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Non-consolidated financial  
statements of  
**SaskMétis Economic Development  
Corporation**

March 31, 2025

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## Independent Auditor's Report

To the Shareholders of  
SaskMétis Economic Development Corporation

### Opinion

We have audited the non-consolidated financial statements of SaskMétis Economic Development Corporation (the "Company"), which comprise the non-consolidated balance sheet as at March 31, 2025, the non-consolidated statements of loss and retained earnings, and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises ("ASPE").

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Company 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 ASPE, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 GAAS 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 GAAS, 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 Company'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 Company'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 Company 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.

*Deloitte LLP*

Chartered Professional Accountants  
June 27, 2025  
Saskatoon, Saskatchewan

**SaskMetis Economic Development Corporation****Non-consolidated balance sheet**

As at March 31, 2025

		2025	2024
	Notes	\$	\$
<b>Assets</b>			
Current assets			
Cash and cash equivalents		6,478,230	11,708,051
Accounts receivable	8	153,335	154,067
Prepaid expenses and deposits		6,277	28,175
Current Investments	3	4,000,000	-
MECAP loans receivable	7	266,699	728,476
Accrued interest receivable		77,197	107,349
		<b>10,981,738</b>	<b>12,726,118</b>
Property and equipment			
Investments	4	22,743	28,360
Investments in subsidiaries	5	5,000	5,000
Advances to related party	8	200	200
Loans receivable	6	223,830	239,272
		<b>9,020,904</b>	<b>10,735,289</b>
		<b>20,254,415</b>	<b>23,734,239</b>
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accrued liabilities	8, 9	958,405	1,889,527
MECAP payable	7	266,699	728,476
Deferred revenue	9	—	771,209
		<b>1,225,104</b>	<b>3,389,212</b>
Commitments			
	13		
<b>Shareholder's equity</b>			
Share capital		1	1
Retained earnings		7,738,072	9,053,788
Contributed capital	10	11,291,238	11,291,238
		<b>19,029,311</b>	<b>20,345,027</b>
		<b>20,254,415</b>	<b>23,734,239</b>

The accompanying notes and schedules are an integral part of the non-consolidated financial statements.

Approved on behalf of the Board

  
Richard Quintal (Jun 24, 2025 15:59 MDT), Director

  
Marg Friesen (Jun 25, 2025 06:46 MDT), Director

**SaskMetis Economic Development Corporation**  
**Non-consolidated statement of loss and retained earnings**  
Year ended March 31, 2025

	Notes	2025 \$	2024 \$
<b>Revenue</b>	Schedule 2		
ISC contributions - MAP operating	9	95,136	130,345
ISC contributions (DLRO)	9	—	404,394
ISC loan contributions	9	—	3,110,722
NACCA (IRP Funding)	9	—	87,893
ISC revenue - SPI	9	323,004	—
MECAP Revenue - operating	7	140,000	190,000
MAP - non-repayable	9	539,104	868,965
MEDS - revenue	9	—	113,785
Loan interest		668,174	778,253
Other		260,699	309,861
		<b>2,026,117</b>	<b>5,994,218</b>
<b>Operating expenses</b>	Schedule 3		
Administration fee		989	30,000
Advertising and promotion		18,041	78,490
Amortization		8,507	12,701
Board meetings		3,208	71,744
Dues and memberships		36	69
Insurance		—	830
Interest and bank charges		5,380	7,533
Management Fees		508,457	—
Meals and entertainment		579	25,189
Office		5,133	11,091
Other expenses		34,747	34,760
Postage		566	1,075
Professional fees		494,984	191,048
Rental	8	79,380	79,380
Repairs and maintenance		5,569	11,898
Salaries, wages and benefits		471,554	1,867,150
Telephone, fax and internet		48,188	46,123
Travel and accommodation		1,112	56,208
Workshop costs		—	935
		<b>1,686,430</b>	<b>2,526,224</b>
Earnings from operations		<b>339,687</b>	<b>3,467,994</b>
<b>Other expenses (income)</b>			
Loan default expense (recovery)	6	60,185	(37,576)
Interest accretion	8	15,442	16,300
MAP - non-repayable	9	1,579,776	868,965
ISC (COVID Relief)	9	—	409,621
<b>Net (loss) earnings</b>		<b>(1,315,716)</b>	<b>2,210,684</b>
Retained earnings, beginning of year		<b>9,053,788</b>	<b>6,843,104</b>
<b>Retained earnings, end of year</b>		<b>7,738,072</b>	<b>9,053,788</b>

The accompanying notes and schedules are an integral part of the non-consolidated financial statements.

