial instruments (Continued)

Impairment

For financial assets measured at cost or amortized cost, the First Nation regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the First Nation determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Unless otherwise noted, it is management's opinion that the First Nation is not exposed to significant interest or credit risks arising from financial instruments.

A statement of remeasurement gains and losses has not been included in these financial statements as it would not contain any balances or transactions.

(q) Use of estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingencies and the reported amounts of revenue and expenses in the consolidated financial statements and accompanying notes.

Amortization is based on the estimated useful lives of tangible capital assets. Receivables are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Management has evaluated the valuation of intangible assets based on the future economic benefits expected to be generated from the intangible assets. Investments impairments are based on the net recoverable value of the investment.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenues over expenses in the years in which they become known.

2. TERM DEPOSITS

Term deposits consist of investments held at BMO with interest rates ranging from 2.70% to 3.95% (2025 – 3.40% to 5.10%) maturing July 2026 to September 2027 (2025 – July 2025 to September 2027).

3. ACCOUNTS RECEIVABLE

	2026	2025
Fish settlements	$ 159,781	$ 465,800
Employees	175,399	175,877
Ultramar fuel rebate and credit	55,256	68,912
Due from Kitpu Aviation Inc.	174,940	63,792
General	1,398,389	986,918
Accrued interest	46,271	69,832
	2,010,036	1,831,131
Allowance for doubtful accounts	(130,309)	(100,304)
	$ 1,879,727	$ 1,730,827

4. INVENTORIES FOR RESALE

	2026	2025
Gas bar	$ 162,958	$ 148,201
Tobacco shop	129,487	80,749
Enterprise centre	60,502	58,953
	$ 352,947	$ 287,903

5. DUE FROM FEDERAL GOVERNMENT

	2026	2025
Indigenous Services Canada	$ 5,717,876	$ 6,336,533
Canada Mortgage and Housing Corporation	–	2,696,122
Fisheries and Oceans Canada	145,028	145,027
Other	94,268	72,000
Mi’kmaw Kina’matnewey	90,269	20,677
Employment and Social Development Canada	55,306	–
	$ 6,102,747	$ 9,270,359

6. DUE FROM PROVINCIAL GOVERNMENT

	2026	2025
Nova Scotia Gaming Commission	$ 239,532	$ 120,000
Other	2,785	2,084
	$ 242,317	$ 122,084

7. INVESTMENT IN BUSINESS ENTERPRISES

	Investment cost, beginning of year	Share of earnings	Distributions	Additional investment	2026 Investment cost, end of year
Breton Air Inc. – 51%	304,522	–	–	750,000	1,054,522
Kitpu Aviation Inc. – 50%	354,521	–	–	–	354,521
WFN Kitpu Aviation Inc – 100%	100	–	–	–	100
	$ 659,143	$ –	$ –	$ 750,000	$1,409,143

	Investment cost beginning of year	Share of earnings	Dividends	Additional investment	2025 Investment cost, end of year
Breton Air Inc. – 37.5%	304,522	–	–	–	304,522
Kitpu Aviation Inc. – 50%	354,521	–	–	–	354,521
WFN Kitpu Aviation Inc – 100%	100	–	–	–	100
	$ 659,143	$ –	$ –	$ –	$ 659,143

8. INVESTMENT IN LIMITED PARTNERSHIPS

	Investment cost, beginning of year	Share of earnings	Distributions	Additional investment	2026 Investment cost, end of year
E'sukutimkewey Limited Partnership – 5.4%	72,500	71,500	–	–	144,000
WFN Kitpu Aviation Limited Partnership – 99.99%	100	–	–	765,442	765,542
WFN Seafoods LP – 99.99%	813,195	1,759,002	–	–	2,572,197
	$ 885,795	$1,830,502	$ –	$ 765,442	$3,481,739

	Investment cost beginning of year	Share of earnings	Dividends	Additional investment	2025 Investment cost, end of year
E'sukutimkewey Limited Partnership – 5.4%	125,000	–	(52,500)	–	72,500
WFN Kitpu Aviation Limited Partnership – 99.99%	100	–	–	–	100
WFN Seafoods LP – 99.99%	–	813,195	–	–	813,195
	$ 125,100	$ 813,195	$ (52,500)	$ –	$ 885,795

8. INVESTMENT IN LIMITED PARTNERSHIPS (CONTINUED)

The investment in WFN Seafoods Limited Partnership consists of a 99.99% share of WFN Seafoods Limited Partnership. The Limited Partnership Agreement became effective June 1, 2024 pursuant to the Limited Partnership Act of the Province of Nova Scotia.

The WFN Seafoods Limited Partnership's principal business activity is the operation of the A&L Seafoods Limited Partnership commercial fishery carried out by an unincorporated division operating as A&L Seafoods Inc.

Summary reviewed financial information for WFN Seafoods Limited Partnership as at and for the year ended March 31, 2026 is as follows:

STATEMENT OF FINANCIAL POSITION

	2026	2025
ASSETS		
Investment in A&L Seafoods Limited Partnership	$ 25,148,152	$ 25,148,152
	$ 25,148,152	$ 25,148,152
LIABILITIES		
Long-term debt	$ 22,575,955	$ 24,334,957
EQUITY		
Partner's equity	2,572,197	813,195
	$ 25,148,152	$ 25,148,152

STATEMENT OF EARNINGS

	2026	2025
REVENUE		
Revenue from investment in incorporated business enterprises	$ 2,886,641	$ 2,053,113
EXPENSES		
Interest on long-term debt	$ 1,127,639	$ 1,239,918
NET EARNINGS	$ 1,759,002	$ 813,195

9. TRUST FUNDS HELD BY FEDERAL GOVERNMENT

Trust fund accounts arise from moneys derived from capital or revenue sources as outlined in Section 62 of the Indian Act. These funds are held in trust in the Consolidated Revenue Fund of the Government of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. The trust fund increased by $27,693 during the year (2025 - $28,901).

