

FISHER RIVER CREE NATION
COMMUNITY TRUST



ANNUAL REPORT 2024

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A close-up, slightly blurred photograph of a person's arm and hand holding a beater, striking a large, circular wooden drum. The beater has a light-colored wooden head and a handle decorated with colorful, horizontal bands of purple, blue, and red. The drum is made of light-colored wood and is positioned in the foreground. In the background, another person's leg wearing a blue sneaker is visible, suggesting a group activity or performance.

Trust Background

Settlement of the Trust

Fisher River Cree Nation (“FRCN”) and the Federal Government of Canada entered into a Consent Settlement Order, dated April 23, 2021, with respect to the 1896 Alienation Specific Claim. This secured FRCN’s long outstanding right to compensation for the failure to ensure that the Southeast Addition and Southwest Addition were set aside as reserve land. FRCN established the Fisher River Cree Nation Community Trust

(the “Trust”) to receive the monies settled into the Trust Account for purposes of promoting the long-term benefit of FRCN and its Members. The Fisher River Cree Nation Community Trust Agreement was approved by a Ratification Band Council Resolution and signed by a Board of Trustees dated August 6, 2021 to formally establish the Trust. The settlement payment of \$10,500,000 was deposited into the Trust Account on November 16, 2021 which officially creates the Effective Date of the Trust.

Trustee Governance

Early in 2021, Chief and Council initiated the development of the Community Trust by establishing a Board of Trustees who have a fiduciary duty to act in the best interests of the Beneficiary and whom have legal ownership of the Trust Property. An interview process was conducted by a selection committee to provide a recommendation to Chief and Council for their final approval to form the initial Board of Trustees. The Board of Trustees is made up of two (2) on-reserve and two (2) off-reserve Community Member Trustees and a Corporate Trustee.

Trustees hold and invest the Trust Property for the long-term benefit of the FRCN and its Members and will transfer or release Trust Property as directed and authorized by the Trust Agreement through the form of an Annual Payment.

Investment Governance

The Trust requires an investment governance structure to ensure

the goals and objectives for capital growth and protection of the Trust Property. T.E. Wealth was retained as the Trust's Investment Consultant and established the Trust's governance structure in December 2021.

The Trustees and Chief and Council, in consultation with the Investment Consultant, approved a Statement of Investment Policy and Guidelines ("SIP&G") that provides the investment goals, objectives, and rules of the Trust's investments.

A competitive interview search was conducted in 2021 to select two Investment Managers to achieve the investment strategy goals. Fiera Capital Corporate and Beutel Goodman Investment Counsel, being two top tier global Investment Managers, were retained to manage the Trust's investments.

Asset Safekeeping

The Investment Managers do not physically hold the Trust funds within their account. To provide additional security for the segregation and

safekeeping of the Trust funds, RBC Investor and Treasury Services ("RBC ITS") was retained by the Trustees as the asset custodian. RBC ITS completes the investment instructions provided by the Investment Managers in their investment accounts and produces monthly statements to monitor and report on the investments.

Reporting & Audits

The Fiscal Year of the Trust is January 1st to December 31st each year. The Trustees established regular reporting to include quarterly unaudited financial statements and investment performance results and budget reports.

In accordance with the Trust Agreement, an independent auditor is required to audit the Trust's annual financial statements within 120 days of the end of the Fiscal Year. MNP LLP, Edmonton office, was the Trust's auditor since 2021 to 2023, and in 2024 the Trust's auditor transitioned offices to support the local MNP LLP Winnipeg office.

Your Chief and Council

Your Elected Chief and Council for a term of August 2023 to August 2025.

Chief and Council meet with the Board of Trustees on a quarterly basis on the Trust activities. Each year, the Trustees are required to provide the Chief and council with the audited financial statements and the annual report of the Trust within 120 days of year-end that are to be made available for Membership in accordance to the Trust Agreement.