**SaskMetis Economic Development Corporation**  
**Non-consolidated statement of cash flows**  
Year ended March 31, 2025

	2025 \$	2024 \$
<b>Operating activities</b>		
Net (loss) earnings	(1,315,716)	2,210,684
Amortization	8,507	12,701
Loan default expense (recovery)	60,185	(37,576)
Interest accretion	15,442	16,300
	(1,231,583)	2,202,109
Changes in working capital accounts		
Accounts receivable	732	(38,379)
Grants receivable	—	409,620
Accrued interest receivable	30,152	(30,780)
Prepaid expenses and deposits	(6,277)	—
Accounts payable and accrued liabilities	(931,122)	1,729,966
Grant payable	—	(1,370,597)
MECAP payable	(461,777)	(390,125)
Deferred revenue	(771,209)	(1,017,081)
	(3,371,084)	1,494,733
<b>Financing activity</b>		
Repayments from related party	28,175	28,175
	28,175	28,175
<b>Investing activities</b>		
Purchase of Investment	(4,000,000)	—
Purchases of property and equipment	(2,890)	(4,920)
Change in loans receivable	2,115,977	(401,065)
	(1,886,913)	(405,985)
(Decrease) increase in cash and cash equivalents	(5,229,821)	1,116,923
Cash and cash equivalents, beginning of year	11,708,051	10,591,128
<b>Cash and cash equivalents, end of year</b>	<b>6,478,230</b>	<b>11,708,051</b>

The accompanying notes and schedules are an integral part of the non-consolidated financial statements.

## **1. Incorporation and operations**

SaskMétis Economic Development Corporation (the "Company") was incorporated under *The Business Corporations Act of Saskatchewan* on March 11, 1987. The Company is owned by the Métis Nation – Saskatchewan Secretariat Inc. ("MN-S"). The Company amended its articles under *The Business Corporations Act* effective February 17, 2009, and changed its name from SaskNative Economic Development Corporation.

The Company is a Métis Capital Corporation that finances the start-up, acquisition and expansion of Métis controlled small businesses in Saskatchewan. In addition, the Company provides general business information and consulting services, and offers business development workshops.

## **2. Significant accounting policies**

The non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises set out in Part II of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada (ASPE) and include the following significant accounting policies:

### *Cash and cash equivalents*

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

### *Investments*

Investments are recorded at cost, less any provisions for permanent impairment. They have been classified as long-term assets in accordance with the nature of the investment.

### *Investment in subsidiaries*

The Company accounts for its investments in subsidiaries using the cost method. Accordingly, the investments in subsidiaries (entities over which the Company has the continuing power to determine their strategic operating, investing and financing policies without the co-operation of others) are recorded at cost, less any provisions for permanent impairment. Investment income is recognized when dividends/distributions become receivable.

### *Interests in a joint arrangement*

The Company elected to account for its investment in a jointly controlled enterprise using the cost method. The Company holds 25% of the voting shares of the Association of Métis Capital Corporations, a jointly controlled enterprise. The carrying amount is nil which corresponds to the initial cost and investment earnings are recorded in net income as they become due.



## **2. Significant accounting policies (continued)**

### *Interests in a joint arrangement (continued)*

At the end of each reporting period, the Company determines whether there are indications that the investment may be impaired. When there is an indication of impairment, and the Company determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows, a write-down is recognized in income. If the indicators of impairment have decreased or no longer exist, the previously recognized impairment loss may be reversed to the extent of the improvement. The adjusted carrying amount of the investment may not be greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in income.

