

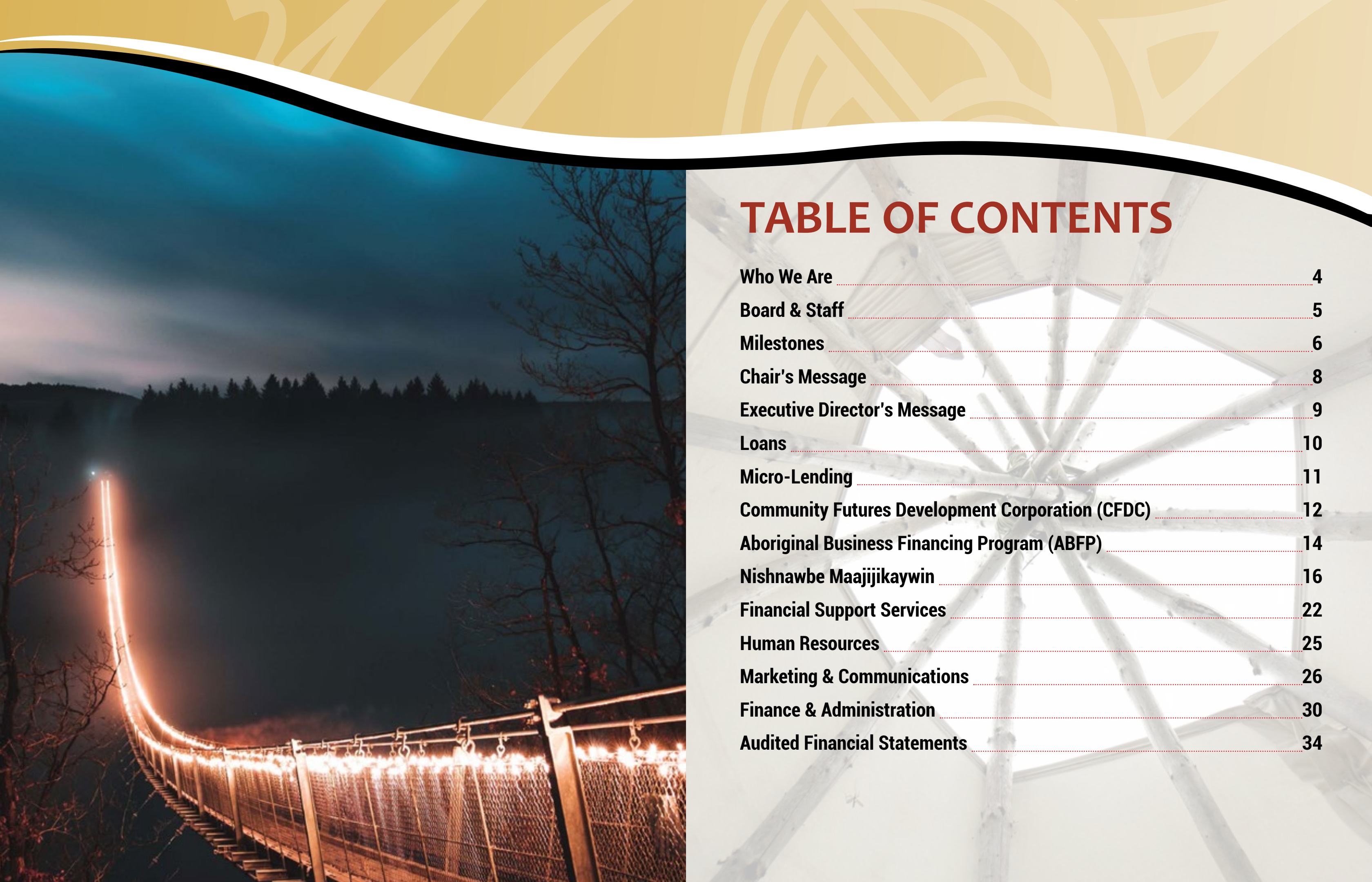


**NISHNAWBE ASKI**  
**DEVELOPMENT FUND**

Supporting Aboriginal Prosperity  
[www.nadf.org](http://www.nadf.org) | 1-800-465-6821

2017/2018  
**Annual Report**

**Est. Since 1987**



# TABLE OF CONTENTS

<b>Who We Are</b>	<b>4</b>
<b>Board &amp; Staff</b>	<b>5</b>
<b>Milestones</b>	<b>6</b>
<b>Chair's Message</b>	<b>8</b>
<b>Executive Director's Message</b>	<b>9</b>
<b>Loans</b>	<b>10</b>
<b>Micro-Lending</b>	<b>11</b>
<b>Community Futures Development Corporation (CFDC)</b>	<b>12</b>
<b>Aboriginal Business Financing Program (ABFP)</b>	<b>14</b>
<b>Nishnawbe Maajjikaywin</b>	<b>16</b>
<b>Financial Support Services</b>	<b>22</b>
<b>Human Resources</b>	<b>25</b>
<b>Marketing &amp; Communications</b>	<b>26</b>
<b>Finance &amp; Administration</b>	<b>30</b>
<b>Audited Financial Statements</b>	<b>34</b>

## Our Mission

To advance the well-being of Aboriginal people in Northern Ontario through business and economic development.

### About NADF

Incorporated in 1984 and established in 1987, NADF is a wholly-owned non-profit Aboriginal organization providing a range of financial and business support services to support Aboriginal business and economic development in Northern Ontario.

### Clients

NADF provides commercial financing, business support, and resource sector support services to Aboriginal businesses and entrepreneurs to establish, expand or acquire a business in remote, rural and urban communities in Northern Ontario, including Nishnawbe Aski Nation (Treaty #9 and Ontario portion of Treaty #5), Robinson-Superior 1850 Treaty and Treaty #3.

- Aboriginal entrepreneurs (18 years and older)
- Aboriginal organizations
- First Nations
- Majority Aboriginal-owned businesses
- Métis
- Status (on or off-reserve)

### Services

- Appraisal Services
- Bookkeeping Training and Support
- Business Loans and Grants
- Business Plan Guidance
- Business Support Services
- Business Related Workshops
- Comprehensive Community Planning
- Due Diligence Services
- Micro-Lending
- Resource Advisory Services
- Winter Road Financing
- Youth Entrepreneur Programs

### Partners

- FedNor
- Indian and Northern Affairs Canada
- Ministry of Indigenous Relations and Reconciliation
- Ministry of Advanced Education and Skills Development
- Ministry of the Status of Women
- National Aboriginal Capital Corporations Association
- Northern Ontario Heritage Fund Corporation
- Ontario Native Womens Association

### Board of Directors

Arlene Meekis, Chair	Wawakapewin First Nation
Aaron Kakepetum, Vice Chair	Keewaywin First Nation
Shawn Batise	Matachewan First Nation
Adam Fiddler	Sandy Lake First Nation
Travis Boissoneau	At-Large
Ron Marano	At-Large
Gary Beardy	Muskat Dam First Nation
Jason Rasevych	Ginoogaming First Nation
Albalina Metatawabin	Fort Albany First Nation

### NADF Staff

#### Executive

Brian Davey, Executive Director  
 Dawn Willoughby, Executive Assistant

#### Loans

Kimberley Bird, CPA, CMA, Loans Manager  
 Charlton Thompson, CPPA, Senior Account Manager

#### Aboriginal Business Financing Program (ABFP) Community Futures Development Corporation (CF)

Kimberley Bird, CMA, Loans Manager  
 Cory Robin, Business Development Officer (ABFP)  
 Shirley Degrechie, Finance Officer (ABFP)  
 Lorraine Whitehead, Business Development Officer (ABFP/Loans)  
 Regina Jamie Hunter, BAmin, Account Manager (CF)  
 Duane Armstrong, Business Support Officer (CF)

#### Marketing and Communications

Dawn Willoughby, Executive Assistant  
 Brittany Millard, Marketing and Communications Assistant  
 Ryan Choi, Web Developer and Graphic Designer

## Board & Staff Listing

(as of April 2017 to March 2018)

### Ex-Officio

Deputy Grand Chief Derek Fox	Nishnawbe Aski Nation
Giuseppe Buoncore	FedNor

### Members

Russell Wesley	Cat Lake First Nation
Lillian Suganaqueb	Webequie First Nation
Derek Fox	Bearskin Lake First Nation

#### Nishnawbe Maajjikaywin

Dan Paradis, Senior Project Manager  
 Melanie Harding, RPP, MCIP, Senior Community Planner  
 Janet Knight, MA, MCRP Senior Community Planner  
 Anna Deminski, Due Diligence Analyst  
 Lucy Percy, Administrative Assistant

