MOWACHAHT/MUCHALAHT FIRST NATION

Consolidated Financial Statements

Year Ended March 31, 2025

MOWACHAHT/MUCHALAHT FIRST NATION
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Year Ended March 31, 2025

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Mowachaht/Muchalaht First Nation have been prepared in accordance with Canadian public sector accounting standards (PSAS) When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Mowachaht/Muchalaht First Nation's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Council of Chiefs is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board and meets periodically with management and the members' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Council of Chiefs prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the members by Morine Thomas CPA LLP, in accordance with Canadian generally accepted auditing standards.

Council of Chiefs -MMFN,

(Chief Mike Maquinna)

Gold River, BC
June 26, 2025

Morine Thomas CPA LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Mowachaht/Muchalaht First Nation

Report on the Consolidated Financial Statements

Opinion

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

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

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 Nation in accordance with 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 PSAS, 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 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 Nation or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 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 Nation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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.

Morine + Thomas

Nanaimo, British Columbia
July 26, 2025

MORINE THOMAS CPA LLP
CHARTERED PROFESSIONAL ACCOUNTANT

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Financial Position
March 31, 2025

	Total 2025	Total 2024
FINANCIAL ASSETS		
Cash	$ 13,968,735	$ 14,584,288
Restricted cash	259,485	248,236
Accounts receivable	1,051,684	2,281,147
Rent receivable	108,684	82,505
CMHC receivable	6,170	5,796
Goods and services tax recoverable	190,542	113,347
Due from related parties *(Note 8)*	10,194,628	6,534,649
Assets held in trust *(Note 4)*	265,781	493,495
Investment in Government Business Entities *(Note 6)*	3,958,041	6,659,391
	30,003,750	31,002,854
LIABILITIES		
Accounts payable	1,076,400	1,061,631
Interest payable	1,525	951
Wages payable	48,444	29,002
Employee deductions payable	76,360	45,109
Due to related parties *(Note 8)*	1,589	1,589
Long term debt *(Note 7)*	7,419,118	5,686,244
	8,623,436	6,824,526
NET FINANCIAL ASSETS	21,380,314	24,178,328
NON-FINANCIAL ASSETS		
Prepaid expenses	-	200,000
Tangible capital assets *(Note 5)*	14,539,375	11,867,665
	14,539,375	12,067,665
ACCUMULATED SURPLUS	$ 35,919,689	$ 36,245,993

ON BEHALF OF COUNCIL

Chief Mike Maquinna

Chief

Azar Kamran, CEO/Administrator MMFN

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Operations and Accumulated Surplus
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	$ 6,494,596	$ 6,611,130
Province of BC	4,118,057	2,447,311
Government of Canada	252,514	1,413,485
First Nations Health Authority	378,382	188,088
CMHC	71,046	369,639
FNESC	195,146	110,935
BC First Nations Gaming	463,262	592,281
Other income and recoveries	4,013,327	2,705,443
Rental income	140,812	162,594
Interest income	685,962	871,638
RRF Allocation	18,150	18,150
Administration fees	179,216	282,205
Surplus recoveries	-	(18,817)
	17,010,470	15,754,082
EXPENSES		
Segment - General Administration *(Schedule 2)*	5,673,906	4,173,627
Segment - Public Works *(Schedule 3)*	1,896,610	1,549,728
Segment - Housing *(Schedule 4)*	637,051	515,254
Segment - Health and Social Development *(Schedule 5)*	1,741,170	1,217,848
Segment - Education *(Schedule 6)*	1,022,321	952,368
Segment - Culture and Community Development *(Schedule 7)*	269,042	97,820
Segment - Economic Development *(Schedule 8)*	95,808	73,171
Segment - Intergovernmental Issues *(Schedule 9)*	-	19,503
Segment - Resource Management and Development *(Schedule 10)*	3,299,516	2,189,235
	14,635,424	10,788,554
	2,375,046	4,965,528
	-	-
Surplus from operations	2,375,046	4,965,528
OTHER INCOME		
Equity income (loss) from Government Business Entities	(2,701,350)	(1,066,552)
ANNUAL SURPLUS	(326,304)	3,898,976
ACCUMULATED SURPLUS - BEGINNING OF YEAR	36,245,993	32,347,017
ACCUMULATED SURPLUS - END OF YEAR	$ 35,919,689	$ 36,245,993