### *Property and equipment*

Property and equipment are initially recorded at cost. Amortization is provided using the straight-line method at rates intended to amortize the cost of the assets over their estimated useful lives.

Computer equipment	3 years
Equipment	5 years

### *Loans receivable*

Loans are initially recorded at fair value and subsequently measured at their amortized cost less impairment. Amortized cost is calculated as the loans' principal amount plus unamortized loan administration fees, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis using the straight-line method. Loan administration fees are amortized over the term of the loan using the straight-line method.

Interest income on loans is recorded on the accrual basis until such time as the loan is classified as impaired.

The specific allowance for loan impairment represents specific provisions established as a result of reviews of individual loans. Loans are classified as impaired, and a provision for loss is established, when there is no longer reasonable assurance of the timely collection of the full amount of principal or interest. Whenever a payment is 30 days past due, loans are classified as impaired unless they are fully secured, or collection efforts are reasonably expected to result in repayment of the debt. Restructured loans are not considered impaired where reasonable assurance exists that the borrower will meet the terms of the modified debt agreement.

In such cases, a specific provision is established to write down the loan to the estimated future net cash flows from the loan discounted at the rate inherent in the loan when impairment was recognized. In cases where it is impractical to estimate the future cash flows, the carrying amount of the loan is reduced to its estimated realizable value. At this time, accrual of interest is discontinued and any previously accrued but unpaid interest on the loan is charged to provision for loan losses.

The Company evaluates each borrower's creditworthiness on a case-by-case basis. Further, the Company is required to ensure Métis ancestry when granting a loan. The amount of collateral obtained, if deemed necessary, by the Company upon extension of credit is based on management's credit evaluation of the borrower. Collateral held varies but may include accounts receivable, inventory, property and equipment and income-producing commercial properties.

## **2. Significant accounting policies (continued)**

### *Loans receivable (continued)*

The Company's lending activity is generally concentrated in Central and Northern Saskatchewan. The Company maintains a diverse portfolio with no significant industry concentrations of credit risk. Loans are extended under the Company's normal credit standards, controls, and monitoring features. Most credit commitments are short-term in nature, and maturities generally do not exceed five years. Credit terms typically provide for fixed rates of interest and are generally not set for more than three to five years.

### *Use of estimates*

The preparation of the financial statements in conformity with ASPE requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. The financial statements require management to make estimates including the allowance for loan impairment in respect of receivables and the useful lives of long-lived assets. Actual results could differ from those estimates.

### *Government assistance*

Government assistance related to expenses is recorded as government assistance receivable and credited to earnings as eligible expenditures are incurred. Government assistance related to expenses of future periods is recorded as deferred government assistance and is amortized to earnings as eligible expenditures are incurred.

### *Revenue recognition*

Restricted contributions are recognized as revenue in the year the related expense is incurred, or deferred to future periods to offset related expenses. 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.

### *Contributed capital*

Contributed capital for the provision of loans is recognized as a direct increase to capital.

### *Measurement uncertainty*

The preparation of non-consolidated financial statements in conformity with ASPE 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 non-consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. One of the major estimates made by management is the provision for anticipated loan losses. Actual results could differ from those estimations.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the years in which they become known.

## **2. Significant accounting policies (continued)**

### *Financial instruments*

The Company recognizes its financial instruments when the Company becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in related party transactions are measured with the reporting provisions of section 3856 *Financial Instruments*.

At initial recognition, the Company may irrevocably elect to subsequently measure any financial instrument at fair value. The Company has not made such an election during the year. All financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in net earnings. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

### *Financial asset impairment*

The Company assesses impairment of all its financial assets measured at cost or amortized cost. The Company groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant, etc. When there is an indication of impairment, the Company determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Company reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; 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 earnings.

The Company 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 net earnings in the year the reversal occurs.

### *Impairment of long-lived assets*

Long-lived assets consist of property and equipment. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate that the carrying amount of an asset, or group of assets, may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using prices for similar items. Any impairment is included in net earnings for the year.