#### Resource Sector Advisory Services

Denise Hardy, Special Initiatives Advisor

#### Finance and Administration

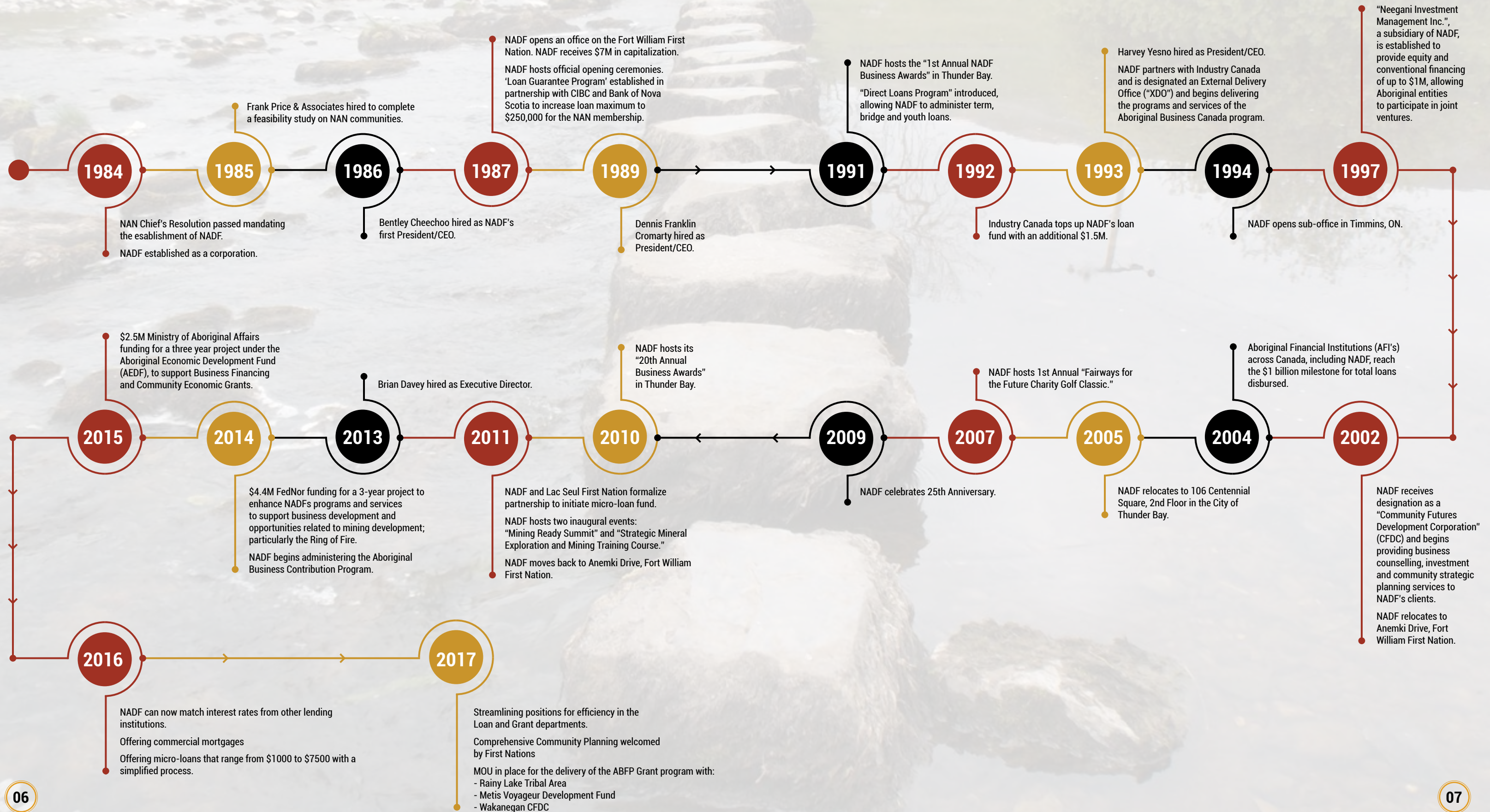
Mari Bishop, CPA, CA, Financial Controller  
 Millie Carpenter, Human Resources Manager  
 Liesa Wynn, Finance Officer  
 Pearl Peter, Finance and HR Assistant  
 Vincent McGuire, Receptionist

#### Financial Support Services

Lloyd Wabigwan, CPA, CMA, Manager  
 Johnathan Beardy, Account Manager  
 Lazarus Kaoma, Account Manager  
 Susan King, Bookkeeper

# Milestones

## 1984-2018



# Message from the Chair

Arlene Meekis, Board Chair



The past year has been an incredible year for Nishnawbe Aski Development Fund ("NADF") and several milestones deserve recognition in this year's annual report.

First off, I'd like to acknowledge our dedicated team who continue to work diligently towards achieving NADF's mission, and that is "To advance the well-being of Aboriginal People in Northern Ontario through business and economic

development." Without them, NADF would not have celebrated its 30th anniversary this past November. Secondly, I'd also like to acknowledge our partners, whose ongoing support makes our work possible: FedNor, Indigenous Northern Affairs Canada, National Aboriginal Capital Corporation Association, Ministry of Indigenous Relationship and Reconciliation, and Ontario Native Women's Secretariat. Through these partnerships, NADF has received over \$4.1M in funding to support NADF's mandate. Thirdly, NADF's investment activity over the past year totalled over \$4M, surpassing all prior years and exceeding our annual target by 35%. These investments supported Aboriginal business start ups, acquisitions, and expansion across the region, on and off-reserve, and resulted in the creation of 63 new jobs and maintaining 102 jobs.

Recent stats show that the Aboriginal population is growing at a rate far faster than any other group and we are anticipating that Aboriginal business in Northern Ontario will also grow at a similar rate. As a non-profit economic development corporation, NADF's board of directors know first-hand that the demand for

its programs and services will increase over the coming years and securing much-needed capital will be a priority for NADF. NADF's 30-year history has demonstrated that it is a valuable resource for our clients and partners, and we will make every effort to ensure we continue to grow and evolve to meet the demand. There will be challenges I'm sure, but in strengthening existing partnerships and developing new partnerships, I am confident that NADF will continue to be that valuable resource in the years to come.

NADF has succeeded because its directors and employees all have one thing in common, and that is their commitment to supporting Aboriginal business and economic development. We are proud of the impact that NADF has had on the growth of Aboriginal business in Northern Ontario, and we will hold steadfast and strive to achieve NADF's mission: To advance the well-being of Aboriginal People in Northern Ontario through business and economic development.

The past 30 years has made NADF resilient and we are eager to see what new challenges and opportunities lay ahead for us, and we look forward to reporting these to you in our next annual report.

Happy New Year and all the best!

**Arlene Meekis**  
Board Chair

# Message from the Executive Director

Brian Davey, Executive Director



**Welcome to NADF's 2018 Annual Report**

This year has been an incredible year for NADF. For the first time in our history, we did our best in loans provided to our client base. We became more competitive in the products and services we offered. More of our clients preferred the grant and loan combination, supported by our skilled business advisory. We continued a policy of leniency in repayments, where needed,

while at the same time maintaining a respectable loan loss default in comparison to other developmental lenders.

Another pleasant surprise was our Comprehensive Community Planning Toolkit won the prestigious "Award for Planning Excellence 2018", an award provided by the Canadian Institute of Planners. This achievement was a major milestone in demonstrating NADF's excellent ability to create value added planning products for its client base.

On an administrative note, but very important, we eliminated our operating deficit for the first time in many years. This feat was achieved through stable financial management from all managers and solid controls.

But more importantly, we are proud to say we impacted many lives and communities in a positive way through wealth and job creation. The satisfaction we take when seeing entrepreneurs beam with accomplishment, either at our Business Award Show or in the community, makes it all worth it. At this point we are confident that we will continue to see significant growth amongst our entrepreneurs and in our communities this coming fiscal year.

However, for every successful achievement, it is not without cost. NADF has experienced several turnovers in staff for different reasons. Some departures are related to working in a high-tension environment, to uncertainty regarding government termed contracts. Although we try to be independent as much as possible by relying on our repayments and interest, we find it necessary, for client purposes, to take on government term contracts which are not ideal for employee security. Nonetheless, we are extremely proud of our staff we do have and their commitment to the organization. Without them, we would not be sharing the achievements in this annual report.