Left to right: Councillor Delaney Mason, Councillor Hillary Murdock, Chief David Crate, Councillor Darrell Thaddeus, and Councillor Barry Wilson



Your Board of Trustees

As Trustees of the Fisher River Community Trust, we are honored to present our 2024 Annual Report. The Fiscal Year started out exciting with an increased interest by Members of the Community Trust structure and processes and ending the year with closely monitoring the Trust investment performance as external market factors tested the strength of our long-term investment strategy. Being year 3 that the Trust funds have been fully invested and despite the challenging market conditions experience this year, the Trust earned double digit investment returns. In conjunction with our professional investment management team, we have navigated with resilience and adaptability and as dedicated fiduciaries of the Trust, we continuously monitor the Trust investments in light of the uncertain economic environment. Our dedication to prudent investment management has ensured the sustainability of our Trust for future generations.

We take pride in the positive impact our initiatives have had on our community members, fostering growth, opportunity, and empowerment. By staying true to our mission and working collaboratively with our stakeholders, we are confident in our ability to drive positive change and prosperity within the Fisher River Cree Nation community. As Trustees, we are grateful for the trust placed in us and remain committed to serving our community with integrity, transparency, and a vision for a brighter tomorrow.

— Board of Trustees



FNB Trust is your Corporate Trustee, as represented by Suzanne Trottier and Priscille Buors. We are humbled to serve as your Corporate Trustee of the Fisher River Cree Nation Community Trust in partnership with the talented Community Trustees.

As your Corporate Trustee, it is our responsibility to uphold the legal terms and conditions set out in the Trust Agreement, including the governance structure of the Board of the Trustee and support the Board of Trustees to make informed decisions. FNB Trust administers the day-to-day operations of the Trust, which includes quarterly financial reporting, payment administration, monitor the investment results and record and store Trust documents such as meeting minutes.

With over 80 years of combined trustee and trust service experience, we support to ensure the Trust Agreement objectives of long-term sustainability and transparency and accountability to the Members are met. We only serve Indigenous trust clients, have only Indigenous employees and are focused on supporting the Fisher River Cree Nation to govern your Trust.



Jeremy Neault

Community Member Trustee
(on-reserve)



Taylor Wilson

Community Member Trustee
(off-reserve)



Edward Kidd

Community Member Trustee
(off-reserve)



Priscille Buors, CPA, CGA, CAFM

is the Senior Trust Officer and Business Development of FNB Trust. She has a background in Indigenous Trust Agreements along with 20 years of professional accounting experience. She is a proud member of the Manitoba Métis Federation.



Suzanne Trottier, CFA, MBA, ICD.D

is the President of FNB Trust and has over 25 years of professional finance and investment experience. She is a proud Métis woman with maternal family ties to the Lake Manitoba First Nation.

Your Trust Investment Team

Your Investment Consultant

T.E. Wealth Indigenous Services provides comprehensive investment and trust advisory services to assist in planning and implementation of customized wealth management strategies for Indigenous communities across Canada. T.E. Wealth was selected in 2021 to be your Trust Investment Consultant.

T.E. Wealth is the firm that has professionals who possess a Chartered Financial Analyst designation. They provide independent financial advice to the Trust, including the development and annual reviews of the Investment Policy, monitoring and evaluating the Trust's Investment Managers as well as producing quarterly investment performance reports.



Your Investment Managers

Investment Managers directly manage the Trust's investment funds in the stock and bond markets in accordance with the Trust's approved Statement of Investment Policy & Guidelines that outlines the objectives and framework for the invested funds.

Fiera Capital Corporation is your Growth Investment Manager. They are pooled fund managers that invest in high-quality, successful companies that have strong performance and are expected to continue to do well.



What are Pooled Investment Funds?

Pooled investment funds combine many other investor's monies into a single fund for the purposes of investing in multiple securities and assets. This structure provides economies of scale in a diversified portfolio at a lower cost than investing in individual securities.



Beutel Goodman is your Value Investment Manager. They are pooled fund managers that invest in mid and large companies at bargain prices as they have fallen out of favour but still have strong fundamentals and competitive edge over their peers.



Your Trust Investments

Investment Policy

The Investment Policy of your Trust sets out the Trust’s investment objectives, constraints, benchmarks and other rules for investing and reporting on the Trust’s funds. The Trust’s investment objectives focus on capital protection with modest capital growth. The goal of the Trust investments is to earn an average annual rate of return equal to the Consumer Price Index (CPI) plus 4.0%.