### 3. Investments

The Company purchased a Guaranteed Investment Certificate (GIC) with Royal Bank of Canada for \$4,000,000 on March 26, 2025, which bears an interest rate of 2.95% per annum. The GIC matures on March 26, 2026.

### 4. Property and equipment

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2025 Net book value</b>	<b>2024 Net book value</b>
	\$	\$	\$	\$
Computer equipment	<b>10,073</b>	<b>3,064</b>	<b>7,009</b>	8,864
Equipment	<b>19,496</b>	<b>3,762</b>	<b>15,734</b>	19,496
	<b>29,569</b>	<b>6,826</b>	<b>22,743</b>	28,360

### 5. Investments in subsidiaries

	<b>2025</b>	<b>2024</b>
	\$	\$
100 Class A shares in SaskNative Investments Inc.	<b>100</b>	100
100 Class A shares in Muskwa Development Corporation	<b>100</b>	100
	<b>200</b>	200

Investments in subsidiaries consists of investments in SaskNative Investments Inc. and Muskwa Development Corporation ("Muskwa"), companies wholly owned by the Company.

In prior years, the Company received funding from the Federal and Provincial Governments totaling \$1,550,000 that were to be used for strategic investments or economic activity. The Company invested these funds in Muskwa. The funding received was presented on a net basis against the amounts the Company contributed to Muskwa. No share consideration was given as part of this contribution.

### 6. Loans receivable

Standard loans earn interest at a rate ranging from 5.5% to 10% (5.5% to 10% in 2024) while some are interest free. Joint loans earn interest at a rate ranging from 4.5% to 8.5% (4.5% to 8.5% in 2024).

## 6. Loans receivable (continued)

	2025 \$	2024 \$
Standard	<b>8,681,710</b>	10,183,902
Joint Loans	<b>339,194</b>	556,797
	<b>9,020,904</b>	10,740,699
Allowance for loan impairment		
Specific allowance for losses	—	(5,410)
Total loans receivable	<b>9,020,904</b>	10,735,289
Allowance for loan impairment resulting from the following		
Allowance for loan losses, beginning of the year	<b>5,410</b>	42,986
Loan default expense (recovery)	<b>60,185</b>	(37,576)
Write offs of loans previously allowed for	<b>(65,595)</b>	—
	<b>—</b>	5,410

## 7. MECAP (COVID ISI and ISI+) loans receivable

The Company is in an agreement with Indigenous Services Canada ("ISC"), to administer loans on their behalf to eligible small and medium sized Indigenous enterprises that were impacted by COVID-19. The Company has branded this program the Métis Emergency Capital Assistance Program ("MECAP"), and the total amount for the agreement with ISC was \$9,065,000, which was received in fiscal year 2021 and consisted of:

- a non-repayable contribution to be used by the Company to provide non-repayable contributions (\$2,650,000),
- a repayable contribution to be used by the Company to provide repayable emergency loans (\$5,515,000), and
- a non-repayable contribution to be used by the Company to cover operating expenses incurred in connection with delivering and administering the program (\$900,000).

The repayable portion is recorded as MECAP loans receivable when disbursed with an offsetting amount recorded in MECAP payable. When payments are received on the MECAP loans, the loan receivable balance decreases with an offsetting decrease to MECAP payable, when the contribution is remitted back to ISC. Non-repayable contributions are recorded as deferred revenue until the non-repayable contributions are paid, where they are then recognized in the statement of loss and retained earnings as revenues and expenses. Contributions received for operating expenses are recorded as deferred revenue and recognized as revenues evenly over the program's duration.

During the year ended March 31, 2023, ISC amended the agreement with the Company to re-allocate the contribution amounts for emergency loans, resulting in an increase to the non-repayable contribution and a decrease the repayable contribution of the emergency loans. This amendment updated the contribution balances to reflect:

- a non-repayable contribution to be used by the Company to provide non-repayable emergency loans (\$4,868,750),
- a repayable contribution to be used by the Company to provide repayable contributions (\$3,296,250),

## **7. MECAP (COVID ISI and ISI+) loans receivable (continued)**

The non-repayable contribution to be used by the Company to cover operating expenses remained unchanged.