On behalf of the staff and management of NADF, we thank you for taking the time to read our report. For those that are hearing about NADF for the first time our Vision is "Aboriginal Prosperity" and our Mission is "To advance the well-being of Aboriginal people in Northern Ontario through business and economic development.". We do this by providing financing to small and medium size businesses through loans, grants, business and financial support services. We also provide assistance in community comprehensive planning, business incubation for aspiring entrepreneurs, we hold networking and business events, and we have one of the longest active Aboriginal business award show in Canada, the NADF Business Awards. NADF is a not-for-profit Aboriginal Financial Institution that began operations in 1987 and serves all 88 First Nation communities and First Nation owned businesses in the Nishnawbe-Aski Nation, Treaty 3 and Robinson Superior Treaty territories.

Meegwetch!

**Brian Davey**  
Executive Director

# Loans

Kimberley Bird, CPA, CMA, Loans Manager



Nishnawbe Aski Development Fund (NADF) is pleased to report that our loan activity for the past fiscal year has outperformed all previous records. In F18, twenty-four (24) business loans were approved and disbursed, totaling \$4,056,017, surpassing our loan target by 35%. This also represents a 61% increase compared to F17 disbursements of \$2,517,819.

1. Over the past fiscal year, some enhancements to internal processes and financial products were implemented throughout the year and these include:
2. Elimination of the \$125.00 application fee;
3. Offering commercial mortgages to eligible Nishnawbe Aski Nation members for real estate located in urban centres;
4. Offering limited bridge financing to non-business First Nation entities for supplies, construction and maintenance costs;
5. Extended loan terms to a maximum of 20 years for qualifying applicants; and
6. Streamlining our processes and allowing for more cross training within the organization.

**Figure 1: F18 Loan Disbursement Targets and Actuals (By Loan Fund)**

Loan Fund	F2018		F2017		F2016	
	Target	Actual	Target	Actual	Target	Actual
NADF Loan Fund	\$500,000	\$1,553,316	\$700,000	\$724,392	\$754,500	\$234,433
Enhanced Access <sup>1</sup>	\$495,000	\$326,642	\$500,000	\$411,614	\$500,000	\$476,305
CFDC Loans	\$1,000,000	\$1,257,499	\$1,545,000	\$542,442	\$1,500,000	\$357,467
Micro Loans	\$5,000	\$5,047	\$5,000	\$5,190	\$12,000	\$8,764
IEDF <sup>2</sup>	\$1,000,000	\$913,513	\$1,000,000	\$834,176	\$600,000	\$149,870
<b>TOTAL</b>	<b>\$3,000,000</b>	<b>\$4,056,017</b>	<b>\$3,810,000</b>	<b>\$2,517,815</b>	<b>\$3,426,500</b>	<b>\$1,228,858</b>

**Figure 2: F18 Loan Activity (All Loan Funds Combined)**

	F2018	F2017	F2016
<b>Applications Received</b>	33	46	43
<b>Applications Approved</b>	24 <sup>3</sup>	36	25
<b>Loans Approved</b>	\$5,058,076	\$3,077,272	\$2,414,656
<b>Loans Disbursed</b>	\$4,056,017	\$2,517,819	\$1,228,858
<b>Jobs Created</b>	63	65	32
<b>Jobs Maintained</b>	102	44	82

Over the past fiscal year, NADF approved twenty-four (24) loans, supporting fourteen (14) business start-ups, four (4) business expansions, and six (6) business maintenance loans. Of these, twelve (12) loans totalling \$3,072,508, or 76% of NADF's loan portfolio, were issued to on reserve clients and/or businesses.

## ENHANCED ACCESS LOAN FUND



Aboriginal entrepreneurs and businesses in the Robinson-Superior 1850 and Treaty 3 territories may be eligible to receive up to \$250,000 through NADF's Enhanced Access (EA) program. Loans under this fund are approved and advanced by the National Aboriginal Capital Corporation (NACCA). Through NACCA's EA program, NADF is able to access additional loan capital for viable, qualified, Aboriginal businesses that are in our service area and not serviced by another Aboriginal Financial Institution.

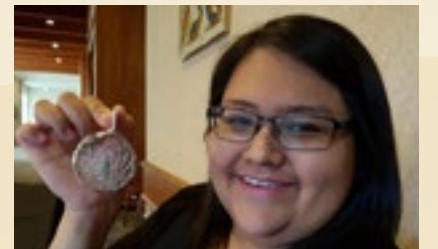
In 2018, a total of \$326,642 was approved for EA Loans, including fees, to clients in the territories of Robinson-Superior 1850 and Treaty 3. The loans supported a hostel, a consulting business, a restaurant, and a confectionary store.

## MICRO-LENDING

The Micro-Lending Program, funded by Ontario Women's Directorate, was a five-year delivery agreement that ended February 28, 2018. The program was geared towards low-income women and promoted entrepreneurship as a livelihood for them and their families.

Over the five-year period, NADF's Micro-Lending Program trained one hundred forty-four (144) Aboriginal women who each participated and completed a ten (10) hour business planning and financial literacy workshop.

In total, NADF assisted eight (8) women with eight (8) micro-loans, ranging from \$1,000 to \$5,000. We are pleased to report that five (5) of these eight (8) businesses are still in operation. In addition to providing training and support, the Micro-Lending Program gave participants experience and an opportunity to build or re-establish their credit.



**Arts & Crafts retailers and artisans are popular small home-based businesses. Hand crafted earrings can sell up to \$60. The pow-wow circuit and social gatherings are excellent venues for artisans.**

NADF Micro-Lending Program supported artisans and crafters, a hair stylist, convenience stores, a café and gas bar, a tea house, an electronic retail store, and a catering business.

Overall, NADF's Micro-Lending program achieved a success rate of approximately 60% when considering all eight (8) micro-loans issued over the past 5 years. The women who went through the program have better understanding of entrepreneurship, including the importance of cashflow management; how to properly mark-up items for resale; identifying target markets, and so on.

Although the funded program has ended, NADF recognized the value to our clients and we continue to offer micro-loans ranging from \$1,000 to \$7,500 to any person seeking to start a small home-based business.

## RECOGNITION AND SUPPORT FOR NADF'S MICRO LENDING PROGRAM

NADF would like to acknowledge a \$10,000 donation received from CIBC to support NADF's Micro Lending Program. These additional funds will assist NADF in increasing the awareness of entrepreneurship as a viable option to Aboriginal women and youth in remote communities.

NADF is committed to improving the lives and business opportunities of those in our communities. Recognition from our supporters makes our vision a closer reality. We thank CIBC for their generosity.

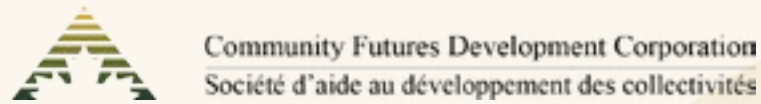
<sup>1</sup> Funded by National Aboriginal Capital Corporation Association

<sup>2</sup> Funded by Ministry of Indigenous Relationships & Reconciliation, Indigenous Economic Development Fund

<sup>3</sup> Resulting in 50 separate loans

<sup>4</sup> AFIs serve defined territories and/or First Nation, Inuit, and Métis groups across Canada.

# Community Futures Development Corporation (CFDC)



## Community Futures Development Fund

In 2002, FedNor designated NADF as a Community Futures Development Corporation (CFDC) to provide programs and services to thirty-three (33) First Nation communities in Northern Ontario. NADF is 1 of 268 non-profit CFDC's located across Canada that provide small business services to people living in rural communities. As a part of this network, NADF delivers small business loans (up to \$150,000), tools, training, workshops and other events to Aboriginal entrepreneurs and businesses in the thirty-three (33) First Nations that fall under NADF's agreement with FedNor. Clients in these communities are able to access to these services through NADF to start, expand, franchise or purchase a business.

## Community Futures Investment Fund

Figure 1: CFDC Targets and Actuals

	F2018		F2017		F2016	
	Target	Actual	Target	Actual	Target	Actual
Loan Approvals	\$1,000,000	\$1,257,499	\$1,550,000	\$547,632	\$1,500,000	\$1,500,000
Loan Disbursements	\$1,000,000	\$1,257,499	\$1,550,000	\$547,632	\$357,467	\$357,467
General Inquiries	60	120	160	260	155	171
In Depth interviews	50	264	150	222	145	201
Total Businesses	5	7	22	7	19	
Jobs Created	5	31	8	24	8	5
Jobs Maintained	11	47	19	20	18	20
Funds Leveraged <sup>3</sup>	\$300,000	\$608,836	\$845,000	\$412,000	\$2,127,000	\$57,000

The CFDC Investment Fund provided financial support to businesses in Wunnumin, Nibinimik, Kitchenuhmaykoosib Inninuwug, Deer Lake and Mishkeegogaming First Nations. The types of business supported included a gas station, a transportation business, a convenience store, an education authority, fuel and building inventories, and a community store. This activity resulted in NADF exceeding the CFDC loan target for F2018 by 24%.