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2026	2025
Trade payables	$ 1,195,240	$ 2,892,941
Employee future benefits – service awards	1,177,860	940,779
Accrued salaries and employee benefits payable	281,764	382,288
Other accrued liabilities	680,727	284,250
Harmonized sales tax payable	30,950	48,495
	$ 3,366,541	$ 4,548,753

11. DEFERRED REVENUE

	Balance March 31, 2025 (Restated – Note 22)	Funding received 2026	Revenue recognized 2026	Returned to funder	Balance March 31, 2026
Federal government					
Indigenous Services Canada - Health Canada					
Health Services Integration Fund	$ 55,287	$ –	$ 990	$ –	$ 54,297
Jordan's Principle – Respite Care	45,600	–	–	45,600	–
Child First Initiative	25,292	–	–	25,292	–
Q22K Aboriginal Headstart on Reserve	–	657,249	–	–	657,249
B0310 Nurse Safety	–	32,000	–	–	32,000
Q3OW C Ind Heal Equity Fund	–	215,185	2,610	–	212,575
Q300 Capital investment	61,960	17,250	58,700	–	20,510
Aboriginal Diabetes Initiative	44,894	–	44,894	–	–
HCC service delivery	42,000	–	42,000	–	–
Health planning management	22,622	–	22,622	–	–
	297,655	921,684	171,816	70,892	976,631
Indigenous Services Canada					
Housing starts	63,481	–	63,481	–	–
Planning solid waste management proposal	72,679	–	72,679	–	–
Firesmart – brush fire equipment	11,931	–	11,931	–	–
East end subdivision feasibility study	19,450	–	–	–	19,450
Q2C3 CFS Prev/Least Disruptive Measures	855,917	2,039,291	2,060,640	–	834,567
Q2C7 CFS Representative Service	161,473	248,958	410,431	–	–
Q3AU Fire Protection new fire hall	220,000	–	13,412	–	206,588
Q3X8 East End Subdivision	250,000	–	178,218	–	71,782
QA1A Construction 1 Family Unit	891,000	–	891,000	–	–
QA1B Priority Renovations	295,155	33,221	328,376	–	–
QA1U FNCFS Renovations	538,884	–	538,884	–	–
QA5A Construction	216,000	–	216,000	–	–
Q3YZ Capacity Support EMO	–	66,000	16,000	–	50,000
QAIV FNCFS On Res O&M Housing	–	571,954	307,000	–	264,954
Q34S Water & Sewer Facilities	–	515,037	–	–	515,037
QA3P Water new construction	252,000	–	193,439	–	58,561
QA3R Water renovations and upgrades	80,000	200,000	180,822	–	99,178
QAOY IELCC Major Projects	–	169,531	–	–	169,531
Q2C6 FNCES Capital Feasibility Study Transition	–	258,997	–	–	258,997
Q3VT Community Opportunity Readiness	40,178	–	40,178	–	–
Q2NI Policing Community Safety	30,231	–	30,231	–	–
Q3Z0 Response – Storm Recovery	66,300	–	66,300	–	–
Q3AU Fire Protection	14,263	16,000	14,263	–	16,000
Q3FS Brush fire equipment	–	15,306	–	–	15,306
Q38L Lot servicing	105,000	–	105,000	–	–
	4,183,942	4,134,295	5,738,286	–	2,579,951

11. DEFERRED REVENUE (CONTINUED)

	Balance March 31, 2025	Funding received 2026	Revenue recognized 2026	Returned to funder	Balance March 31, 2026
	(Restated – Note 22)				
Canada Mortgage and Housing Corporation					
Rapid Housing Initiative	401,316	–	401,316	–	–
RRAP	–	24,150	–	–	24,150
	401,316	24,150	401,316	–	24,150
Provincial government					
Age friendly community program	10,000	–	–	–	10,000
Walking wheeling infrastructure	100,000	–	10,700	–	89,300
Summer Games	9,029	–	9,029	–	–
Food security	33,000	–	10,000	–	23,000
	152,029	–	29,729	–	122,300
Education other	578,944	–	419,492	–	159,452
Other	482,079	1,483,539	969,398	–	996,220
	$ 6,095,965	$ 6,563,668	$ 7,730,037	$ 70,892	$ 4,858,704