Target asset class mix of the investment portfolio:

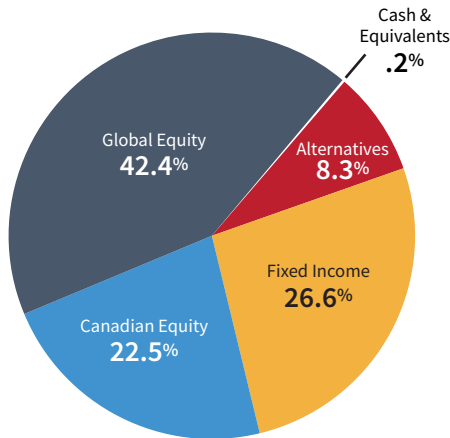
- 5% Cash & cash equivalents
- 10% Alternatives
- 25% Fixed income
- 60% Equities

Each asset class has a percentage range to work within, which allows the Investment Managers to reallocate the asset mix based on the market conditions, while remaining within the respective range.

The investment structure for the Trust effectively splits the Trust funds between the Value investment style of Beutel Goodman and the Growth investment style of Fiera under a balanced portfolio. By doing so, the Trust can achieve a degree of manager diversification and minimize the risk of periodic underperformance producing less volatility associated with a structure that allocates all Trust funds to a single style manager.

Trust Asset Mix at December 31, 2024

Asset Class	Market Value	Percentage
Cash and Equivalents	\$18,889	0.2%
Fixed Income	\$3,275,747	26.6%
Alternatives	\$1,022,171	8.3%
Canadian Equity	\$2,775,928	22.5%
Global Equity	\$5,223,974	42.4%
Total Investments	\$12,316,709	100.0%



Allocation by Investment Manager

Investment Manager	Market Value	Percentage
Fiera Capital	\$6,131,596	49.8%
Beutel Goodman	\$6,185,113	50.2%
Total Investments	\$12,316,709	100.0%





Investment Performance

The Trust investments have been actively invested since the second quarter of 2022 totaling \$10.5 million being equally invested to both Investment Managers.

This was a difficult time to enter the market because global markets significantly declined in the first six months. The Trust Investments were able to recoup in the latter half of 2022 but still experienced an unrealized, ‘paper’, loss of \$204,037 which represented a negative growth

factor of 1.59% with an ending value at \$10,181,243. During 2023, market volatility still proved to be challenging globally even after recovering from 2022. The Trust Investments grew by 11.17% during the 12 months with an ending value at December 31, 2023 of \$11,166,126.

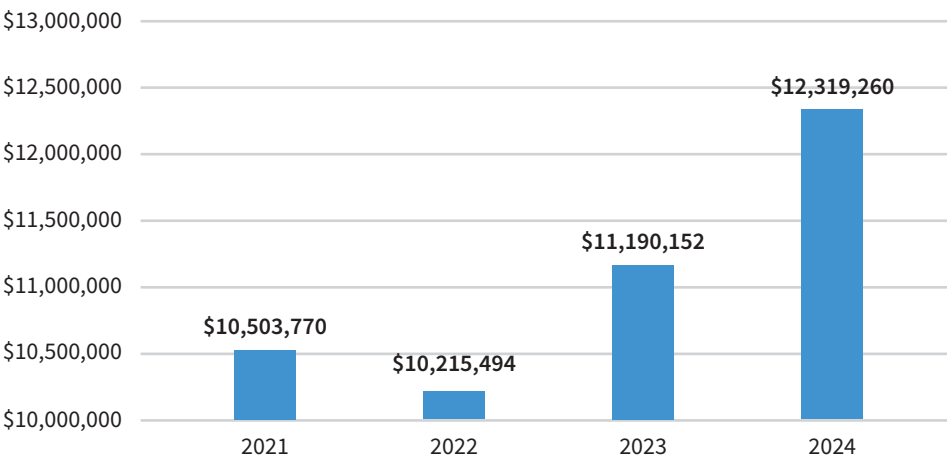
At the beginning of 2024, your Trust’s Investments were valued at \$11,166,126. Throughout 2024, the Trust’s Investments **grew by \$1,230,582**, which after withdrawals

to cover operating expenses, ended the year at **\$12,316,709**. This represented a **11.67% growth** in the Trust’s Investments in 2024 and although a double-digit growth rate, it is unfortunately lower than the Trust’s benchmark of 17.75% by 6.68%. The Investment Managers faced another volatile year due to the dominance of the Magnificent Seven technology companies which drove the S&P 500 markets and the Trust’s funds are not invested in these types of companies due to the high risk and instability of those markets that do not align with the risk tolerance under the Investment Policy.