## Business Counselling and Information Services



Under the CFDC program, NADF delivers capacity-building workshops, such as Financial Literacy, Credit Basics, and Business Planning 101. NADF also offers free customized workshops and conferences based on the needs of the client.

Through the CFDC funding agreement, NADF is able to offer one-on-one business planning guidance to our clients. Clients receive support in the development of the various components of their business plan and, in the process, gain and understanding of the purpose and value of their business plan and their business.

When a client is ready to proceed to the application stage, NADF employees are available to assist the applicant in completing the financing application, providing guidance on what the client should include to ensure a complete application.

In addition, NADF employees are available to assist clients with master business license registrations, developing terms of reference for business plans, reviewing contracts, establishing a book keeping system, explaining the necessary municipal, provincial and federal regulations for a business sector, explain the pros and cons of different business entities, and other such services.

## Community-Based Economic Development

### CFDC Conference

NADF hosted a CFDC Conference in Lac Seul First Nation on December 4-5, 2017. CFDC community members were invited to attend the two-day session to learn about NADF's programs and services, business planning, financial literacy and starting a home-based business. The nineteen (19) participants from ten (10) CFDC communities found the topics presented to be valuable and NADF plans to make this an annual event.

### Regional Activity

There is a growing excitement for the potential business opportunities related to the Wataynikaneyap Power project. There are sixteen (16) First Nations that currently rely on diesel for electricity and this project will gradually connect these communities to the provincial transmission grid by 2023. The project will have an impact on a combined population of approximately 15,000, with these communities being in NADF's Community Futures catchment service area.



The First Nations to be impacted by this project include: Bearskin Lake, Deer Lake, Kasabonika Lake, Keewaywin, Kingfisher, Kitchenuhmaykoosib Inninuwug, Muskrat Dam, North Caribou Lake, North Spirit Lake, Pikangikum, Poplar Hill, Sachigo Lake, Sandy Lake, Wapekeka, Wawakapewin and Wunnumin Lake First Nations. NADF is committed through our mandate and the services we provide to support these First Nation communities and their members as they start and expand businesses to take advantage of the business opportunities that will derive from the transmission grid.

### The East- West Tie Transmission Line

The East-West Tie from Thunder Bay to Wawa, is a 450-kilometer transmission line that is designed to meet the growing demand for electricity in Northwestern Ontario. It will improve reliability and the flow of cheaper and lower-emission energy. Most importantly, it will add the capacity needed for major regional development projects like the Wataynikaneyap Power Project and the Ring of Fire, which is in NADF's CF coverage area. The development of the transmission line will support economic growth, job creation and resource development in Northwestern Ontario.

### Greenstone Mine

Long Lake 58 First Nation has signed an agreement with Greenstone Gold Mines with respect to the development and operation of the Hardrock Project, located in the Geraldton-Beardmore Greenstone Belt in Ontario. This milestone agreement recognizes the rights and interests that Long Lake 58 First Nation has within their traditional territory. The agreement also formalizes the mines commitment toward protecting the environment and supporting First Nation social and cultural practices in the spirit of true and continued collaboration. This agreement will deliver sustainable, economic and social benefits to the community for a long time. The mine is expected to have a fifteen (15) year life span. NADF will be providing business support and financing to entrepreneurs in Long Lake 58.



<sup>1</sup> For a full list of communities serviced under the CF Agreement visit [www.nadf.org](http://www.nadf.org)

<sup>2</sup> Includes business start-ups, expansions and maintained

<sup>3</sup> Owner and Third-Party

# Aboriginal Business Financing Program (ABFP)

The Aboriginal Business Financing Program (ABFP) was established in the 1990s as Aboriginal Business Canada (ABC) and NADF has delivered the program in Northern Ontario since 1991. The program has operated under various administrations and names and was recently transferred to National Aboriginal Capital Corporation Association (NACCA) under an agreement with Indigenous and Northern Affairs Canada (INAC) and the Aboriginal Financial Institutions (AFI).

Under the ABFP, NADF is able provide non-repayable contributions to eligible Aboriginal entrepreneurs (up to \$99,000) and to community-owned Aboriginal businesses (up to \$250,000) in the territories of the Nishnawbe Aski Nation, Treaty 3, and Robinson-Superior 1850, on or off-reserve. The ABFP enables NADF to assist clients by providing equity and business support services that will support clients in developing, starting, and growing their businesses.

A Memorandum of Understanding was signed between NADF and the Rainy Lake Business and Financial Services Corporation (Fort Frances), the Wakenagun Community Futures Development Corporation (Moose Factory), and the Metis Voyage Development Fund (Ottawa) for joint participation on project screenings.

**Figure 1: ABFP Budgets F14-F18**

	F2018	F2017	F2016	F2015	F2014
<b>Equity</b>	\$1,305,061	\$1,305,061	\$1,305,061	\$1,298,860	\$2,000,000
<b>Operating</b>	\$256,906	\$256,906	\$256,906	\$297,362	\$539,549
<b>Total Budget</b>	\$1,561,977	\$1,561,977	\$1,561,977	\$1,596,222	\$2,539,549

**ABFP F18 Highlights:**

- Nine (9) businesses were located on reserve, totalling \$747,608
- Nineteen (19) businesses were located off reserve \$666,724

**Figure 2: ABFP F18 Activity**

	F2018		F2017		F2016	
	Actual	Target	Actual	Target	Actual	Target
<b>Applications</b>	50	40	84	40	74	40
<b>Applications Eligible</b>	32	35	49	35	53	35
<b>Funds Committed</b>	\$1,414,332	\$1,305,061	\$1,916,440	\$1,305,061	\$1,157,082	\$1,305,061
<b>Funds Disbursed</b>	\$1,108,286	\$1,305,061	\$1,360,439	\$1,305,061	\$721,846	\$1,305,061

In F2018, the ABFP program supported twenty-eight (28) Aboriginal businesses in Northern Ontario. This support resulted in the creation of fifty-nine (59) new jobs and maintained thirty-nine (39) jobs across the region.

Business types supported include restaurants, transportation services, convenience stores, mining-related businesses, tourism business, hospitality businesses, service business, gas station, and professional businesses such as an optometrist, dental hygienist.

**Figure 3: ABFP F18 Project Activity (By Quarter)**

	Target	Q1	Q2	Q3	Q4	Actual
<b>Capital (Establish/Acquire)</b>	14	4	7	1	1	13
<b>Capital (Expansions)</b>	10	2	1	1	4	8
<b>Marketing (Related Capital)</b>	10	1	6	1	2	10
<b>Business Plans</b>	5	1	1	0	1	3
<b>Business Support</b>	8	4	3	2	1	10
<b>Stand Alone Marketing</b>	6	0	1	0	1	2
<b>Monitoring</b>	20	6	9	2	6	23





# Nishnawbe Maajijikaywin

Dan Paradis, Senior Project Manager



## AANJI – change – to become or make different

When we talk about community development, we are talking about change.

So, how does change work and how do you make change?

The fact that everything is always changing provides the opportunities for new things to happen. It allows tomorrow to be different than today - for hearts to heal, lessons to be learned and new beginnings to unfold.

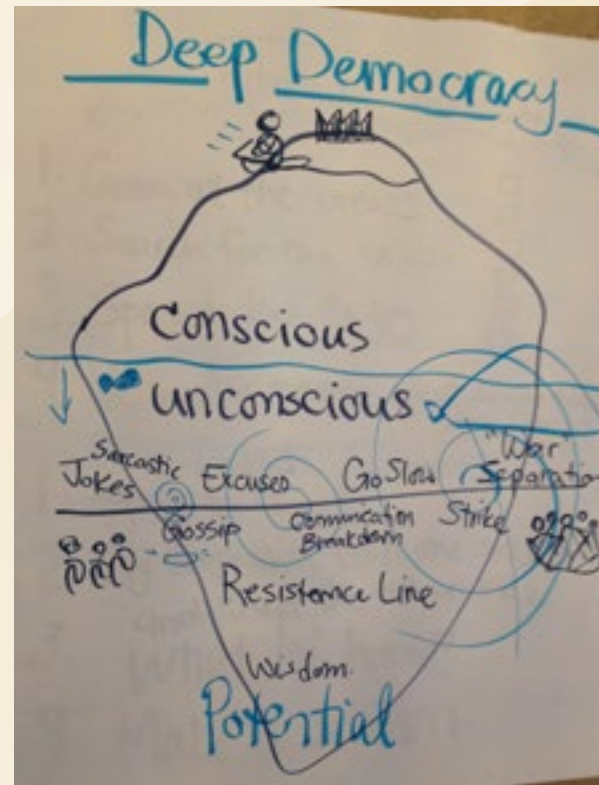
To make real, lasting change we need to look at the underlying conditions of any given situation. In the context of community development, these underlying conditions can include:

- physical location;
- history (residential schools, Indian Act);
- culture, language and spirituality (past and present);
- relationships (within and between communities);
- wellness & health
- opportunities (or lack of opportunities);
- infrastructure (housing, electricity, recreation etc.);
- capacity & resources available;
- government policies;
- etc.