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Changes in Net Financial Assets
Year Ended March 31, 2025

	2025	2024
ANNUAL SURPLUS (DEFICIT)	**$ (326,304)**	$ 3,898,976
Amortization of tangible capital assets	**744,001**	650,400
Purchase of tangible capital assets	**(3,415,716)**	(1,158,554)
Decrease (increase) in prepaid expenses	**200,000**	(200,000)
	(2,471,715)	(708,154)
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	**(2,798,019)**	3,190,822
NET FINANCIAL ASSETS - BEGINNING OF YEAR	**24,178,339**	20,987,517
NET FINANCIAL ASSETS - END OF YEAR	**$ 21,380,320**	$ 24,178,339

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Consolidated Statement of Cash Flows
Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Annual surplus (deficit)	$ (326,304)	$ 3,898,976
Items not affecting cash:		
Amortization of tangible capital assets	744,004	650,389
Equity income (loss) from Government Business Entities	2,701,350	1,066,552
	3,119,050	5,615,917
Changes in non-cash working capital:		
Accounts receivable	1,229,460	(1,914,023)
Rent receivable	(26,179)	(21,879)
CMHC receivable	(374)	-
Assets held in trust	227,714	(31,415)
Accounts payable	14,775	707,263
Prepaid expenses	200,000	(200,000)
Goods and services tax payable	(77,195)	(76,871)
Interest payable	574	(109)
Wages payable	19,442	12,894
Employee deductions payable	31,251	(31,569)
	1,619,468	(1,555,709)
Cash flow from operating activities	4,738,518	4,060,208
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(3,415,716)	(1,158,554)
Recovery from Nation Business Entities	-	300,000
Cash flow used by investing activities	(3,415,716)	(858,554)
FINANCING ACTIVITIES		
Advances from related parties	(3,659,979)	(4,244,711)
Proceeds from long term financing	8,921,280	3,225,171
Repayment of long term debt	(7,188,407)	(99,107)
Cash flow used by financing activities	(1,927,106)	(1,118,647)
INCREASE (DECREASE) IN CASH FLOW	(604,304)	2,083,007
Cash - beginning of year	14,832,524	12,749,517
CASH - END OF YEAR	$ 14,228,220	$ 14,832,524
CASH CONSISTS OF:		
Cash	$ 13,968,735	$ 14,584,288
Restricted cash	259,485	248,236
	$ 14,228,220	$ 14,832,524

See notes to financial statements

1. OPERATIONS

Mowachaht/Muchalaht First Nation (the "Nation") is located in the province of British Columbia, and provides various services to its members. Mowachat Muchalaht First Nation includes the Nation's members, government and all related entities that are accountable to the Nation and are either owned or controlled by the Nation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements were prepared in accordance with Canadian public sector accounting standards (GAAP).

Basis of consolidation

The consolidated financial statements include the financial activities of all entities and departments comprising the Nation reporting entity, except for Nation Business Entities. As a result, figures as at March 31, 2025 or for the years then ended include the operating fund, social housing fund and the capital fund. All inter-entity balances have been eliminated, however, in the respective schedules transactions between departments have not been eliminated in order to present the results of operations for each specific department

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

	Ownership %	Year end
447839 BC Ltd.	100.00	March 31, 2025
1008653 BC Ltd.	100.00	March 31, 2025
1129958 BC Ltd.	100.00	March 31, 2025
1198759 BC Ltd.	100.00	March 31, 2025
Matchlee General Partner Ltd.	100.00	March 31, 2025
Matchlee Limited Partnership	99.90	March 31, 2025
1210250 BC Ltd.	100.00	March 31, 2025
1210288 BC Ltd.	100.00	March 31, 2025
1210318 BC Ltd.	100.00	March 31, 2025
Nis'maas Master GP Ltd	100.00	March 31, 2025
Tourism Limited Partnership	99.90	March 31, 2025

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents include short term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Measurement uncertainty

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Net Financial Assets (Net Debt)

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

Segments

The Nation conducts its business through a number of reportable segments as described in Note 10. These operating segments are established by senior management to facilitate the achievement of the 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.
The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements.