For the year ended March 31, 2025, no non-repayable amounts were issued. At March 31, 2025, the remaining repayable emergency loans outstanding was \$266,699 (\$728,476 in 2024) which are repayable as soon as possible using reasonable enforcement measures.

The Company recognized \$140,000 of revenue in 2025 (\$190,000 in 2024) to cover expenses related to delivering and administering the program which has been recorded as revenue and expenses on the non-consolidated statement of loss and retained earnings. There are no remaining funds held by the Company in deferred revenue with total balance \$nil (\$140,000 in 2024).

## **8. Related parties**

Advances to related party consists of an interest free loan receivable due from Muskwa Development Corporation. The total repayable amount advanced is \$669,192, which was all advanced in prior years. Due to the advance being non-interest bearing, the amounts have been recorded at fair value using an implied interest rate of 8.39% which is based on the Company's average lending rate. The present value of the loan at March 31, 2025 is \$223,830 (\$239,272 in 2024). Repayments of the loan for the year ending March 31, 2025 equaled \$28,175 (\$28,175 in 2024) and interest accretion recorded on the non-consolidated statement of loss and retained earnings is \$15,442 (\$16,300 in 2024). The loan will be repaid over 25 years through monthly repayments of \$2,348 with maturity date in 2045. The remaining par value owing at March 31, 2025 is \$570,577 (\$598,753 in 2024). The Company also incurs a monthly rent expense of \$6,615 payable to Muskwa, totaling \$79,380 (\$79,380 in 2024) annually.

Included in the accounts receivable balance is a receivable of \$153,233 (\$151,584 in 2024), from a jointly controlled enterprise, Association of Métis Capital Corporation.

Clarence Campeau Development Fund ("CCDF"), an Organization related to MN-S, has also provided consulting services to SMEDCO, and as such, SMEDCO has incurred \$508,457 (\$12,715 in 2024) of expenses and has a payable of \$20,162 (\$8,232 in 2024) due to CCDF. SMEDCO has immaterial transactions with MN-S, related to charity events and client loan payments.

## **9. Deferred revenue and contributions**

Deferred revenue is made up of undisbursed funds received from ISC and MN-S, and is related to each funding contributor and program as follows:

<b>Funding source</b>	<b>Note</b>	<b>Program</b>	<b>2025 \$</b>	<b>2024 \$</b>
<b>ISC</b>	<b>1</b>	<b>DLRO / MAP</b>	—	631,209
<b>ISC</b>	<b>2</b>	<b>MECAP</b>	—	140,000
			—	771,209

## **9. Deferred revenue and contributions (continued)**

### **(1) DLRO / MAP**

ISC provided funding to the Company to capitalize an equity fund through their Métis Assistance Program ("MAP") and Developmental Lending Risk Offset program ("DLRO"), which were previously named Aboriginal Business Financing Program. Using monies from the equity fund, the Company was required to make repayable and non-repayable contributions to eligible Aboriginal businesses that have viable business activities in a defined geographic area.

The total amount received from ISC for the fiscal year ended March 31, 2025, was \$nil (\$2,187,500 in 2024).

During the year, in relation to MAP, the Company disbursed \$1,579,776 of non-repayable loan advances, of which \$539,104 (\$868,965 in 2024) is recorded as revenue on the non-consolidated statement of loss and retained earnings which represents the remaining MAP funding available dedicated for paying these non-repayable loans. The remaining \$1,040,672 is recorded as an expense in excess of the remaining deferred revenue as this was funded by the Company. \$95,136 (\$130,345 in 2024) of the operational funding was recorded in revenue on the non-consolidated statement of loss and retained earnings.

During the year, the Company received \$nil (\$2,500,000 in 2024) from ISC for loan capital contributions to the Company. The Company distributed \$2,303,830 (\$3,110,722 in 2024) in repayable loans recorded as loans receivable on the non-consolidated balance sheet. All loans were disbursed from the Company's capital resulting in \$nil (\$3,110,722 in 2024) recorded as revenue on the non-consolidated statement of loss and retained earnings.