What this all means is that, if we can identify and meaningfully address (enhance or change) these underlying conditions operating within a community, through time, we can start to see positive change in the communities.

So what are the right conditions for community prosperity to take place?

To figure this out we need to look differently at the current situation. We need to intentionally, but respectfully, dig beneath the surface of things to see what lies underneath. We need to talk to and learn from one another, share our stories, best practices and lessons learned. We then need to work together and support one another as we “make change” happen by taking an integrated and holistic approach to both defining and building prosperous communities and people.



We, at NADF take change seriously as we continue to develop and offer innovative and relevant tools and supports to all of the communities that we serve.

We have a great team of dedicated, caring people who are keen to work with communities, people and organizations towards defining and developing some of the diverse conditions of prosperity for First Nations in northern Ontario. We do our best at doing our part within the broader indigenous community and communities of Northern Ontario.

**Nishnawbe Maajijikaywin** is an NADF initiative with a focus on providing community planning and community economic development supports to First Nations communities in northern Ontario. The two main goals of the project are to:

1. Enhance the planning, economic and business development capacity of First Nations entrepreneurs and communities; and,
2. Increase the number of First Nations businesses and partnerships.

We are attempting to realize these goals through the following three, interrelated activity areas:

- Comprehensive Community Planning (CCP)
- Capacity Development – Community Economic Development (CED)
- Business and Entrepreneurial Development Supports – Aboriginal Business Incubation

## Our Operating Approach:

1. We only work with communities that request our services. Further we provide those supports as defined and controlled by the communities (i.e. our activities are community controlled and community-driven).
2. We seek, not to compete with but, to partner and collaborate with other Aboriginal organizations (i.e. Tribal Councils, PTOs, training organizations etc.), governments and institutions in the region, adding value to the existing efforts to support First Nations communities and people.
3. We strive to build long-term capacity within the communities while providing the necessary short-term technical support to the communities to address their immediate needs.

The following highlights some of our work that has taken place over the last year:

### Comprehensive Community Planning (CCP)

NADF has been hard at work to support First Nations across northern Ontario with Comprehensive Community Planning. Our services fall under six categories which have been identified and supported by the communities we serve. These include community based planning support, tool and resource development, and training and networking opportunities for CCP coordinators.

### Training Sessions and Workshops for communities and CCP Coordinators

NADF hosted an annual CCP workshop for all 89 First Nations in our service area in February 2018 with 165 participants from 66 First Nations.



# Nishnawbe Maajijikaywin

(continued)

We also hosted three training sessions targeted at CCP coordinators undertaking the CCP process to build specific planning skills relating to facilitation and analysis.

- September 2017: Data Analysis – Part 1
- My 2018: Data Analysis – Part 2
- June 2018: Change Management – Lateral Kindness



## Technical Planning and Facilitation Support Services

NADF provides on the ground pre-planning to implementation support for First Nations in varying capacities. This includes data analysis and technical planning support, one-on-one mentorship and training for CCP Coordinators, and facilitation support.

- Currently supporting 10-15 communities in varying capacities

## CCP Tools and Templates

In partnership with a committee of representatives from First Nations in northern Ontario as well as EcoPlan International, NADF developed a CCP Toolkit full of culturally relevant tools and templates to empower and support CCP Coordinators and communities in their planning processes. The toolkit was released in Fall 2017 and we are very proud to share that we have recently received an National Award for Planning Excellence from the Canadian Institute of Planners under the category: Planning Publication.



# Nishnawbe Maajijikaywin

(continued)

## Website: Promote Online Resources and Tool Sharing

NADF is currently developing a northern Ontario CCP website where communities can find CCP toolkits, resources, funding information, CCP and community development success stories and more. This will also include a forum for communities to connect, share, and network with each other. We anticipate the website launch to be Fall 2018.



## Peer to Peer (P2P) Learning

All of our efforts are focused on providing meaningful opportunities for communities and people to dialogue with and learn from each other. We are actively trying to bring people from indigenous communities (from across the country) together to share their experiences, lessons learned and solution-based thinking.



## Funding and Resources

As part of our website, we are currently developing an online resource that outlines all funding available for a CCP process and implementation in Ontario. NADF provides support with the development of funding applications and reporting for First Nations interested in CCP. NADF liaises with government as communities express interest in CCP to secure funding.

## CCP Advocacy

NADF also plays a role provincially and nationally to advocate for CCP support and funding for the communities in our service area. NADF plays a key role in the feedback loop, collecting input from the First Nations and communicating their needs to Provincial and Federal funders.

## Well-Being Pilot Projects

NADF has been providing process, facilitation and technical supports to well-being pilot projects with two communities in the far north of Ontario. The purpose of the pilots is to explore different approaches to addressing the well-being related needs of First Nations communities in the north.

The goals of the pilots are to:

- Improve health and wellbeing of community members;
- Test a place-based, whole-of-government, single-window approach;
- Assess effectiveness/adequacy of government responsiveness to needs of remote communities;
- Operationalize 'nation-to-nation' partnerships; and,
- Improve community readiness to direct and catch economic opportunities in Ring of Fire

The pilots include broad participation from Department of Indigenous Services Canada (DISC – INAC), CMHC, Health Canada (now DISC), Ministry of Northern Development and Mines (MNDM), Matawa First Nations Management and the First Nations communities. Dialogue and action planning has focused thus far on priority areas of:

- Housing – both building homes and development effective, long-term Housing Programs
- Prescription Drug Abuse – Mental Health & Healing
- Financial Management & Governance

We have learned that these, and other identified priority areas (such as education, infrastructure and capacity development) represent some of the building blocks to well-being and prosperity for communities. Therefore, the lessons learned and best practices flowing from our participation in these pilot projects will inform and enable us to better support and work with the other communities in NADF's operating area.

## Looking Forward

We are keen to continue building the CCP program with a focus on supporting the completion and implementation of CCP. We will continue developing our Aboriginal Business Incubator program to support the formation, development and expansion of businesses by entrepreneurs and communities. We also intend to continue the development of toolkits, resources and other supports that can both empower and enable the communities to identify, address and realize their visions of well-being and prosperity.



# Financial Support Services

Lloyd Wabigwan, CPA, CMA, Manager



## Overview

NADF is currently developing a northern Ontario CCP website where communities can find CCP toolkits, resources, funding information, CCP and community development success stories and more. This will also include a forum for communities to connect, share, and network with each other. We anticipate the website launch to be Fall 2018.

In F15 NADF was successful in its proposal to the Ministry of Indigenous Relations and Reconciliation – Business and Community Fund, Aboriginal Economic Development Fund for a \$2.5M project. Given the timing of the approval, the hiring of staff for the newly created Financial Support Services division took effect in early F16. The agreement expired March 31, 2017, but NADF was successful in obtaining a one-year extension with additional funding of \$1M for both F18 and F19.

Overall, funding provides for business financing in the form of loan funds to complement our current loan portfolio, non-repayable grant funding for both for-profit and not-for-profit Aboriginal owned businesses and First Nation owned organizations, and lastly building capacity in the form of bookkeeping set-up, bookkeeping training, and bookkeeping and policy development assistance. Further broken down as:

1. Business loan financing in the areas of Seed Start-up & Early Stage Loans, Expansion Capital Loans, and Acquisition Loans up to a maximum of \$200k which can compliment other financing sources within NADF.
2. Grant funding, i.e. the Community Initiative Grant (GIG) and the Equity Assistance Grant (EAG) provides for non-repayable grants to qualified applicants up to a maximum of \$10k.
3. Building capacity – Bookkeeping; allowing for qualified applicants to access bookkeeping set-up, bookkeeping training, and bookkeeping and policy development assistance.

Generally, the funding has assisted many people and communities in achieving many goals, i.e. starting a business, creating jobs, accessing training, improving community development, cost savings, and increased owner's equity to name a few. It has had a very positive impact on economic development within NADF's catchment area and has assisted NADF in working towards its mission and vision by improving its ability to offer loans to start a business, expand, or acquire a business, to provide non-repayable grant funding to those clients in need to achieve the goals of the organization or business, and to offer bookkeeping services to assist our clients with bookkeeping set-up and training.