Since inception of the Trust, the Trust’s Investments have grown by a **total of \$2,091,428**, which represents an average annual return of 7.53%, which is lower than the average annual benchmark return of 8.65%. The Investment Managers have not beat their benchmarks consistently and the Trustees continue to closely monitor their performance to take appropriate action where needed.

The Trust’s multi-manager and multi-style diversification continues to ensure that the portfolio is well positioned to take advantage of all market environments which creates a smoother pattern of returns.

Growth in Your Total Assets*



*Total Trust Assets includes the investment accounts with Fiera Capital and Beutel Goodman, and the cash Trust Account held for liquidity purposes

Highlights

Trust Investments: Overall Combined

	2024	Since Inception (Q2 of 2022)
Beginning Value	\$11,166,126	\$10,465,280
Net Transfers*	(\$80,000)	(\$240,000)
Total Invested	\$11,086,126	\$10,225,280
Increase in Value of Investments	\$1,230,582	\$2,091,428
Ending Value	\$12,316,709	\$12,316,706

*Net transfers are selling money market securities into cash for liquidity purposes to pay Trust operating expenses

Trust Investments: Beutel Goodman Only

	2024	Since Inception (Q2 of 2022)
Beginning Value	\$5,532,812	\$5,219,338
Net Transfers	\$0	(\$84,118)
Total Invested	\$5,532,812	\$5,135,220
Increase in Value of Investments	\$652,300	\$1,049,893
Ending Value	\$6,185,112	\$6,185,115

Trust Investments: Top 5 Holdings at Dec 31, 2024 – Beutel Goodman Only

Investment	In Canadian \$
1. Beutel Goodman Income Fund	\$2,132,075
2. Beutel Goodman American Equity Fund	\$1,503,204
3. Beutel Goodman Fundamental Canadian Equity Fund	\$1,324,368
4. Beutel Goodman International Equity Fund	\$1,225,446
5. Cash	\$18

Trust Investments: Fiera Capital Only

	2024	Since Inception (Q2 of 2022)
Beginning Value	\$5,633,314	\$5,245,941
Net Transfers	(\$80,000)	(\$155,881)
Total Invested	\$5,553,314	\$5,090,060
Increase in Value of Investments	\$578,280	\$1,041,534
Ending Value	\$6,131,595	\$6,131,596

Trust Investments: Top 5 Holdings at Dec 31, 2024 – Fiera Capital Only

Investment	In Canadian \$
1. Fiera Canadian Equity Fund A	\$1,451,559
2. Fiera Atlas Global Co Fund C-A	\$1,226,107
3. Fiera Canadian Fixed Income Funds	\$1,143,672
4. Fiera Alternatives Investments*	\$1,022,171
5. Fiera Apex US Equity Core Fund	\$761,257

*Include non-traditional investments in real asset such as real estate, agricultural, infrastructure and private lending





Year in Review

2024 represents the 4th year of the Community Trust and the 3rd full year of operations and investing.

The Trustees were active and carried out the following activities:

Annual Income

The Trust Agreement allows for an Annual Income amount that can be paid to FRCN subject to Chief and Council's decision to accept or decline the Annual Income payment from the Trust. The Trustees determined the 2023 amount to be \$433,468 calculated at 4% closing market value of the Authorized Investments being the greater amount of \$0 net income. The realized income earned during the year was not sufficient to cover the Trust's expense to produce an amount greater than the 4% of closing market value. In March 2024, the Trustees provided a recommendation to Chief and Council that the 2023 Annual Income amount remain invested in the Trust for future growth in the long-term investment strategy.

In April 2024, a FRCN Council Resolution was received by the Trustees that declined the 2023 Annual Income payment which meant that this was not payable from the Trust to FRCN. The funds remained invested for Fiscal Year 2024, this being the 2nd year for an Annual Income amount to remain invested in the Trust.