Funds Held in Trust

Funds held in trust on behalf of Nation members by the Government of Canada in the Ottawa Trust Fund are reported on the statement of financial position and consist of:

Capital trust monies derived from non-renewable resource transactions on the sale of land or other Nation tangible capital assets; and

Revenue trust monies generated primarily through land leasing transactions or interest earned on deposits held in trust.

Asset Classification

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

Liability for Contaminated Site

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Nation is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at March 31, 2025.
At each financial reporting date, the Nation reviews the carrying amount of the liability. Any revision required to the amount previously recognized is accounted for in the period revisions are made. The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made. As at March 31, 2025, no liability for contaminated site exists.

Asset Retirment Obligations

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset (or a component thereof) at the consolidated financial statement date when there is a legal obligation for the Nation to incur retirement costs in relation to a tangible capital asset (or component thereof), the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at March 31, 2025. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.
When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset (or component thereof). The asset retirement cost is amortized over the useful life of the related asset.
At each financial reporting date, the Nation reviews the carrying amount of the liability. The Nation recognizes period-to period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset.
The Nation continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible Capital Assets

Tangible Capital Assets are stated at cost or deemed cost less accumulated amortization. Tangible Capital Assets are amortized over their estimated useful lives on a straight-line basisat the following rates and methods:

Community Infrastructure Systems	40 years	straight-line method
Community Buildings	40 years	straight-line method
Vehicles, Vessels and Equipment	10 years	straight-line method

The Nation regularly reviews its tangible capital assets to eliminate obsolete items. Government grants are treated as a reduction of tangible capital assets cost.

Tangible Capital Assets acquired during the year but not placed into use are not amortized until they are placed into use.

All intangible assets and items inherited by the right of the Nation, such as reserve lands, forests, water and mineral resources, are not recognized in the Nation's consolidated financial statements

Housing units are amortized at an annual amount equal to the principal reduction in related debt as per the Nation's agreement with CMHC.

The Nation performs impairment testing on tangible capital assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognized when an asset's service potential is reduced and they are charged to surplus in the year.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Revenue recognition

The Nation recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

Government transfers
The Nation recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the First Nation recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

First Nation Capital and Revenue Trust Funds

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

Canada Mortgage and Housing Corporation ("CMHC")

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

Housing rental income

Rental revenue is recorded in the year it is earned. At the end of each year management evaluates whether rent revenue is collectible and records a bad debt expense and allowance for doubtful accounts for those amounts designated as unlikely to be collected.

Own source and other revenue

Own source and other revenue is recognized when performance is completed, amounts are measurable and collection is reasonably assured.

Investment income

Investment income is recognized by the Nation when investment income is earned

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in equity (Unrealized gains and Losses). All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

3. RESTRICTED CASH

Under the terms of the agreement with Canada Mortgage and Housing Corporation ("CMHC"), the replacement reserve account is to be credited by an amount annually. 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 CMHC from time to time. The funds in the account may only be used as approved by CMHC. At year end, these reserves were fully funded. Also included are accounts related to the CMHC operating reserve which are deposited in an interest bearing account.

4. FUNDS HELD IN TRUST

	2025	2024
Ottawa Trusts		
Ottawa Trust Funds - Capital	**$ 260,213**	$ 260,213
Ottawa Trust Funds - Revenue	**5,568**	233,282
	$ 265,781	$ 493,495

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

5. TANGIBLE CAPITAL ASSETS

Cost	2024 Balance	Additions	Disposals	**2025 Balance**
Community Infrastructure Systems	$ 7,892,663	$ -	$ -	**$ 7,892,663**
Community Buildings	7,581,124	710,316	-	**8,291,440**
Housing	3,513,956	-	-	**3,513,956**
Construction in Progress	1,143,140	1,392,706	-	**2,535,846**
Vehicles, Vessels and Equipment	2,275,589	1,312,693	-	**3,588,282**
	$ 22,406,472	$ 3,415,715	$ -	**$ 25,822,187**