12. LONG-TERM DEBT

	2026	2025
Social Housing		
BMO		
Mortgage repayable in monthly instalments of $648 including interest at 2.79% over a 5-year term ending June 30, 2026	$ 37,938	$ 44,557
Mortgage repayable in monthly instalments of $1,121 including interest at 2.79% over a 5-year term ending June 30, 2026	65,604	77,050
Mortgage repayable in monthly instalments of $2,118 including interest at 4.00% over a 1-year term ending October 31, 2026	332,936	343,780
Mortgage repayable in monthly instalments of $525 including interest at 2.76% over a 6-year term ending May 31, 2026	1,045	7,224
Mortgage repayable in monthly installments of $2,511 including interest at 4.60% over a 5-year term ending May 31, 2028	455,825	472,061
Mortgage repayable in monthly installments of $675 including interest at 5.03% over a 4-year term ending August 31, 2026	3,296	11,020
Mortgage repayable in monthly installments of $5,370 including interest at 4.36% over a 5-year term ending June 30, 2028	908,878	931,455
CMHC		
Mortgage payable in monthly instalments of $735 including interest at 3.18% over a 5-year term ending March 1, 2030	65,710	72,344
Mortgage payable in monthly instalments of $494 including interest at 3.37% over a 5-year term ending April 1, 2031	50,341	55,026
Mortgage payable in monthly instalments of $448 including interest at 3.37% over a 5-year term ending April 1, 2031	45,976	50,217
Mortgage payable in monthly instalments of $465 including interest at 1.50% over a 5-year term ending January 1, 2027	54,240	58,976
Mortgage payable in monthly instalments of $569 including interest at 4.07% over a 5-year term ending August 1, 2028	64,463	68,593
Mortgage payable in monthly instalments of $830 including interest at 4.07% over a 5-year term ending August 1, 2028	94,112	100,142
Mortgage payable in monthly instalments of $567 including interest at 4.07% over a 5-year term ending August 1, 2028	64,463	68,593
Mortgage payable in monthly instalments of $1,180 including interest at 2.92% over a 5-year term ending November 1, 2030	161,097	171,585
	2,405,924	2,532,623

12. LONG-TERM DEBT (CONTINUED)

	2026	2025
Carry forward	$ 2,405,924	$ 2,532,623
Mortgage payable in monthly instalments of $503 including interest at 2.92% over a 5-year term ending November 1, 2030	68,711	73,184
Mortgage payable in monthly instalments of $1,989 including interest at 2.27% over a 5-year term ending April 1, 2027	313,209	329,791
Mortgage payable in monthly instalments of $2,360 including interest at 3.81% over a 5-year term ending March 1, 2028	354,778	369,382
Mortgage repayable in monthly instalments of $735 including interest at 3.74% over a 5-year term ending March 1, 2028	16,967	24,989
Mortgage payable in monthly instalments of $1,612 including interest at 3.52% over a 5-year term ending March 1, 2028	121,236	136,061
Mortgage payable in monthly instalments of $537 including interest at 3.52% over a 5-year term ending March 1, 2028	40,390	45,329
Mortgage payable in monthly instalments of $536 including interest at 3.52% over a 5-year term ending March 1, 2028	40,338	45,271
Mortgages payable in monthly instalments of $2,293 including interest at 3.64% over a 5-year term ending August 1, 2029	369,717	383,606
Mortgage payable in monthly instalments of $1,566 including interest at 3.02% over a 5-year term ending October 1, 2029	267,353	277,944
Social housing	3,998,623	4,218,180
Capital Fund		
BMO		
Term loan repayable in annual principal instalments of $117,551, interest paid monthly at 4.14%, maturing August 31, 2028	225,306	342,857
Term loan repayable in monthly instalments of $5,709 including interest of 4.27%, maturing August 31, 2028	157,064	214,256
	382,370	557,113

12. LONG-TERM DEBT (CONTINUED)

	2026	2025
Carry forward	$ 382,370	$ 557,113
Term loan repayable in annual principal instalments of $400,000 interest paid monthly at 4.22%, maturing July 31, 2028	3,600,000	4,000,000
Term loan repayable in annual principal instalments of $206,199 interest paid monthly at 4.47% maturing March 31, 2027	1,855,787	2,061,986
Term loan repayable in monthly installments of $1,617, including interest at 3.79%, maturing February 28, 2027	17,429	35,794
Term loan repayable in monthly installments of $2,794 including interest at 3.79%, maturing February 28, 2027	30,119	61,855
Term loan repayable in monthly installments of $2,043, including interest at 6.05%, maturing August 31, 2027	33,171	54,967
Term loan repayable in monthly installments of $17,725, interest paid monthly at 4.36%, maturing June 30, 2028	2,275,085	2,350,296
Term loan repayable in monthly installments of $7,214, including interest at 4.36%, maturing June 30, 2028	584,005	642,222
Term loan repayable in monthly installments of $18,985, including interest at 4.39%, maturing December 31, 2028	2,465,756	850,000
Term loan repayable in monthly installments of $3,082, including interest at 4.24%, maturing August 1, 2028	84,785	–
	11,328,507	10,614,233
	$ 15,327,130	$ 14,832,413

Principal payments required in each of the next five years are as follows:

2027	$ 2,053,974
2028	2,031,674
2029	2,448,898
2030	1,466,866
2031	970,694
Thereafter	6,355,024

12. LONG-TERM DEBT (CONTINUED)

The First Nation entered into credit facilities with BMO Bank of Montreal secured by an assignment of the First Nation's fishing revenue together with an irrevocable direction to pay the associated facilities therewith. Details are as follows:

	Approved credit facility	Interest rate
Land purchase	$ 74,737	Fixed 3.79%
General capital	500,000	Fixed 3.79% to 6.05%
School expansion	2,500,000	Fixed 4.39%
Fishing	1,000,000	BMO prime + 0.75%
Courthouse renovations	235,496	BMO prime + 0.75%
Crab licenses	6,061,986	Fixed 4.22% to 4.47%
New home construction	3,280,132	Fixed 2.76% to 5.03%
Overdraft lending account	2,000,000	BMO prime + 0.75%
On reserve housing loan program	1,000,000	To be established
Treasury risk facility	900,000	To be established
Gas bar expansion	2,376,554	Fixed 4.36%
Aviation companies	700,000	Fixed 4.36%