## Grants – Equity Assistance Grant and Community Initiative Grant

The total dollar amount of grants issued in F18 amounted to \$240,570 allowing for thirty (30) projects/initiatives to be supported. Eight (8) Community Initiative Grants (CIG) amounting to \$55,372 were issued, and twenty-two (21) Equity Assistance Grants (EAG) amounting to \$185,197 were also issued.

In terms of jobs - 38 jobs were created and 19 jobs sustained because of the CIG and EAG funding.

The EAG and CIG assisted financially in creating 8 new businesses within NADF's catchment area. The following are the types of businesses that were created:

- Land-based;
- Traditional Teaching;
- Electrician;
- Mobile Spa;
- Baby Clothing;
- Bakery;
- Digital Art; and
- Food Co-op

From a training perspective, 88 people were provided with training because of either a CIG or EAG. The following is a list of the types of training that people were trained in:

- Commercial cooking equipment and restaurant operations;
- Fitness – Kango Jumps;
- Nail technician;
- Construction – various;
- Skills inventory database;
- New venture – structure, share purchase, LLP, Risks, etc.; and
- Traditional – mapping, planning, canoeing, life skills, etc.

The following are some statistics on the data collected for the grants that were issued.



The following are some statistics on the data collected for the grants that were issued.

## Equity Assistance Grant - 21 Files Closed

Business Type	Treaty Affiliation					Business Location		
	Treaty #9 and #5	Robinson Superior	Treaty #3	Metis	Ab. Decl.	Other	On FN	Off FN
Sole Proprietorships (16)	4	9	3	0	0	0	6	10
Partnerships (1)	1	0	0	0	0	0	1	0
Corporations (4)	0	1	1	2	0	0	1	3
<b>Total</b>	<b>5</b>	<b>10</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>8</b>	<b>13</b>

## Examples of EAG Activities Funded

Business Expansions, Inventory Purchases, Capital Start-up Costs, Training, Capital Expansion, Marketing, Leveraging Start-up Costs, and Leveraging Capital Asset Purchases.

## Community Initiatives Grant - 8 Files Closed

Organization Type	Treaty Affiliation			Activity Location	
	Treaty #9	Robinson Superior	Treaty #3	On FN	Off FN
FN Owned Business (0)	0	0	0	0	0
FN Owned NFP (5)	3	1	1	5	0
First Nation (1)	1	0	0	1	0
Tribal Council (2)	1	1	0	1	1
<b>Total</b>	<b>5</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>1</b>

## Examples of Activities Funded

Community Strategic Plans, Start-ups, training, Labour, Board Training, Leveraging Food Co-op Start-up, Skills and Training Database Development. economic development strategy, and marketing costs.

# Financial Support Services

(continued)



## Bookkeeping/Policy Development

Our goal with the bookkeeping and policy development service is to assist qualified clients with one or all of the following:

1. Books and records set-up;
2. Bookkeeping Training;
3. Bookkeeping set-up and training; and
4. Policy creation and development.

We utilize Sage 50c software as the bookkeeping software to assist in providing the above services. We strive to ensure that the result will be having our clients possess the ability and understanding to properly input business transactions into the books and produce correct financial statements. When books are being created for our clients we strive to ensure Generally Accepted Accounting Principles are followed, thereby reducing the year-end costs of having an accountant make adjusting entries and costs related to producing audited financial statements.

This fiscal, two clients have been the focus for bookkeeping set-up and training. Our bookkeeper has been actively working with the clients to obtain all proper supporting documentation and information to support the business transactions that are required to be entered to the books. One of the main challenges we have experienced with clients is obtaining the proper documentation to support a transaction. Documents are sometimes difficult to locate and obtain, hence; we strive to ensure our clients understand the importance of why they are required to obtain such information and documentation.

Workshops – In F17 we began offering bookkeeping workshops to qualified applicants. For F18, we have facilitated four (4) workshops. They were held in Thunder Bay (2), Kenora, and Sioux Lookout. These workshops include training on the basics of bookkeeping, and training on the modules within Sage 50c, i.e. Receivables, Payables, Employees and Payroll, and Inventory. The total amount of people trained for all four workshops was thirty-five (35).

## Loans

As at year-end we were successful in disbursing \$913,513 in IEDF loan funds. Of the applications approved for IEDF loan funds, the following is an overview of the approved applications and funds disbursed (Note: total IEDF loan funds disbursed may differ from the total amounts below due to rounding and miscellaneous fees):

1. \$7,725 was provided to open a restaurant/catering business.
2. \$26,638 was provided to establish a dental hygiene business, leveraging overall project costs of \$46,876.52.
3. \$189,733 was provided to establish an international hostel, leveraging overall project costs of \$477,818.
4. \$2,383.79 was provided to increase capacity (equipment) to take on a new contract, leveraging overall project costs of \$4,275.89.
5. \$71,987.42 was provided to upgrade and expand a gas station business, leveraging overall project costs of \$233,541.
6. \$206,000 was provided to purchase a commercial building, leveraging overall costs of \$350,000.
7. \$64,585.89 was provided to establish a gas station and convenience store, leveraging an overall amount of \$128,831.
8. \$7,780 was provided to establish a prescription safety eyewear, leveraging an overall amount of \$15,298.
9. \$18,032.50 was provided to expand a tourist resort, leveraging an overall amount of \$21,182.50.
10. \$32,853.72 was provided to establish a retail party store, leveraging an overall amount of \$64,990.
11. \$33,341.25 was provided to expand a transportation service, leveraging an overall amount of \$203,614.
12. \$203,059.20 was provided to establish a diamond drilling service, leveraging an overall amount of \$1,220,035.
13. \$7,825 was provided to establish a tea merchant business, leveraging an overall amount of \$8,992.

In conclusion, we have been working diligently to make the Financial Support Services a success and will continue to do so in hopes of creating Aboriginal Prosperity for our clientele.

# Human Resources

Millie Carpenter, Human Resources Manager



It is with pleasure I share Human Resource's annual report; a snapshot of the human resources' activities from Fiscal Year 2018. This year, Human Resources assisted with the creation of several innovative solutions and services to meet the organizations needs and consistent with Human Resources best practices.

- Recruitment
- Staff Listing
- Years of Services
- Staff Training

Recruitment Summary for April 2017 - March 2018	
Number of Postings	3
Number of Positions to be filled	3
Total New EE's Hired:	3
Internal EE's new position:	3
Total New EE's: Status Hired:	3
Total Non-Status EE's Hired	0
<b>% of Status Recruitment:</b>	<b>100</b>
<b>Number of Resignations/end of contracts</b>	<b>9</b>

Staffing Summary April 2017 – March 2018	
<b>Total Number of Employee:</b>	<b>22</b>
Status Employees	17
Non-status Employees	5
<b>Percentage</b>	
Status Employees	77%
Non-Status Employees	23%
<b>Years of Service</b>	
# of EE's > 5 yrs service	13
# of EE's 5+ - 10 yrs service	2
# of EE's >10 -15 yrs service	1
# of EE's >15 yrs service	6

Total Number of Employees by Gender	
Female	13
Male	9

Status Employees Affiliated with	
IFNA	3
Keewaytinook Okimakanak	0
Matawa	2
Mushkegowuk	5
Nokiiwin	3
Windigo	2
Unaffiliated	1

Number of Employees in each site office	
Fort William First Nation	3
Thunder Bay	16
Timmins	3

Number of Employees in each program	
Administrative/Finance	8
Aboriginal Business Financing Program	3
Financial Support Services	3
Loans	5
Nishnawbe Maajijikaywin	3

NADF offered a variety of training and development opportunities this year and attended by the staff were:

- Enhanced Collection Skills and Negotiation Technique
- Financial Statement Analysis
- FaaSBank
- Sage 50 Canadian Edition

# Marketing & Communications

Dawn Willoughby, Executive Assistant & Marketing Manager



For the third consecutive year, NADF and the Canadian Mining Expo have partnered to host the Aboriginal Forum on June 1, 2017 in Timmins, ON. This year's event focused on Women in Mining, with guest speakers Ann Batisse, Executive Director, Temiskaming Native Women's Support Group speaking about career opportunities for women in mining, guest panelists Cheryl Archibald, Marnie Hunter, and Sherri Black who shared their experiences as women working in mining, keynote speaker Cynthia Le Sueur-Aquin, CEO, Laurion Mineral Exploration Inc. and this year's feature champion, Paige Pronovost, Goldcorp.