Accumulated Amortization	2024 Balance	Amortization	Accumulated Amortization on Disposals	**2025 Balance**
Community Infrastructure Systems	$ 4,230,375	$ 197,317	$ -	**$ 4,427,692**
Community Buildings	3,541,200	198,407	-	**3,739,607**
Housing	1,873,741	58,269	-	**1,932,010**
Construction in Progress	-	-	-	-
Vehicles, Vessels and Equipment	893,491	290,012	-	**1,183,503**
	$ 10,538,807	$ 744,005	$ -	**$ 11,282,812**

Net book value	**2025**	2024
Community Infrastructure Systems	**$ 3,464,971**	$ 3,662,288

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5. TANGIBLE CAPITAL ASSETS *(continued)*

Net book value	2025	2024
Community Buildings	**4,551,833**	4,039,924
Housing	**1,581,946**	1,640,215
Construction in Progress	**2,535,846**	1,143,140
Vehicles, Vessels and Equipment	**2,404,779**	1,382,098
	$ 14,539,375	$ 11,867,665

6. LONG TERM INVESTMENTS

	2025	2024
Investment in Government Business Entities		
Investment - Shares in Corp Entities	**$ 128**	$ 128
Investment - Matchlee LP	**4,929,913**	6,652,246
Investment - Matchlee GP Ltd	**6,792**	7,017
Investment - Nis'Maas Master GP Ld	**(542,605)**	-
Investment - 1210250 Tourism LP (Baymont)	**(436,187)**	-
	$ 3,958,041	$ 6,659,391

Summary financial information for Government Business Entities

Total Assets	**$ 21,416,529**	$ 17,905,454
Total Liabilities	**(17,458,656)**	(11,688,851)
Total Equity	**3,957,873**	6,216,603
Total Revenue	**10,965,655**	2,345,169
Total Expenses	**(13,217,592)**	(2,796,349)
Net Income	**(2,251,937)**	(451,180)

7. LONG TERM DEBT

	2025	2024
All Nations trust Company loan bearing interest at 3.29% compounded semi-annually, repayable in monthly blended payments of $1,242. The loan matures on September 1, 2027 and is secured by a ministerial guarantee.	**$ 35,726**	$ 49,224
All Nations Trust Company loan bearing interest at 3.51% compounded semi-annually, repayable in monthly blended payments of $4,948. The loan matures on December 1, 2034 and is secured by a ministerial guarantee.	**483,074**	527,844
RBC Business Loan loan bearing interest at prime plus .25% compounded semi-annually and is due February 7, 2025is secured by a general security agreement, guarantees by affiliated entities and assignment of revenues.	-	1,884,005

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7. LONG TERM DEBT *(continued)*

	2025	2024
RBC Business Loan loan bearing interest at prime plus .25% compounded semi-annually and is due on demand and is secured by a general security agreement, guarantees by affiliated entities and assignment of revenues.	-	3,225,171
RBC Business Loan loan bearing interest at prime plus .25% compounded semi-annually, repayable in monthly blended payments of $52,958. The loan matures on October 10, 2025 and is secured by a general security agreement, guarantees by affiliated entities and assignment of revenues.	**6,900,318**	-
	$ 7,419,118	$ 5,686,244

Principal repayment terms are approximately:

2026	$ 6,957,487
2027	59,162
2028	53,715
2029	47,981
2030	49,680
Thereafter	251,093
	$ 7,419,118

8. DUE TO/FROM RELATED PARTIES

	2025	2024
Due from related parties		
Due to (from) 44839 BC Ltd	**$ 530**	$ 530
Due to (from) 1008653 BC Ltd	**129**	129
Due to (from) Nis'Maas Master GP Ltd	**10,193,969**	6,093,990
Due to (from) Salmon Parks Society	**-**	440,000
	$ 10,194,628	$ 6,534,649

	2025	2024
Due to related parties		
Due to Matchlee Limited Partnership	**$ 1,589**	$ 1,589

Advances to/from a related organization are non-interest bearing and have no set repayment terms.