13. TANGIBLE CAPITAL ASSETS

	Cost				
	Opening Balance	Additions	Disposals	Transfer of assets	Closing Balance
Land	$ 440,698	$ –	$ –	$ –	$ 440,698
Buildings					
Heritage and Cultural Centre	4,609,332	–	–	–	4,609,332
First Nation housing	3,907,773	–	–	–	3,907,773
Wharf and buildings	1,745,633	–	–	–	1,745,633
Other buildings	1,152,515	–	–	–	1,152,515
Gas Bar	4,501,434	–	–	–	4,501,434
Health Centre	2,286,672	–	–	–	2,286,672
School	8,847,848	1,652,139	–	4,444,159	14,944,146
NSCC Learning Centre	3,193,471	–	–	–	3,193,471
Equipment					
Heritage and Cultural Centre	1,227,056	–	–	–	1,227,056
Fire equipment	249,543	–	–	–	249,543
Fishing vessels	1,829,789	–	–	–	1,829,789
Fishing equipment	60,317	–	–	–	60,317
Health Centre	318,819	–	–	–	318,819
School equipment and buses	431,006	–	–	–	431,006
Garbage truck	–	103,000	–	–	103,000
Other					
Lagoon and water systems	11,934,380	374,183	–	–	12,308,563
Wharf	2,764,350	–	–	–	2,764,350
Fire hydrants, roads	3,685,847	–	–	–	3,685,847
	53,186,483	2,129,322	–	4,444,159	59,759,964
Social housing					
Land	145,200	–	–	–	145,200
Housing	14,922,870	952,192	–	–	15,875,062
Equipment	108,270	–	–	–	108,270
Work in progress	8,813,748	785,168	–	(4,444,159)	5,154,757
Total	$ 77,176,571	$ 3,866,682	$ –	$ –	$ 81,043,253

13. TANGIBLE CAPITAL ASSETS (CONTINUED)

	Accumulated amortization				Net book value	
	Opening Balance	Amortization	Disposals	Closing Balance	Total 2026	Total 2025
Land	$ –	$ –	$ –	$ –	$ 440,698	$ 440,698
Buildings						
Heritage and Cultural Centre	2,189,606	115,231	–	2,304,837	2,304,495	2,419,726
First Nation housing	1,779,700	97,695	–	1,877,395	2,030,378	2,128,073
Wharf and buildings	956,520	43,640	–	1,000,160	745,473	789,113
Other buildings	229,262	28,813	–	258,075	894,440	923,253
Gas Bar	909,511	112,535	–	1,022,046	3,479,388	3,591,923
Health Centre	981,491	57,165	–	1,038,656	1,248,016	1,305,181
School	2,881,894	262,499	–	3,144,393	11,799,753	5,965,954
NSCC Learning Centre	878,196	79,836	–	958,032	2,235,439	2,315,275
Equipment						
Heritage and Cultural Centre	1,097,308	24,520	–	1,121,828	105,228	129,748
Fire equipment	249,543	–	–	249,543	–	–
Fishing vessels	1,119,702	96,042	–	1,215,744	614,045	710,087
Fishing equipment	60,317	–	–	60,317	–	–
Health Centre	101,741	63,764	–	165,505	153,314	217,078
School equipment and buses	232,156	78,050	–	310,206	120,800	198,850
Garbage truck	–	20,600	–	20,600	82,400	–
Other						
Lagoon and water systems	4,545,693	307,716	–	4,853,409	7,455,154	7,388,687
Wharf	1,660,360	73,718	–	1,734,078	1,030,272	1,103,990
Fire hydrants, roads	601,793	69,109	–	670,962	3,014,945	3,084,054
	20,474,793	1,530,933	–	22,005,726	37,754,238	32,711,690
Social housing						
Land	–	–	–	–	145,200	145,200
Housing	3,397,506	296,942	–	3,694,448	12,180,614	11,525,364
Equipment	108,270	–	–	108,270	–	–
Work in progress	–	–	–	–	5,154,757	8,813,748
Total	$ 23,980,569	$ 1,827,875	$ –	$ 25,808,444	$ 55,234,809	$ 53,196,002

14. GOVERNMENT TRANSFERS

	2026			2025		
	Operating	Capital	Total	Operating	Capital	Total
Federal government transfers						
Indigenous Services Canada	$ 9,455,414	$ 1,710,226	$11,165,640	$ 6,428,332	$ 2,548,632	$ 8,976,964
Mi'kmaw Kina'matnewey	6,934,921	–	6,934,921	5,480,863	–	5,480,863
Indigenous Services Canada – Health	2,249,803	–	2,249,803	3,997,921	–	3,997,921
Fisheries and Oceans Canada	217,540	–	217,540	217,540	–	217,540
Employment and Social Development Canada	282,927	–	282,927	294,297	–	294,297
Canada Mortgage and Housing Corporation	804,086	401,317	1,205,403	143,900	2,499,455	2,643,355
Total	19,944,691	2,111,543	22,056,234	16,562,853	5,048,087	21,610,940
Provincial government transfers	423,499	–	423,499	290,954	–	290,954
	$ 20,368,190	$ 2,111,543	$22,479,733	$ 16,853,807	$ 5,048,087	$ 21,901,894