Operational Activities

The Board of Trustees held quarterly meetings throughout the year to conduct regular Trust business, including quarterly investment performance reviews presented by T.E. Wealth, quarterly unaudited financial reviews, budget reporting, and payment approval of Trust operating expenses. Member of Councils acting as the liaison between Council and the Trustees would also attend the quarterly meetings.

At the April 2024 quarterly meeting, the Trustees approved the 2023 audited financial statements and 2023 Annual Report and they were submitted to Chief and Council within the 120-day deadline in accordance with the Trust Agreement. Printed copies were made available at the FRCN administration office upon a member's request of the reports and available at Annual Trust Membership meetings.

The Trustees held their 3rd Annual Trust Membership meeting on May 28, 2023 in FRCN to present the 2023 Annual Report. They also participated in FRCN's Off-Reserve Band meeting on July 4, 2024 held in Winnipeg, MB. Members expressed interest in the Trust activities and going forward, the Trustees will hold both on and off-reserve Annual Trust Membership meetings. In November, to understand and address Members' questions of

the Community Trust, an online forum was posted to FRCN’s website for Members to submit their questions related to the Trust. with the objective to share knowledge and address any Members questions. The Trustees will develop a Trust process document available for Members to be released in 2025.

The 2024 Trust operating budget was approved totaling \$175,600 and by year-end December 31st, the budget was underspent by 6%, with actual expenses totaling \$165,287.

The Trustee re-appointed MNP LLP as the independent auditor for the 2024 Trust financials and tax filings with a transfer of the Trust’s audit files and audit team from MNP LLP’s Edmonton, AB offices to support the local MNP LLP Winnipeg office in Manitoba.

Audited Financial Statements December 31, 2024

The audited financial statements show that as of December 31, 2024, the Total Assets of the Trust are **\$12,319,260** (2023 – \$11,190,152 million).

The Trust earned investment income of \$762,361 and an unrealized gain of \$528,858 on the change of fair market of the investments, with total revenue of \$1,291,219 (2023 – \$1,133,211). Offset by operating expenses totaling \$165,287 (2023 – \$159,937) mainly made up of investment management fees of \$99,050, professional trustee fees of \$31,479, audit fees \$17,397 and Community Trustee travel and honoraria of \$12,000.

Lastly, an inflation protection hedge of \$139,619 for 2024 is to be retained in the Trust to grow it at the rate of inflation.

Looking Ahead

January–March 2025

- Quarter 1 Trustee meeting
- Complete 2024 Audit
- 2025 Trust Operating Budget
- Determine 2024 Annual Income amount and recommend to Council

July–September 2025

- Quarter 3 Trustee meeting
- Appoint auditor

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC

April–June 2025

- Quarter 2 Trustee meeting
- Release 2024 Annual Report and audited financials
- May 2025 Trust Annual Membership meeting on-reserve.
- June/July 2025 Trust Membership meeting off-reserve.

October– December 2025

- Quarter 4 Trustee meeting
- Close Fiscal year 2024

Audited Financial Statements



Independent Auditor's Report

To the Trustees of Fisher River Cree Nation Community Trust:

Opinion

We have audited the financial statements of Fisher River Cree Nation Community Trust (the "Trust"), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and changes in net assets 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 financial statements present fairly, in all material respects, the financial position of the Trust as at December 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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 Financial Statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust'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 Trust or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Trust'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 Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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.

Winnipeg, Manitoba

April 25, 2025

MNP LLP

Chartered Professional Accountants

Fisher River Cree Nation Community Trust

Statement of Financial Position

As at December 31, 2024

	<i>Capital Fund</i>	<i>Revenue Fund</i>	2024	2023
Assets				
Cash	8,876	-	8,876	21,488
Portfolio investments (Note 3)	12,310,384	-	12,310,384	11,168,664
Due (to) from fund - fund rebalancing	(1,819,260)	1,819,260	-	-
Due (to) from fund - inflation (Note 4)	1,201,024	(1,201,024)	-	-
	11,701,024	618,236	12,319,260	11,190,152
Liabilities				
Accounts payable and accruals	-	48,361	48,361	45,185
Net Assets				
	11,701,024	569,875	12,270,899	11,144,967
	11,701,024	618,236	12,319,260	11,190,152