In relation to DLRO, the Company recorded \$nil (\$404,394 in 2024) of the operational funding in revenue on the non-consolidated statement of loss and retained earnings based on all loans disbursed from the Company's capital.

### **(2) MECAP - See Note 7.**

### **(3) ISC Strategic Partnerships Initiative**

Indigenous Service Canada ("ISC") entered into an agreement with the Company to pursue and establish economic development activities for the Métis Nation-Saskatchewan through the Strategic Partnership Initiative ("SPI"). The Company received \$500,000 in fiscal year 2025 and spent \$323,004 (\$nil in 2024) on eligible expenditures included in operating expenses on the non-consolidated statement of loss and retained earnings. In the year it was determined that \$176,995 remained unspent. Under the terms of the agreement, the remaining funds are to be used for future eligible expenses. The Company is uncertain whether remaining funds will be used which will require the Company to pay the unused funds back to ISC. This amount has been recorded as accounts payable and accrued liabilities at March 31, 2025.

### **(4) MEDS**

Aboriginal Affairs and Northern Development Canada ("AANDC") entered into an agreement with the Company to pursue and establish economic development activities for the Métis Nation-Saskatchewan through the Métis Economic Development Strategy ("MEDS"). The Company spent \$nil (\$113,785 in 2024) on eligible expenditures included in operating expenses on the non-consolidated statement of loss and retained earnings. In the year it was determined that \$628,085 was repayable under the terms of the agreement as the program was discontinued. This amount has been recorded as accounts payable and accrued liabilities at March 31, 2025.

## 10. Contributed capital

	2025 \$	2024 \$
Contributed under Aboriginal Development Program	5,890,000	5,890,000
Net book value of equipment contributed by predecessor corporation	12,020	12,020
Contribution from Saskatchewan Department of Economic and Co-operative Development	50,000	50,000
Contribution from Indigenous Services Canada	3,846,126	3,846,126
Contribution from Aboriginal Business Canada for Youth Program	93,092	93,092
Contribution from Aboriginal Affairs and Northern Development Canada	1,400,000	1,400,000
	<b>11,291,238</b>	<b>11,291,238</b>

## 11. Financial instruments

The Company, as part of its operations, carries several financial instruments. The carrying value of these financial instruments approximates the fair value due to the short-term nature of these investments. It is management's opinion that the Company is not exposed to significant interest, currency, credit, or liquidity risks arising from these financial instruments except as otherwise disclosed.

### *Credit risk*

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of loans receivable. The loans receivable balance is 46% (45% in 2024) of the Company's total asset balance. The Company believes that there is minimal risk associated with the collection of these amounts, as the balance of loans receivable is widely distributed with nil customers (nil in 2024) having a loan greater than 10% of the total loans receivable balance. Although the Company's loan portfolio is diversified, a substantial portion of its borrowers' ability to honor the terms of their loans is dependent on business and economic conditions in Saskatchewan. The Company manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible loans receivable. The Company holds collateral such as mortgages, personal property registrations and personal guarantees as security over loans receivable.

### *Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Company is exposed to interest rate risk with respect to its loans receivable. Interest rates ranging from 4.5% to 10% (4.5% to 10% in 2024) on all loans are fixed at the time of approval, with the Board of Directors reserving the right to change the rate to a floating rate on specific loans when reassessing payment record, risk and security positions.



## **11. Financial instruments (continued)**

### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. Financial instruments that potentially subject the Company to concentrations of liquidity risk consist primarily in collectability of loans receivable.

The Company manages the liquidity risk by implementing policies that address limits on the sources, quality, and amount of the assets to meet normal operational and regulatory requirements. The Company follows a policy for loan disbursement to mitigate risks of collections and create a timely inflow of cash.

The Board of Directors is ultimately responsible for the liquidity risk management policy. Management reports to the Board on a regular basis.

## **12. Economic dependence**

The Company is dependent on capital contributions received from AANDC, MN-S and ISC to support future operations. Contributions received from these funding sources represent 55% (80% in 2024) of the Company's total revenues.