9. ECONOMIC DEPENDENCE

The Nation receives a significant portion of its revenue from Indigenous Services Canada (ISC - through Nuu-chah-nulth Tribal Council) as a result of Treaties entered into with the Government of Canada. These treaties are administered by ISC under the terms and conditions of the Indian Act. The ability of the Nation to continue operations is dependent upon the Government of Canada's continued financial commitments as guaranteed by these treaties.

10. SEGMENTS

The Nation receives revenue and incurs expenses from many different projects and sources. For management and reporting purposes, the revenue, expenses and surplus or deficits are organized by the following segments:

General Administration:
Includes general operations, support, and financial management of the Nation.

Education:
Includes revenue and expenses related to primary, secondary and post secondary education of the members of the Nation.

Public Works:
Includes revenue and expenditures related to capital projects.

Health and Social Development:
Includes revenue and expenditures related to the social assistance and health services to the members of the Nation.

Housing:
Includes revenue and expenses related to on reserve housing of the members of the Nation.

Resource Management and Development: Includes revenue and expenses related to conservation and stewardship of the Nation's land and resources.

Economic Development
Includes revenue and expenses related to economic opportunities of the Nation.

Intergovernmental Issues

Includes revenue and expenses related to negotiation and litigation between the Nation and other levels of government outside of the treaty process.

Culture and Community Development

Includes revenue and expenses related to development of cultural and interpersonal aspects of the Nation.

11. BUDGET INFORMATION

No budget was prepared for the current period.

MOWACHAHT/MUCHALAHT FIRST NATION

Consolidated Expenses by Object **(Schedule 1)**

Year Ended March 31, 2025

	2025	2024
Advertising and promotion	$ 18,459	$ 1,264
Amortization	744,004	650,389
Bad debts	10	-
Social Development	442,939	503,196
Business taxes, licenses and memberships	69,990	68,338
Honoraria	195,542	129,374
RRF Allocation	18,150	18,150
Student Alowances	55,806	40,726
Salmon Parks expense	573,958	47,099
Equipment rentals	159,097	58,654
Insurance	202,612	196,629
Interest and bank charges	16,496	18,563
Interest on long term debt	427,989	205,476
Administration fees	172,584	280,673
Security and Janitor	28,711	78,921
Meetings and Workshops	23,352	14,432
Funeral Support	35,949	37,244
Office	251,010	197,784
Consulting and Professional fees	3,147,759	1,863,060
Rental	17,354	5,810
Repairs and maintenance	546,551	346,235
Salaries and wages	4,684,207	3,856,304
Equipment costs	167,734	171,318
Sub-contracts	607,956	358,859
Materials and Supplies	609,500	380,635
Telephone	69,138	136,748
Training	100,276	51,225
Travel	753,764	620,307
Traditional and Cultural Events and Supplies	123,261	75,615
Utilities and property tax	175,779	207,653
Vehicle and vessel costs	195,486	167,867
	$ 14,635,423	$ 10,788,548

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - General Administration (Schedule 2)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	**$ 1,279,066**	$ 1,053,619
Interest income	**667,526**	621,939
Other income and recoveries	**883,266**	383,101
Administration fees	**172,500**	282,205
Province of BC	**221,241**	50,000
Government of Canada	**2**	107,535
	3,223,601	2,498,399
EXPENSES		
Advertising and promotion	**2,814**	1,264
Social Development	**1,500**	-
Insurance	**182,242**	186,691
Interest and bank charges	**16,496**	18,363
Business taxes, licenses and memberships	**30,256**	7,042
Office	**144,795**	99,231
Consulting and Professional fees	**1,822,649**	1,286,366
Training	**34,698**	2,987
Equipment costs	**16,664**	41,712
Salaries and wages	**1,851,143**	1,638,178
Honoraria	**181,042**	107,786
Sub-contracts	**348,604**	60,657
Materials and Supplies	**127,132**	48,704
Travel	**340,574**	212,844
Meetings and Workshops	**11,023**	6,423
Telephone	**44,042**	119,198
Rental	**1,187**	957
Repairs and maintenance	**9,765**	24,595
Security and Janitor	**19,865**	34,619
Traditional and Cultural Events and Supplies	**1,695**	31,156
Utilities and property tax	**3,390**	4,294
Vehicle and vessel costs	**6,065**	5,716
Funeral Support	**9,843**	30,243
Interest on long term debt	**415,351**	193,647
Administration fees	**-**	10,954
Equipment rentals	**51,071**	-
	5,673,906	4,173,627
ANNUAL SURPLUS	**(2,450,305)**	(1,675,228)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**6,061,503**	4,441,094
TRANSFERS		
Transfers between departments	**160,129**	3,295,637
Transfer to acquire capital assets	**(102,776)**	-
	57,353	3,295,637
ACCUMULATED SURPLUS, END OF YEAR	**$ 3,668,551**	$ 6,061,503