15. SEGMENT DISCLOSURE

	Governance			Economic and Employment Development			Operations and Maintenance		
	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025
REVENUES									
Federal government operating transfers	$ 707,613	$ 805,210	$ 671,082	$ 387,036	$ 400,065	$ 397,719	$ 329,099	$ 347,593	$ 290,903
Federal government capital transfers	–	–	–	–	–	–	–	–	–
Provincial government operating transfers	–	119,532	–	–	–	–	–	–	227
Mi’kmaw Kina’matnewey	–	–	–	–	–	–	–	–	–
Economic activities	–	–	–	191,589	182,519	94,432	–	–	–
Other revenue	1,075,400	1,067,539	1,456,989	139,546	42,728	46,477	–	–	–
	1,783,013	1,992,281	2,128,071	718,171	625,312	538,628	329,099	347,593	291,130
EXPENSES									
Salaries and benefits	1,406,015	947,269	1,213,736	251,742	266,572	188,090	322,827	53,554	163,424
Debt servicing	32,000	51,442	34,535	–	–	–	15,657	9,298	16,247
Other expenses	1,508,586	1,776,276	1,557,759	559,547	286,924	381,632	562,173	668,487	449,788
	2,946,601	2,774,987	2,806,030	811,289	553,496	569,722	900,657	731,339	629,459
WFN Seafoods Limited Partnership	–	–	–	–	1,759,002	813,195	–	–	–
Balance before amortization and other	(1,163,588)	(782,706)	(677,959)	(93,118)	2,312,498	782,101	(571,558)	(383,746)	(338,329)
Amortization	–	(126,508)	(126,508)	–	–	–	–	(698,976)	(630,164)
Consolidation revenue entries	(540,050)	(525,799)	(660,904)	–	–	–	–	–	–
Consolidation expense entries	–	–	16,306	–	–	–	–	–	–
ANNUAL SURPLUS (DEFICIT)	$ (1,703,638)	$ (1,435,013)	$ (1,449,065)	$ (93,118)	$ 2,312,498	$ 782,101	$ (571,558)	$ (1,082,722)	$ (968,493)

15. SEGMENT DISCLOSURE

	Community Wellness			Proposals and Requests			Social Development		
	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025
REVENUES									
Federal government operating transfers	$ 2,442,904	$ 2,471,071	$ 1,441,278	$ –	$ 765,442	$ 50,188	$ 3,359,429	$ 2,942,430	$ 3,083,377
Federal government capital transfers	–	–	–	–	–	–	–	–	–
Provincial government operating transfers	20,000	47,000	39,500	–	–	4,637	–	–	–
Mi’kmaw Kina’matnewey	–	–	–	–	–	–	–	–	–
Economic activities	–	–	–	–	–	–	–	–	–
Other revenue	80,000	21,600	49,058	250,000	95,148	492,360	230,000	566,482	221,225
	2,542,904	2,539,671	1,529,836	250,000	860,590	547,185	3,589,429	3,508,912	3,304,602
EXPENSES									
Salaries and benefits	539,424	201,869	220,341	–	95,367	197,330	728,318	284,361	279,861
Debt servicing	–	–	–	–	–	–	–	–	–
Other expenses	1,427,480	1,606,186	1,309,813	250,000	238,009	235,126	3,868,451	5,472,172	4,915,308
	1,966,904	1,808,055	1,530,154	250,000	333,376	432,456	4,596,769	5,756,533	5,195,169
WFN Seafoods Limited Partnership	–	–	–	–	–	–	–	–	–
Balance before amortization and other	576,000	731,616	(318)	–	527,214	114,729	(1,007,340)	(2,247,621)	(1,890,567)
Amortization	–	–	–	–	–	–	–	–	–
Consolidation revenue entries	–	–	–	–	–	–	–	–	–
Consolidation expense entries	(486,000)	90,000	132,400	–	–	17,000	50,000	50,000	58,064
ANNUAL SURPLUS (DEFICIT)	$ 90,000	$ 821,616	$ 132,082	$ –	$ 527,214	$ 131,729	$ (957,340)	$ (2,197,621)	$ (1,832,503)

15. SEGMENT DISCLOSURE

	Education			Capital			Housing		
	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025
REVENUES									
Federal government operating transfers	$ 11,278	$ 10,840	$ 10,840	$ –	$ 149,572	$ 8,567	$ 1,466,740	$ 2,548,075	$ 912,575
Federal government capital transfers	–	–	–	3,048,610	2,111,543	5,048,087	–	–	–
Provincial government operating transfers	–	–	–	–	–	–	–	–	–
Mi'kmaw Kina'matnewey	5,790,429	6,876,464	5,480,863	–	–	–	–	–	–
Economic activities	195,172	169,110	94,556	–	–	145,000	828,000	1,324,800	1,324,800
Other revenue	85,205	101,136	97,267	–	157	–	707,000	153,817	86,242
	6,082,084	7,157,550	5,683,526	3,048,610	2,261,272	5,201,654	3,001,740	4,026,692	2,323,617
EXPENSES									
Salaries and benefits	3,866,013	3,499,688	3,227,551	400,000	149,356	132,828	800,000	144,358	143,246
Debt servicing	–	22,709	797	–	–	–	177,442	148,673	166,255
Other expenses	2,008,567	2,677,268	864,325	5,922,780	2,456,219	5,484,100	1,874,404	1,546,365	1,233,378
	5,874,580	6,199,665	4,092,673	6,322,780	2,605,575	5,616,928	2,851,846	1,839,396	1,542,879
WFN Seafoods Limited Partnership	–	–	–	–	–	–	–	–	–
Balance before amortization and other	207,504	957,885	1,590,853	(3,274,170)	(344,303)	(415,274)	149,894	2,187,296	780,738
Amortization	–	(420,385)	(379,082)	–	–	–	–	–	–
Consolidation revenue entries	–	–	–	–	–	–	–	–	–
Consolidation expense entries	651,000	45,003	30,000	–	2,322,589	5,601,096	100,000	99,996	30,000
ANNUAL SURPLUS (DEFICIT)	$ 858,504	$ 582,503	$ 1,241,771	$ (3,274,170)	$ 1,978,286	$ 5,185,822	$ 249,894	$ 2,287,292	$ 810,738