## **13. Commitments**

At March 31, 2025, the Company has approved loans in the amount of \$150,909 (\$784,701 in 2024) that have not yet been disbursed. Funds are typically disbursed or decommitted within 1 year of approval.

## **14. Measurement uncertainty**

The Company is currently re-assessing their taxable status and re-evaluating certain revenue streams to determine whether they are taxable. The outcome of this analysis will require rulings from relevant tax authorities, and as such, there is uncertainty whether a liability will ultimately arise. Accordingly, no provision has been recognized in these financial statements in respect of this matter. The Company will continue to monitor developments and will recognize a liability if and when it is determined that a present obligation exists and the amount can be reasonably estimated, which is also based on the outcome of the tax authorities' ruling.

## **15. Subsequent Event**

Subsequent to year end the Métis Nation Saskatchewan Secretariat Inc. appointed CCDF as manager of the Company by entering into a long-term management agreement under the governance oversight of the SMEDCO Board. The agreement is effective for the term of January 1, 2025, expiring on December 31, 2036. CCDF will provide the Company with management and administrative services determined to be necessary for the operation of the Company. CCDF shall provide monthly invoices to the Company for reimbursement of eligible expenses at cost as per the agreement.

**SaskMetis Economic Development Corporation**  
**Schedule 1 – Non-consolidated program balance sheet**  
Year ended March 31, 2025

	<b>SaskMetis Economic Development Corporation</b>	<b>Metis Assistance Program</b>	<b>Metis Economic Development Strategy</b>	<b>ISC Strategic Partnerships Initiative</b>	<b>2025</b>	<b>2024</b>
	\$	\$	\$	\$	\$	\$
<b>Assets</b>						
Current assets						
Cash and cash equivalents	2,972,067	2,665,523	663,644	176,996	6,478,230	11,708,051
Accounts receivable	153,335	—	—	—	153,335	154,067
Current Investments	4,000,000	—	—	—	4,000,000	—
Loans receivable	6,277	—	—	—	6,277	28,175
MECAP loans receivable	266,699	—	—	—	266,699	728,476
Accrued interest	77,197	—	—	—	77,197	107,349
	<b>7,475,575</b>	<b>2,665,523</b>	<b>663,644</b>	<b>176,996</b>	<b>10,981,738</b>	<b>12,726,118</b>
Property and equipment	22,743	—	—	—	22,743	28,360
Investments	5,000	—	—	—	5,000	5,000
Investments in related parties	200	—	—	—	200	200
Advances to related party	223,830	—	—	—	223,830	239,272
Loans receivable	9,020,904	—	—	—	9,020,904	10,735,289
	<b>16,748,252</b>	<b>2,665,523</b>	<b>663,644</b>	<b>176,996</b>	<b>20,254,415</b>	<b>23,734,239</b>
<b>Liabilities</b>						
Accounts payable and accrued liabilities	153,325	—	628,085	176,996	958,405	1,889,527
MECAP payable	266,699	—	—	—	266,699	728,476
Deferred revenue	—	—	—	—	—	771,209
	<b>420,024</b>	<b>—</b>	<b>628,085</b>	<b>176,996</b>	<b>1,225,104</b>	<b>3,389,212</b>
Due to (from) internal programs	(368,382)	346,681	21,701	—	—	—
	<b>51,642</b>	<b>346,681</b>	<b>649,786</b>	<b>176,996</b>	<b>1,225,104</b>	<b>3,389,212</b>
<b>Shareholder's equity</b>						
Share capital	1	—	—	—	1	1
Retained earnings	7,405,372	318,842	13,858	—	7,738,072	9,053,788
Contributed capital	9,291,238	2,000,000	—	—	11,291,238	11,291,238
	<b>16,696,611</b>	<b>2,318,842</b>	<b>13,858</b>	<b>—</b>	<b>19,029,311</b>	<b>20,345,027</b>
	<b>16,748,252</b>	<b>2,665,523</b>	<b>663,644</b>	<b>176,996</b>	<b>20,254,415</b>	<b>23,734,239</b>

**SaskMetis Economic Development Corporation**
**Schedule 2 – Non-consolidated program statement of earnings and retained earnings**