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Public Works (Schedule 3)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	$ 795,907	$ 863,858
Other income and recoveries	47,301	2,025
Government of Canada	-	99,104
Province of BC	296,049	-
	1,139,257	964,987
EXPENSES		
Amortization	685,736	592,543
Consulting and Professional fees	35,195	1,818
Training	937	135
Insurance	6,235	7,219
Repairs and maintenance	156,293	107,633
Equipment costs	13,265	32,515
Salaries and wages	482,580	277,329
Sub-contracts	11,983	11,712
Materials and Supplies	174,880	129,203
Travel	22,014	14,456
Utilities and property tax	163,604	195,349
Telephone	8,215	8,900
Vehicle and vessel costs	35,787	41,913
Business taxes, licenses and memberships	13,618	4,151
Office	46,417	10,530
Social Development	500	-
Equipment rentals	21,237	28,306
Honoraria	4,200	-
Security and Janitor	8,346	34,446
Traditional and Cultural Events and Supplies	1,292	-
Administration fees	-	49,800
Rental	695	1,770
Meetings and Workshops	3,571	-
Bad debts	10	-
	1,896,610	1,549,728
ANNUAL SURPLUS	(757,353)	(584,741)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	9,481,334	9,345,884
TRANSFERS		
Transfers between departments	-	(12,039)
Transfer to acquire capital assets	2,732,152	732,231
	2,732,152	720,192
ACCUMULATED SURPLUS, END OF YEAR	$ 11,456,133	$ 9,481,335

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Housing (Schedule 4)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	$ **158,862**	$ 373,634
CMHC	**71,046**	369,639
Rental income	**140,812**	162,594
Interest income	**-**	10,245
RRF Allocation	**18,150**	18,150
Province of BC	**15,000**	-
Other income and recoveries	**-**	550
	403,870	934,812
EXPENSES		
Amortization	**58,269**	57,847
Interest and bank charges	**-**	200
Interest on long term debt	**12,638**	11,829
Consulting and Professional fees	**130,828**	4,140
Administration fees	**-**	15,550
Training	**-**	540
Repairs and maintenance	**146,550**	144,102
Equipment costs	**10,675**	5,136
Salaries and wages	**165,802**	182,012
Sub-contracts	**66,620**	30,365
Materials and Supplies	**13,381**	9,574
Travel	**367**	15,469
Equipment rentals	**770**	-
Utilities and property tax	**767**	857
Telephone	**2,183**	1,011
RRF Allocation	**18,150**	18,150
Vehicle and vessel costs	**5,099**	8,301
Honoraria	**3,200**	3,800
Office	**-**	5,460
Business taxes, licenses and memberships	**1,752**	-
Security and Janitor	**-**	911
	637,051	515,254
ANNUAL SURPLUS	**(233,181)**	419,558
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**1,451,815**	1,238,616
TRANSFERS		
Transfers between departments	**-**	(174,336)
Transfer to acquire capital assets	**-**	(32,024)
	-	(206,360)
ACCUMULATED SURPLUS, END OF YEAR	$ **1,218,634**	$ 1,451,814