15. SEGMENT DISCLOSURE

	Health Program			Community Support			Other		
	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025
REVENUES									
Federal government operating transfers	$ 2,880,074	$ 2,249,803	$ 3,997,921	$ 174,100	$ 102,129	$ –	$ 217,540	$ 217,540	$ 217,540
Federal government capital transfers	–	–	–	–	–	–	–	–	–
Provincial government operating transfers	50,869	256,967	127,478	–	–	–	–	–	119,112
Mi’kmaw Kina’matnewey	–	–	–	–	–	–	–	–	–
Economic activities	–	–	–	–	–	–	15,227,706	13,723,983	13,076,219
Other revenue	120,000	120,000	301,017	455,000	610,225	–	182,000	191,658	69,979
	3,050,943	2,626,770	4,426,416	629,100	712,354	–	15,627,246	14,133,181	13,482,850
EXPENSES									
Salaries and benefits	980,265	1,063,052	1,063,502	–	181,651	–	2,968,890	2,373,819	2,570,387
Debt servicing	–	–	–	–	–	–	329,393	276,408	318,286
Other expenses	1,728,523	1,290,560	1,147,499	1,305,000	1,423,215	–	8,649,873	8,405,292	9,249,234
	2,708,788	2,353,612	2,211,001	1,305,000	1,604,866	–	11,948,156	11,055,519	12,137,907
WFN Seafoods Limited Partnership	–	–	–	–	–	–	–	–	–
Balance before amortization and other	342,155	273,158	2,215,415	(675,900)	(892,512)	–	3,679,090	3,077,662	1,344,943
Amortization	–	(120,929)	(120,929)	–	–	–	–	(461,077)	(461,077)
Consolidation revenue entries	–	–	–	–	–	–	–	–	–
Consolidation expense entries	48,000	48,000	206,410	–	–	–	177,050	192,800	170,724
ANNUAL SURPLUS (DEFICIT)	$ 390,155	$ 200,229	$ 2,300,896	$ (675,900)	$ (892,512)	$ –	$ 3,856,140	$ 2,809,385	$ 1,054,590

15. SEGMENT DISCLOSURE

	Total Before Adjustments			Consolidation Adjustments			Consolidated Total		
	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025	Budget 2026	Actual 2026	Actual 2025
REVENUES									
Federal government operating transfers	$ 11,975,813	$ 13,009,770	$ 11,081,990	$ –	$ –	$ –	$ 11,975,813	$ 13,009,770	$ 11,081,990
Federal government capital transfers	3,048,610	2,111,543	5,048,087	–	–	–	3,048,610	2,111,543	5,048,087
Provincial government operating transfers	70,869	423,499	290,954	–	–	–	70,869	423,499	290,954
Mi’kmaw Kina’matnewey	5,790,429	6,876,464	5,480,863	–	–	–	5,790,429	6,934,921	5,480,863
Economic activities	16,442,467	15,400,412	14,735,007	–	–	–	16,442,467	15,400,412	14,735,007
Other revenue	3,324,151	2,970,490	2,820,614	(540,050)	(525,799)	(660,724)	2,784,101	2,386,234	2,159,710
	40,652,339	40,792,178	39,457,515	(540,050)	(525,799)	(660,724)	40,112,289	40,266,379	38,796,611
EXPENSES									
Salaries and benefits	12,263,494	9,260,916	9,400,296	–	–	–	12,263,494	9,260,916	9,400,296
Debt servicing	554,492	508,530	536,120	–	–	–	554,492	508,530	536,120
Other expenses	29,665,384	27,846,973	26,827,961	(540,050)	(2,848,388)	(6,262,000)	29,125,334	24,998,585	19,241,162
	42,483,370	37,616,419	36,764,378	(1,368,050)	(2,848,388)	(6,262,000)	41,943,320	34,768,031	30,502,378
WFN Seafoods Limited Partnership	–	1,759,002	813,195	–	–	–	–	1,759,002	813,195
Balance before amortization and other	(1,831,031)	3,175,759	2,693,137	–	2,322,589	5,601,096	(1,831,031)	7,257,350	9,107,428
Amortization	–	(1,827,875)	(1,717,760)	–	–	–	–	(1,827,875)	(1,717,760)
Consolidation revenue entries	(540,050)	(525,799)	(1,985,704)	540,050	525,799	1,985,704	–	–	–
Consolidation expense entries	540,050	2,848,388	7,586,800	(540,050)	(2,848,388)	(6,262,000)	–	–	–
ANNUAL SURPLUS (DEFICIT)	$ (1,831,031)	$ 3,670,473	$ 6,576,473	$ –	$ –	$ –	$ (1,831,031)	$ 5,429,475	$ 7,389,668

16. EXPENSES BY OBJECT

The following is a summary of expenses by object.