Business Woman of the Year  
Susan Buchanan

Susan Buchanan is a member of the Metis Nation and is the owner of Susan Buchanan Education Group, located in Nolalu, Ontario. In 1997, Susan was living in Nova Scotia, and it was there that she decided that her life's work was to share her knowledge and skills with First Nation and Inuit communities. Although the first few years were difficult, Susan persevered, and with the support of her family and encouragement from the communities she worked with, her business flourished. In 2014 Susan relocated to Thunder Bay, to be closer to her clients. Susan has provided her services, which includes workshops and training to help individuals achieve emotional health and wellness, to 400 communities across Canada and in the United States. Currently, SBE Group employs 9 highly trained facilitators, an administrative assistant and herself, as the sole owner.



NADF and Bearskin Airlines hosted the 27th Annual NADF Business Awards – Canada's longest running Aboriginal business awards program - on Friday, October 20, 2017. Seven awards were presented to celebrate the outstanding achievements of Aboriginal business in Northern Ontario. This year, a new award – the Award of Recognition – was unveiled to recognize an individual whose entrepreneurial spirit, leadership and/or social responsibility has contributed to the advancement of Aboriginal prosperity in Northern Ontario.

Established in 1993, Nuna Logistics Limited is a 51% Inuit-owned heavy civil and mining contractor with a proven track record of safely completing projects under budget and ahead of schedule for domestic and international clients. Nuna is the largest Aboriginal-owned civil contractor in Canada and their creative entrepreneurial initiatives have developed over 25 venture partnerships and corporate entities with other Aboriginal entities throughout Canada. Nuna has been successful in creating effective partnerships that provide direct employment, direct ownership, and create opportunities for partners to bid on larger projects. As an Aboriginal-owned company, Nuna ensures maximum employment opportunities to beneficiaries, currently employing an Aboriginal labor force of 40 plus percent. Nuna supports individuals and communities through sponsorships, donations, career fairs as well as through their mentorship program.



Corporation of the Year  
Nuna Logistics

Victor Linklater is a member of the Moose Cree First Nation and is the owner of Treeline Diner in Moose Factory, Ontario. Victor is an entrepreneur, previously operating Minoshen Productions, a video production company, and had a show called First Arts and Music, which aired for four seasons on APTN. Victor and some of his close friends were also awarded as the Best Group/Duo at the Aboriginal Music Awards. Victor returned to his community and established a successful bed and breakfast and a small eatery called Ever Deli & Bistro. Treeline Diner is his most recent entrepreneurial adventure. Since opening the restaurant Victor's main objective has been to hire youth to help them gain experience and skills in the food service industry. He has twelve staff members currently working from his restaurant. Victor firmly believes in the youth and is committed to helping them achieve their goals.



Business Man of the Year  
Victor Linklater



New Business of the Year  
Desiree Morriseau-Shields

Desiree is a member of the Fort William First Nation and is the owner and operator of the Anishinabek Dental Hygiene Clinic. In 2011, Desiree became a Registered Dental Hygienist and opened her clinic in September of 2016. When her business first opened, Desiree helped to deliver the Children's Oral Health Initiative in her community, targeting children between the ages of 0-7. Today, Desiree's practice now offers a full-service model to all ages. Based out of the Fort William First Nation's Health & Wellness Centre, Desiree also provides a mobile service to organizations within her community and the City of Thunder Bay. She currently has 170 clients and her client base is continually growing. Desiree is dedicated to improving the quality of dental hygiene care and the overall health and well-being of Indigenous people in and around her community.

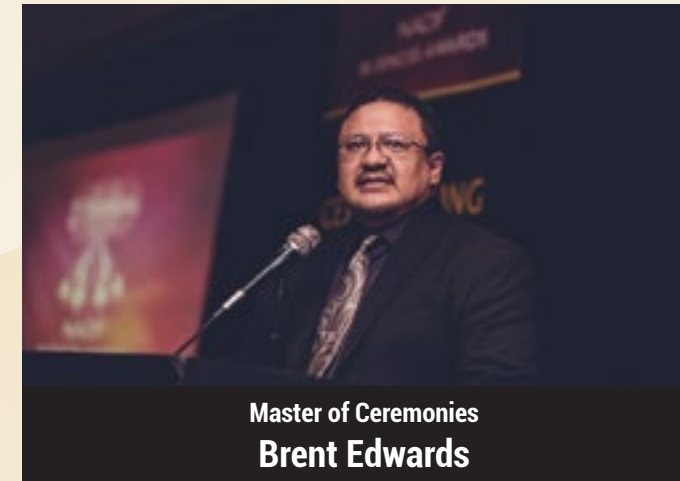
# Marketing & Communications

(continued)



Partnership of the Year  
**CreeQuest**

Tina Gagnon is a member of Takwa Tagamou Nation and the founder of CreeQuest, a remote camp service that specializes in catering, housekeeping, and janitorial services. Tina obtained her Grade 12 at the age of 33 and went on to complete a college program in Community Service. Tina went on to start her own business and began to pursue various business partnerships with major projects in the region. Tina went through periods with no income, but her perseverance finally paid off. In 2013, Tina signed a Master Relationship Agreement with a Fortune 500 Company, giving her the break she needed to take on larger contracts. CreeQuest has achieved success and Tina has recently expanded her business to include a division called CQ Laundry. CreeQuest currently employs over 100 employees and has provided over \$70,000 in support to neighboring First Nation communities for investments, Youth activity sponsorships, cultural, spiritual and religious ceremonies, and a youth center.



Master of Ceremonies  
**Brent Edwards**



Keynote Speaker  
**Nicole Robertson**

Jasen is a member of the Fort William First Nation whose passion for cooking began at a young age. Jasen worked in the food service industry but soon found himself working three jobs to support his young family. He made the decision to set aside his passion for cooking and began working for a local steel company. Eventually, the company downsized and Jasen was laid off. It was then that he enrolled into the Second Careers Program and began planning to start his own restaurant. Jasen secured a business loan and Man Vs Meat was born and soon opened a second location, Fire & Spice. Jasen employs up to 20 employees, with 70% of them being Aboriginal, and gives back to the community by supporting various agencies and organizations, such as Northwood Hockey League and the Fort William Figure Skating Club.



Youth Entrepreneur of the Year  
**Jasen Dowhaniuk**



Award of Recognition  
**Kiara "Kiki" Paterson**

Kiki is a member of the Whitesand First Nation and lives in Thunder Bay, ON. She is a student, a hockey player, a sea cadet, and a professional cake decorator. Kiki loves to bake! She started baking at a young age and would search Google for recipes and, inspired by the cakes she saw online, she began experimenting with cake decorating. Kiki practiced (and practiced) and was soon whisking her own cake batters, butter creams, fondant, vice cream, sauces and cake fillings. Following her mom's suggestion, Kiki launched her Facebook page on December 4, 2016 – Kakes and Kupcakes by Kiki – and began selling her baking online. The demand for her made-from-scratch goodies is growing, and we expect to see Kiki return to the Business Awards to accept another award in very near future. In her spare time, Kiki loves to volunteer and raise money for various charities.



On November 19, 1987, NADF officially opened its doors on the Fort William First Nation. Thirty years later, NADF is still carrying out its mandate of supporting Aboriginal business and economic development in Northern Ontario. Initially serving the Nishnawbe Aski Naton, the organization has grown and expanded its programs and services to provide support to the Robinson-Superior 1850 and Treaty 3 territories.



The future of digital marketing is exciting and it's changing fast. On February 27, 2018, NADF hosted the Engage Summit | Marketing in a Global, Connected, Digital World. The event featured guest speakers such as Erin Bury, Marketing Director, Eighty-Eight, Kendal Netmaker, Speaker, Entrepreneur, Coach, Netmaker Enterprises Corp, and Ramona Pringle, Assistant Professor, RTA School of Media. Guest speakers shared their insights into the new trends and emerging technologies, providing participants with new tools and ideas for creating a solid digital marketing strategy to manage and engage with an online audience.

Through captivating keynotes and presentations, up close and personal learning experiences, and a host of exciting networking opportunities, participants got ENGAGED and learned about the business of content – from mobile to digital and social media.

# Finance & Administration

Mari Bishop, CPA, CA, Financial Controller



Nishnawbe Aski Development Fund's (NADF's) financial results for the fiscal year ended March 31, 2018 (F18) not only show very good results for the year but is consistent with a continuing story of improvement since 2011. NADF incurred a consolidated operating loss of \$30,211 for the year, net of a surplus of \$34,044 for its wholly-owned subsidiary, Neegani Investment Management Inc. and resulted in a cumulative deficit of \$1,004,924.