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Health and Social Development (Schedule 5)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	**$ 1,484,927**	$ 3,231,372
Province of BC	**38,409**	43,780
First Nations Health Authority	**117,810**	138,088
Other income and recoveries	**40,246**	41,701
Government of Canada	**5,000**	-
	1,686,392	3,454,941
EXPENSES		
Funeral Support	**26,106**	7,001
Telephone	**4,666**	1,034
Utilities and property tax	**38**	888
Meetings and Workshops	**6,224**	850
Travel	**300,596**	272,921
Materials and Supplies	**201,056**	115,533
Sub-contracts	**46,026**	67,104
Social Development	**440,939**	502,653
Honoraria	**2,025**	3,100
Salaries and wages	**409,377**	163,662
Business taxes, licenses and memberships	**10,081**	76
Office	**11,319**	8,538
Training	**657**	2,595
Vehicle and vessel costs	**2,520**	-
Equipment costs	**18,414**	15,248
Traditional and Cultural Events and Supplies	**81,077**	37,877
Repairs and maintenance	**6,276**	11,948
Consulting and Professional fees	**173,773**	6,820
	1,741,170	1,217,848
ANNUAL SURPLUS	**(54,778)**	2,237,093
ACCUMULATED SURPLUS, BEGINING OF YEAR	**2,422,596**	502,063
TRANSFERS		
Transfers between departments	**86,020**	(159,762)
Transfer to acquire capital assets	**(905,255)**	(156,799)
	(819,235)	(316,561)
ACCUMULATED SURPLUS, END OF YEAR	**$ 1,548,583**	$ 2,422,595

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Education
Year Ended March 31, 2025

(Schedule 6)

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	$ 787,569	$ 324,618
FNESC	195,146	110,935
Other income and recoveries	493,598	241,136
Province of BC	1,092,576	128,665
Government of Canada	98,000	26,550
First Nations Health Authority	260,572	-
	2,927,461	831,904
EXPENSES		
Administration fees	84	77,469
Office	15,820	42,842
Training	35,107	28,064
Social Development	-	544
Equipment costs	40,816	29,685
Salaries and wages	598,190	513,427
Honoraria	4,900	12,138
Student Alowances	47,516	40,726
Sub-contracts	1,626	31,697
Materials and Supplies	22,259	29,374
Travel	25,109	37,340
Meetings and Workshops	2,028	3,762
Telephone	2,817	1,678
Vehicle and vessel costs	-	3,821
Utilities and property tax	2,612	1,770
Security and Janitor	500	8,501
Repairs and maintenance	117	5,713
Equipment rentals	523	11,167
Consulting and Professional fees	208,227	72,347
Business taxes, licenses and memberships	5,166	303
Insurance	321	-
Traditional and Cultural Events and Supplies	8,583	-
	1,022,321	952,368
ANNUAL SURPLUS	1,905,140	(120,464)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	6,425	260,350
TRANSFERS		
Transfers between departments	-	(28,464)
Transfer to acquire capital assets	(248,807)	(105,000)
	(248,807)	(133,464)
ACCUMULATED SURPLUS, END OF YEAR	$ 1,662,758	$ 6,422

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Culture and Community Development **(Schedule 7)**
Year Ended March 31, 2025

	2025	2024
REVENUES		
First Nations Health Authority	$ -	$ 50,000
Nuu-chah-nulth Tribal Council	**583,786**	115,885
Province of BC	**30,000**	30,000
Other income and recoveries	**86,575**	-
	700,361	195,885
EXPENSES		
Advertising and promotion	**300**	-
Office	**385**	-
Consulting and Professional fees	**11,240**	-
Training	**3,190**	-
Salaries and wages	**89,627**	64,170
Sub-contracts	**53,266**	13,049
Materials and Supplies	**52,894**	5,388
Travel	**20,156**	8,631
Telephone	**360**	-
Traditional and Cultural Events and Supplies	**29,333**	6,582
Student Alowances	**8,291**	-
	269,042	97,820
ANNUAL SURPLUS	**431,319**	98,065
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**105,455**	21,056
TRANSFERS		
Transfers between departments	-	(13,666)
ACCUMULATED SURPLUS, END OF YEAR	**$ 536,774**	$ 105,455