	2026	2025
Salaries and wages	$ 9,260,916	$ 9,400,296
Staff development	63,984	83,504
Supplies and services	6,197,892	4,432,856
Interest	508,530	536,120
Cost of sales for economic activities	6,466,213	5,725,618
Professional services	265,280	414,724
Rental expenditures	1,340,688	1,358,688
Fees and contract services	514,170	719,793
Other	10,150,358	7,830,779
Amortization	1,827,875	1,717,760
	$ 36,595,906	$ 32,220,138

17. RETIREMENT PLAN

Wagmatcook First Nation provides a voluntary defined contribution RPP and a group RRSP for eligible employees. As part of this plan, the Wagmatcook First Nation matches employee contributions to the specified limit. The employer's portion for the years ended March 31, 2026 and 2025 was $229,240 and $248,715, respectively.

18. ECONOMIC DEPENDENCE

The Wagmatcook First Nation receives a major portion of its revenues pursuant to funding arrangements with the federal government and its agencies. The continued operation of the First Nation is dependent on the continuation of these funding arrangements.

19. CONTINGENCIES

i) Contribution agreement

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

ii) Legal matters

The First Nation has been named as defendant in a lawsuit on behalf of an individual. This lawsuit remains at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits or to estimate the loss, if any, which may result.

iii) Commitments

The First Nation fully guaranteed a loan on behalf of WFN Seafoods Limited Partnership. The total amount outstanding on this loan is $22,575,955 (2025 - $24,334,957).

20. FINANCIAL INSTRUMENTS

The First Nation is exposed to various risks through its financial instruments and includes the following significant risks at March 31, 2026.

Credit risk

The First Nation's credit risk results from trade accounts receivable and receivables from other levels of government.

The First Nation extends credit to members and receives rebates from various sources. When required, the First Nation records an allowance for doubtful accounts for items where collection is no longer assured.

Amounts owing from other levels of government are based on funding agreements and subject to review by the applicable government body.

The First Nation is not exposed to significant concentration risk.

Credit concentration

As at March 31, 2026 one customer accounted for 69.5% (2025 – 70.0%) of accounts receivable and amounts due from federal and provincial governments. The First Nation believes that there is no unusual exposure associated with the collection of these receivables. The First Nation performs regular credit assessments of customers and provides allowances for potentially uncollectible accounts receivable.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The First Nation's interest rate risk arises from long-term borrowings at a fixed rate that creates fair value interest rate risk. Changes in market interest rates cause the fair value of long-term debt with fixed interest rates to fluctuate but do not affect the statement of operations, as the First Nation's debt is carried at amortized cost and the carrying value does not change as interest rates change.

The First Nation is also exposed to interest rate risk arising from long-term borrowings at variable rates. Changes in market interest rates could cause fluctuations in the statement of operations. The First Nation manages this risk through monitoring forecasted and actual cash flows.

Liquidity risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities. The First Nation manages this risk through preparing budgets and by monitoring forecasted and actual cash flows.

The First Nation's future obligations with respect to debt repayments are disclosed in Note 12.

21. BUDGETED FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from the estimates approved by Chief and Council on April 8, 2025.

22. RESTATEMENT

During the year, the First Nation identified an error in the recognition of revenue related to a funding program. Eligible expenditures incurred under the program met the criteria for revenue recognition in prior years; however, the related revenue was not recognized in the periods in which the expenditures were incurred. As a result, revenue was understated by $1,298,346 for the year ended March 31, 2023 and by $742,175 for the year ended March 31, 2024. The error has been corrected retrospectively and the comparative figures have been restated. The cumulative effect of the correction as at April 1, 2024 was to decrease deferred revenue by $2,040,521 and increase accumulated surplus by $2,040,521.

23. COMPARATIVE FIGURES

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

A reclassification of revenues and expenses that were previously presented on a net basis and are now presented on a gross basis. As a result, revenues and expenses for the year ended March 31, 2025, increased by $1,324,800. There was no impact on annual surplus, net financial assets (debt), or cash flows.

Wagmatcook First Nation
Schedule A – Schedule of Operating Fund
For the year ended March 31, 2026
(Unaudited)

		2026	2025
	Budget	Actual	Actual
REVENUES			
Transfers from Federal Government			
Indigenous Services Canada	$ 10,209,955	$ 11,165,640	$ 8,976,964
Mi'kmaw Kina'matnewey	5,790,429	6,934,921	5,480,863
Indigenous Services Canada - Health	2,880,074	2,249,803	3,840,402
Fisheries and Oceans Canada	217,540	217,540	217,540
Employment and Social Development Canada	203,667	282,927	294,297
Canada Mortgage and Housing Corporation	1,345,000	1,205,403	2,643,355
Province of Nova Scotia	70,869	423,499	290,954
Economic activities	16,442,467	15,400,412	14,240,007
Interest, rent and sundry	3,492,338	2,912,033	2,820,613
	40,652,339	40,792,178	38,804,995
EXPENSES			
Governance	2,946,601	2,774,987	2,806,030
Economic and employment development	811,289	553,496	569,722
Operations and maintenance	900,657	731,339	629,459
Community wellness	1,966,904	1,808,055	1,530,154
Proposals and requests	250,000	333,376	432,456
Social development	4,596,769	5,756,533	5,195,169
Education	5,874,580	6,199,665	4,092,673
Capital projects	6,322,780	2,502,467	5,208,617
Housing	2,851,846	1,731,458	1,542,879
Health program	2,708,788	2,353,612	2,211,001
Fisheries – Treaty	298,509	217,540	217,540
Fisheries – Commercial	3,212,424	2,734,188	3,045,563
Wagmatcook Gas Bar	5,954,122	5,135,521	5,146,037
Nova Scotia Gaming Agreement	328,223	359,478	726,185
Enterprise, Heritage and Community Complex	2,004,988	1,860,823	1,771,238
Tobacco	149,890	747,969	1,231,645
Community support	1,305,000	1,604,866	–
	42,483,370	37,405,373	36,356,368
Net revenues (expenses) before the following	(1,831,031)	3,386,805	2,448,627
Financing and transfers			
Term loan principal instalments	(977,552)	(977,551)	(995,623)
Transfer to replacement reserve funds	(78,274)	(645,840)	(581,120)
Capital expenditures out of operations	–	(211,046)	(597,035)
Net financing and transfers	(1,055,826)	(1,834,437)	(2,173,778)
Other			
Approved recovery of prior year deficits	–	–	157,519
Proceeds on disposal of vessels	–	–	495,000
Income from WFN Seafoods LP	–	1,759,002	813,195
Net financing and transfers	–	1,759,002	1,465,714
ANNUAL SURPLUS (DEFICIT)	$ (2,886,857)	$ 3,311,370	$ 1,740,563