Year ended March 31, 2025

	SaskMetis Economic Development Corporation Loan Program	Metis Assistance Program	Metis Economic Development Strategy	ISC Strategic Partnerships Initiative	2025	2024
	\$	\$	\$	\$	\$	\$
<b>Revenue</b>						
ISC contributions - MAP operating	—	95,136	—	—	95,136	130,345
ISC contributions (DLRO)	—	—	—	—	—	404,394
ISC loan contributions	—	—	—	—	—	3,110,722
NACCA (IRP Funding)	—	—	—	—	—	87,893
ISC revenue - SPI	—	—	—	323,004	323,004	—
MECAP Revenue - operating	140,000	—	—	—	140,000	190,000
MAP - Non-repayable	—	539,104	—	—	539,104	868,965
MEDS - revenue	—	—	—	—	—	113,785
Loan interest	668,174	—	—	—	668,174	778,253
Other	203,633	37,700	19,366	—	260,699	309,861
	<b>1,011,807</b>	<b>671,940</b>	<b>19,366</b>	<b>323,004</b>	<b>2,026,117</b>	<b>5,994,218</b>
<b>Operating expense (Schedule 3)</b>						
Administrative expenses –						
Schedule 3	891,872	—	—	323,004	1,214,876	607,994
Salaries, wages and benefits	376,418	95,136	—	—	471,554	1,115,008
	<b>1,268,290</b>	<b>95,136</b>	<b>—</b>	<b>323,004</b>	<b>1,686,430</b>	<b>2,526,224</b>
<b>Other expenses/(income)</b>						
Loan default (recovery) expense	60,185	—	—	—	60,185	(37,576)
Interest accretion	15,442	—	—	—	15,442	16,300
MAP - non-repayable	—	1,579,776	—	—	1,579,776	868,965
ISC - Covid Relief	—	—	—	—	—	409,621
	<b>75,627</b>	<b>1,579,776</b>	<b>—</b>	<b>—</b>	<b>1,655,403</b>	<b>1,257,310</b>
<b>Net earnings</b>	<b>(332,110)</b>	<b>(1,002,972)</b>	<b>19,366</b>	<b>—</b>	<b>(1,315,716)</b>	<b>2,210,684</b>
Retained earnings (deficit), beginning of year	7,737,482	1,321,814	(5,508)	—	9,053,788	6,843,104
<b>Retained earnings, end of year</b>	<b>7,405,372</b>	<b>318,842</b>	<b>13,858</b>	<b>—</b>	<b>7,738,072</b>	<b>9,053,788</b>

**SaskMetis Economic Development Corporation**
**Schedule 3 – Non-consolidated program schedule of administrative expenses**

Year ended March 31, 2025

	SaskMetis Economic Development Corporation Loan Program	Metis Assistance Program	ISC Strategic Partnerships Initiative	2025	2024
	\$	\$	\$	\$	\$
Administration fee	989	—	—	989	30,000
Advertising and promotion	18,041	—	—	18,041	78,490
Amortization	8,507	—	—	8,507	12,701
Board meetings	3,208	—	—	3,208	71,744
Dues and memberships	36	—	—	36	69
Insurance	—	—	—	—	830
Interest and bank charges	5,380	—	—	5,380	7,533
Management Fees	508,457	—	—	508,457	—
Office	5,133	—	—	5,133	11,091
Other expenses	34,747	—	—	34,747	34,760
Postage	566	—	—	566	1,075
Professional fees	171,980	—	323,004	494,984	191,048
Rental	79,380	—	—	79,380	79,380
Repairs and maintenance	5,569	—	—	5,569	11,898
Salaries, wages and benefits	376,418	95,136	—	471,554	1,867,150
Telephone, fax and internet	48,188	—	—	48,188	46,123
Travel and accommodation	1,112	—	—	1,112	56,208
Workshop costs	—	—	—	—	935
Meals and entertainment	579	—	—	579	25,189
	<b>1,268,290</b>	<b>95,136</b>	<b>323,004</b>	<b>1,686,430</b>	<b>2,526,224</b>