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Economic Development (Schedule 8)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Province of BC	**$ 286,172**	$ 200,010
BC First Nations Gaming	**463,262**	592,281
Other income and recoveries	**206,623**	200,838
Equity income (loss) from Government Business Entities	**(2,701,350)**	(1,066,552)
Nuu-chah-nulth Tribal Council	**1,041,587**	137,780
	(703,706)	64,357
EXPENSES		
Consulting and Professional fees	**73,638**	42,394
Repairs and maintenance	**-**	438
Salaries and wages	**15,225**	3,545
Sub-contracts	**3,318**	22,085
Materials and Supplies	**2,711**	71
Office	**-**	38
Business taxes, licenses and memberships	**-**	400
Telephone	**420**	-
Equipment rentals	**-**	4,200
Travel	**496**	-
	95,808	73,171
ANNUAL SURPLUS	**(799,514)**	(8,814)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**8,969,475**	10,597,397
TRANSFERS		
Transfers between departments	**-**	(1,217,520)
Transfer to acquire capital assets	**(1,392,706)**	(401,590)
	(1,392,706)	(1,619,110)
ACCUMULATED SURPLUS, END OF YEAR	**$ 6,777,255**	$ 8,969,473

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Intergovernmental Issues (Schedule 9)
Year Ended March 31, 2025

	2025	2024
REVENUES	$ -	$ 58,000
EXPENSES		
Consulting and Professional fees	-	15,317
Business taxes, licenses and memberships	-	2,392
Salaries and wages	-	594
Sub-contracts	-	1,200
	-	19,503
ANNUAL SURPLUS	-	38,497
ACCUMULATED SURPLUS, BEGINNING OF YEAR	(19,131)	1,580,789
TRANSFERS		
Transfers between departments	-	(1,638,417)
ACCUMULATED SURPLUS, END OF YEAR	$ (19,131)	$ (19,131)

See notes to financial statements

MOWACHAHT/MUCHALAHT FIRST NATION
Segment - Resource Management and Development (Schedule 10)
Year Ended March 31, 2025

	2025	2024
REVENUES		
Nuu-chah-nulth Tribal Council	**$ 362,892**	$ 510,364
Province of BC	**2,138,609**	1,994,850
Government of Canada	**149,512**	1,180,296
Other income and recoveries	**2,255,718**	1,778,092
Interest income	**18,436**	239,453
Surplus recoveries	**-**	(18,817)
Administration fees	**6,716**	-
	4,931,883	5,684,238
EXPENSES		
Advertising and promotion	**15,345**	-
Insurance	**13,814**	2,719
Business taxes, licenses and memberships	**9,118**	53,973
Office	**32,274**	31,146
Consulting and Professional fees	**692,208**	433,858
Administration fees	**172,500**	126,901
Repairs and maintenance	**227,551**	51,808
Equipment costs	**67,901**	47,022
Salaries and wages	**1,072,263**	1,013,387
Sub-contracts	**76,513**	120,990
Materials and Supplies	**15,187**	42,788
Travel	**44,452**	58,646
Meetings and Workshops	**506**	3,397
Utilities and property tax	**5,367**	4,495
Telephone	**6,434**	4,926
Vehicle and vessel costs	**146,015**	108,116
Honoraria	**175**	2,550
Equipment rentals	**85,495**	14,982
Training	**25,688**	16,904
Rental	**15,472**	3,083
Traditional and Cultural Events and Supplies	**1,280**	-
Security and Janitor	**-**	445
Salmon Parks expense	**573,958**	47,099
	3,299,516	2,189,235
ANNUAL SURPLUS	**1,632,367**	3,495,003
ACCUMULATED SURPLUS, BEGINNING OF YEAR	**7,766,521**	4,359,768
TRANSFERS		
Transfers between departments	**(246,149)**	(51,431)
Transfer to acquire capital assets	**(82,607)**	(36,818)
	(328,756)	(88,249)
ACCUMULATED SURPLUS, END OF YEAR	**$ 9,070,132**	$ 7,766,522

See notes to financial statements