Approved on behalf of the Trustees

Suzanne Trottier

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FNB Trust, Corporate Trustee

Signed by:

Taylor Wilson

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Taylor Wilson, Community Trustee

DocuSigned by:

Jeremy Neault

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Jeremy Neault, Community Trustee

DocuSigned by:

Edward Kidd

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Edward Kidd, Community Trustee

The accompanying notes are an integral part of these financial statements

Fisher River Cree Nation Community Trust

Statement of Operations and Changes in Net Assets

For the year ended December 31, 2024

	<i>Capital Fund</i>	<i>Revenue Fund</i>	2024	2023
Revenue section				
Interest	-	2,044	2,044	1,653
Investment income	-	760,317	760,317	306,698
Unrealized gain on change in fair value of investments	-	528,858	528,858	824,860
	-	1,291,219	1,291,219	1,133,211
Expenses				
Audit fees	-	17,397	17,397	15,015
Bank charges	-	635	635	664
Communications	-	2,914	2,914	775
Investment management fees	-	99,050	99,050	97,933
Professional trustee fees	-	31,479	31,479	29,778
Travel and honoraria	-	12,000	12,000	13,500
Trust membership meeting	-	1,812	1,812	2,272
	-	165,287	165,287	159,937
Excess (deficiency) of revenue over expenses	-	1,125,932	1,125,932	973,274
Net assets, beginning of year	11,561,405	(416,438)	11,144,967	10,171,693
Interfund transfers - inflation protection (Note 4)	139,619	(139,619)	-	-
Net assets, end of year	11,701,024	569,875	12,270,899	11,144,967

The accompanying notes are an integral part of these financial statements

Fisher River Cree Nation Community Trust

Statement of Cash Flows

For the year ended December 31, 2024

	<i>Capital Fund</i>	<i>Revenue Fund</i>	2024	2023
Cash provided by (used for) the following activities				
Operating				
Excess of revenue over expenses	-	1,125,932	1,125,932	973,274
Unrealized gain on investments	-	(528,858)	(528,805)	(824,860)
	-	597,074	597,127	148,414
Changes in working capital accounts				
Accounts payable and accruals	-	3,176	3,176	1,384
	-	600,250	600,303	149,798
Investing				
Investments purchased during the year	(612,862)	-	(612,915)	(556,110)
Increase (decrease) in cash resources	(612,862)	600,250	(12,612)	(406,312)
Cash resources, beginning of year	21,488	-	21,488	427,800
Interfund adjustments	600,250	(600,250)	-	-
Cash resources, end of year	8,876	-	8,876	21,488

The accompanying notes are an integral part of these financial statements

Fisher River Cree Nation Community Trust

Notes to the Financial Statements

For the year ended December 31, 2024

1. Purpose and status

Fisher River Cree Nation ("FRCN") and Her Majesty the Queen in Right of Canada ("Canada") executed a Consent Settlement Order, dated April 23, 2021, with respect to the 1896 Alienation Specific Claim SCT-4002-14 (the "Consent Settlement Order") which secured the long outstanding right to compensation for the failure to ensure the Southeast Addition and Southwest Addition were set aside as reserve. FRCN established the Fisher River Cree Nation Community Trust (the "Trust") to receive the monies settled into the Trust Account for purposes of promoting the long-term benefit of FRCN and its Members. The Fisher River Cree Nation Community Trust Agreement was approved by a Ratification Band Council Resolution and signed by a Board of Trustees dated August 6, 2021 to formally establish the Trust.

The Trustees shall hold and invest the Trust Property, as defined in the Trust Agreement, for the benefit of the Fisher River Cree Nation and will transfer or release Trust Property as directed and authorized by the Trust Agreement.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations using the following significant accounting policies:

Fund accounting

The Trust follows the restricted fund method of accounting for contributions, and maintains 2 funds:

Revenue Fund

The Revenue Fund will pay all operating expenses of the Trust. In addition, each year the Trustees may pay Fisher River Cree Nation the earnings from the Fund, including earnings transferred to the Revenue Fund from the Capital Fund, as the Trustees in their discretion deem appropriate for the Annual Payment, as prescribed in the Trust Agreement.