Wagmatcook First Nation
Schedule B – Schedule of Education
For the year ended March 31, 2026
(Unaudited)

		2026	2025
	Budget	Actual	Actual
REVENUES			
Indigenous Services Canada			
Culture education	$ 11,278	$ 10,840	$ 10,840
Mi'kmaw Kina'matnewey	5,790,429	6,456,972	5,228,578
Nova Scotia Community College	195,172	169,110	94,556
Preschool immersion – other	–	58,457	15,534
Other income	85,205	42,679	81,775
Prior year deferral	–	578,944	831,229
Current deferral	–	(159,452)	(578,944)
	6,082,084	7,157,550	5,683,526
EXPENSES			
Administration and band-operated school program	4,279,580	3,684,683	2,160,441
Post-secondary education	200,000	688,579	544,018
Operations and maintenance	350,000	429,103	394,331
Special education	400,000	378,874	326,520
Learning Centre	85,000	150,394	147,598
Preschool immersion wages	320,000	366,685	293,903
Transportation	50,000	99,712	96,053
Guidance and counseling	60,000	60,533	57,466
Preschool immersion operating expenses	30,000	52,808	59,223
Cultural education	–	–	10,840
Interest	–	22,709	797
Lunch program (recovery)	100,000	165,585	365
School extension/youth centre	–	–	1,118
	5,874,580	6,099,665	4,092,673
Net revenues before the following	207,504	1,057,885	1,590,853
Financing and transfers			
Term loan principal instalments	(34,244)	(34,244)	(53,082)
Transfer to Capital Education reserve	(53,274)	–	–
Transfer from Health	–	–	1,303,629
Transfer from Social Development	–	–	100,800
Transfer to Community Support	–	(100,000)	–
Transfer from Community Wellness	576,000	–	–
	488,482	(134,244)	1,351,347
EXCESS OF REVENUES OVER EXPENSES	$ 695,986	$ 923,641	$ 2,942,200

Wagmatcook First Nation
Schedule C – Schedule of Health Program
For the year ended March 31, 2026
(Unaudited)

	2026 Budget	2026 Actual	2025 Actual
REVENUES			
Indigenous Services Canada - Health			
Block funding	$ 2,180,074	$ 2,267,956	$ 2,401,040
Flex funding - Capital	300,000	300,463	277,145
Set funding	400,000	431,252	616,126
Prior year deferral	–	297,655	952,124
Current year deferral	–	(976,631)	(297,655)
Payable to funder	–	(70,892)	(108,308)
Tajikeimik	120,000	120,000	301,017
Province of Nova Scotia	50,869	10,000	127,478
Other	–	246,967	–
	3,050,943	2,626,770	4,268,897
EXPENSES			
Block expenditures	1,798,788	1,573,497	1,407,067
Set expenditures	760,000	708,302	770,688
Flex expenditures - Capital	150,000	62,298	27,095
Non-Health Canada Expenses	–	9,515	6,151
	2,708,788	2,353,612	2,211,001
Net revenues before the following	342,155	273,158	2,057,896
Financing and transfers			
Transfer to Education	–	–	(1,303,629)
Transfer to Capital	–	–	(189,027)
	–	–	(1,492,656)
Approved recovery of prior years deficit	–	–	157,519
EXCESS OF REVENUES OVER EXPENSES	$ 342,155	$ 273,158	$ 722,759

Wagmatcook First Nation
Schedule D – Schedule of Nova Scotia Gaming Agreement
For the year ended March 31, 2026
(Unaudited)

		2026	2025
	Budget	Actual	Actual
REVENUES			
Machine revenue	$ 512,065	$ 519,483	$ 530,028
Casino profits	120,000	119,532	119,112
Other	–	–	450
	632,065	639,015	649,590
EXPENSES			
Seniors’ contribution	–	–	357,616
Wages and benefits	121,374	126,340	122,061
Commissions	112,476	113,454	112,476
Management fee	20,000	30,000	40,000
Security	36,000	36,000	36,000
Building rental	30,000	30,000	30,000
Bookkeeping	1,000	9,000	20,000
Telephone and utilities	6,240	5,500	6,423
Insurance	1,133	1,106	1,089
Miscellaneous	–	8,078	520
	328,223	359,478	726,185
Net revenue (expenses) before the following	303,842	279,537	(76,595)
Financing and transfers			
Transfer to Governance	(120,000)	(119,532)	(119,112)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	$ 183,842	$ 160,005	$ (195,707)