Capital Fund

The Capital Fund holds the Compensation Balance as defined by the Trust Agreement, plus any other monies that may be invested by or on behalf of the beneficiary less any amounts distributed to the beneficiary subject to the conditions in the Trust Agreement.

The Trust monitors the Capital Fund in accordance with the Trust Agreement and requires Trust Property to be invested and held in accordance with the Investment Policy Statement.

Per Article 14.0 of the Trust Agreement, the Trustees shall provide funds from the Trust to the FRCN, in the form of the Annual Payment. Income generated from the Capital Fund shall be transferred to the Revenue Fund and distributed in the form of an Annual Payment to FRCN Income Account for the Permitted Uses as outlined in the Trust Agreement. For presentation purposes, the income is shown as revenue of the revenue fund rather than a due (to) from fund transfer.

Revenue recognition

The Trust follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is recognized as revenue when it is earned and is unrestricted.

Portfolio investments

Portfolio investments with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. All the investments in the Financial statements are recorded at Fair market value.

Cash

Cash includes balances with banks.

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

Financial instruments

The Trust recognizes financial instruments when the Trust becomes party to the contractual provisions of the financial instrument.

Related party financial instruments

The Trust initially measures the following financial instruments originated/acquired or issued/assumed in a related party transaction ("related party financial instruments") at fair value.

All other related party financial instruments are measured at cost on initial recognition.

At initial recognition, the Trust may elect to subsequently measure related party debt instruments that are quoted in active market, or that have observable inputs significant to the determination of fair value, at fair value. The Trust has not made such an election during the year, thus all such related party debt instruments are subsequently measured at amortized cost.

The Trust subsequently measures investments in equity instruments quoted in an active market and all derivative instruments at fair value.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of related party financial instruments are immediately recognized in excess (deficiency) of revenue over expenses.

Financial asset impairment

The Trust assesses impairment of all its financial assets measured at cost or amortized cost. The Trust reduces the carrying amount of the asset (or group of assets), to the highest of: the undiscounted cash flows expected to be generated by holding the asset, the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

The Trust reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess (deficiency) of revenue over expenses in the year the reversal occurs.

Measurement uncertainty (use of estimates)

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Fisher River Cree Nation Community Trust

Notes to the Financial Statements

For the year ended December 31, 2024

3. Portfolio investments

Portfolio investments consist of funds managed by various investment managers. The portfolio investments are denominated in Canadian funds.

	2024	2023
Cost	11,421,968	10,809,106
Cumulative unrealized gain	888,416	359,558
	12,310,384	11,168,664

	2024 <i>Fair value</i>	2024 <i>Cost</i>	2023 <i>Fair Value</i>	2023 <i>Cost</i>
Fiera Capital	6,125,271	5,521,365	5,635,852	5,298,453
Beutel Goodman	6,185,113	5,900,603	5,532,812	5,510,653
	12,310,384	11,421,968	11,168,664	10,809,106

4. Due (to) from fund - inflation

The Trust Agreement states that inflation protection will be calculated and accumulated for the calculation of inflation adjusted income regarding Article 19, General Capital Encroachments. Inflation protection should be returned to the Capital Fund from the Revenue Fund in an effort to protect it from impact of inflation on the purchasing power of the Trust Property.

During the year, \$139,619 (2023 - \$193,514) was transferred from the Revenue Fund to the Capital Fund.

	2024	2023
Accumulated inflation protection hedge		
Balance, beginning of year	1,061,405	867,891
Current year inflation protection hedge	139,619	193,514
Balance, end of year	1,201,024	1,061,405
Due (to) from fund		
Due from Fund - fund rebalancing	(1,819,260)	(690,152)
Due (to) from fund - inflation	1,201,024	1,061,405
	(618,236)	371,253

5. Filing of trust returns

The T3 trust return is filed on a cash basis. These financial statements are prepared on an accrual basis.

Fisher River Cree Nation Community Trust

Notes to the Financial Statements

For the year ended December 31, 2024

6. Financial instruments

The Trust, as part of its operations, carries a number of financial instruments. It is management's opinion that the Trust is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Trust enters into transactions to purchase a diversified selection of funds, for which the market price fluctuates.



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