- NADF aims to support and cultivate its major organizational resource, its staff. NADF is committed to attract and retain the best talent using market and fair compensation measures, and to train, develop and promote staff. Unlike other assets that depreciate over time, NADF's ongoing investment in human resources is building a corporate memory and skill pool that can be leveraged to benefit future years.
- NADF carefully manages its utilization of its assets comprised of cash, long-term investments and loans to maximize its investment and loan revenues.
- NADF has also concentrated on developing excellence in its marketing to attract lending clients, client and community services participants and funding partners.
- Finally, with respect to all operational activities, NADF is ever mindful of cost management best practices.

Although the path to reversing the cumulative deficit seems challenging, there are encouraging signs that the plans put into play over recent years are laying a solid groundwork in the organization for producing a sustainable turnaround.

## Operating Framework

NADF's major activities can be categorized in three major divisions: lending, client and community services, and events. Although NADF is a not-for-profit entity, the operational and financial objectives within the division can vary:

1. **Lending**—to promote aboriginal prosperity by maximizing loan activity and turnover, all the while targeting diversity, ensuring fair returns, and appropriate repayment and collection practices. The ultimate objective of this division is to generate sufficient revenues to cover the cost of lending operations.
2. **Client and Community Services**—to build a culture of entrepreneurship and support community economic development. The underlying financial objective of this division is to utilize funding to provide services on a break even basis, as well.
3. **Events Programming**—to undertake events at the discretion of NADF to create opportunities for communities to gain knowledge and build capacity for participation in local and regional business opportunities. NADF would also undertake fundraising and celebratory events herein. The financial objective of this division is to generate profits for future events and to help offset lending operations.

Neegani, NADF's wholly-owned for-profit subsidiary, is entirely separate. It has capital its own capital it invests within the community with the objective of generating profits. Within this operational framework:

## Overall Consolidated Results by Division

NADF's F18 deficit was \$64,265 and Neegani's F18 surplus was \$34,044 resulting in a consolidated deficit of \$30,221. In all three NADF divisions, the F18 deficit was lower than F17 and F16, as well as the 7-yr average deficits. See Table

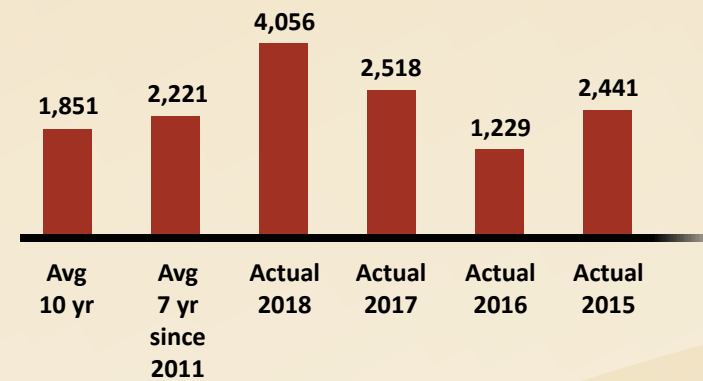
	7-yr Avg. since 2011 reboot	2018	2017	2016
<b>Lending Surplus (Deficit)</b>	97,416	11,233	86,525	546,679
<b>Client Services, Surplus (Deficit)</b>	60,203	36,208	82,746	48,091
<b>Events, Surplus (Deficit)</b>	6,835	16,824	24,053	53,444
<b>NADF</b>	164,454	64,265	193,324	648,214
<b>Neegani, Surplus (Deficit)</b>	20,894	34,044	39,300	21,883
<b>Consolidated</b>	143,561	30,221	154,024	670,097

## Lending Division

NADF is pleased to report the Lending deficit of \$11,233 in F18 is below F17's deficit of \$86,525 and the 7-year average deficit of \$97,416.

## Loans Disbursed

(in thousands)



Of particular note, loans disbursed in F18 totalling \$4,056,017 represent a \$1,538,198 increase over F17 disbursements. This number is more than double the average disbursement rate over the past 10 years. This activity level metric is not only an excellent result for F18, but also an excellent predictor of NADF's future health in the lending division.

Loan fees and loan interest revenues in F18 outstrip the levels over the past 4 years, and 7 and 10-year averages. Interestingly, when compared to the average loan receivable balance outstanding, F18 loan interest earnings of 7.8% are below the 10-year average rate of 8.64%. NADF will continue to monitor the interest rate performance closely to evaluate whether F18 and F17 are anomalous due to averaging of the year end loan receivable balances.

	Avg, 10 yr	Avg, 7 yr since 2011	Actual, 2018	Actual, 2017	Actual, 2016	Actual, 2015
Loans Rec, Avg	3,240,823	3,761,664	5,816,284	4,179,887	3,935,584	3,784,822
Loan Fees	36,573	40,155	47,773	47,680	34,925	48,218
Loan Interest	280,112	309,406	453,919	328,631	326,032	323,626
<b>Loan Revenues</b>	<b>316,685</b>	<b>349,561</b>	<b>501,691</b>	<b>376,311</b>	<b>360,957</b>	<b>371,845</b>
<b>Loan Interest as % of Avg Loan Rec</b>	<b>8.64%</b>	<b>8.23%</b>	<b>7.80%</b>	<b>7.86%</b>	<b>8.28%</b>	<b>8.55%</b>
<b>Loan Losses (Recoveries)</b>	<b>72,218</b>	<b>83,280</b>	<b>59,684</b>	<b>97,473</b>	<b>279,760</b>	<b>47,231</b>
<b>Loan Losses (Recoveries) as % of Avg Loan Received</b>	<b>2.23%</b>	<b>2.21%</b>	<b>1.03%</b>	<b>2.33%</b>	<b>7.11%</b>	<b>1.25%</b>

The loans receivable portfolio was scrutinized on a specific individual level and at overall aggregate levels for collectability at March 31, 2018. The resulting provision of \$59,684 produced a drop from F17 and F16 levels, representing 1.03% of average loans receivable at March 31, 2018. NADF recognizes the high subjectivity of the year end provision especially when a portion is computed as an aggregate security measure. NADF continues to calibrate and balance its need to maximize its loan disbursements against the need to avoid bad debt on those loans by adopting continual improvement best practices within the organization. Despite best efforts, bad debt provisions will occur in a lending business; however, NADF prefers to scrutinize and allow for bad debt on a specific loan basis more than on an aggregate basis because it presupposes each loan manager has intimate knowledge of each loan client in their portfolio via regular communication and mentoring interaction.



# Finance & Administration

(continued)

## Client and Community Services Division

NADF's reputation for effective client and community service delivery has meant it has attracted increasingly generous funding partnerships in recent years. In F18 alone, funding revenues were \$4,177,748, an increase over F17 and F16 levels, as well as the 7-year average of \$3,714,380. Although the deficit in F18 is less than 1% of total revenues and is showing improvements when compared to that of previous years, NADF is mindful of the fact this division should not have a deficit. It recognizes therefore, its need to both manage its scope of activities, and negotiate better administrative burden chargeback arrangements with funders.

Client & Community Services	7-yr Avg, since 2011 Reboot	2018	2017	2016
Revenues	3,714,380	4,177,748	4,087,571	2,907,961
Surplus (Deficit)	(60,203)	(36,208)	(82,746)	(48,091)
% Revenues	(1.62%)	(0.87%)	(2.02%)	(1.65%)

## Events Division

With respect to Events, NADF has ventured into hosting some events that have not generated surpluses in the past several years. The organization continues to learn from these ventures with the aim of reducing associated financial risks.



## Consolidated Investment Income

NADF had excellent consolidated returns on ancillary investments during the year. In keeping with NADF's policy for the valuation of long term investments, each year a portion of investment income capital gains would be unrealized. In F18, investment income totalling \$263,798 representing a 4.06% return on assets can be shown to be even higher when focussing on the realized portion. The realized return of 6.59%, is both an excellent result on an absolute basis and when compared to results of previous years and average 7 & 10-year metrics.

	Avg, 10 yr	Avg, 7 yr since 2011	Actual, 2018	Actual, 2017	Actual, 2016	Actual, 2015
Cash, Avg	3,240,823	3,761,664	5,816,284	4,179,887	3,935,584	3,784,822
LT Investments, AVG	3,240,823	3,761,664	5,816,284	4,179,887	3,935,584	3,784,822
Total Avg Assets	36,573	40,155	47,773	47,680	34,925	48,218
Realized Invest Income	280,112	309,406	453,919	328,631	326,032	323,626
<b>Unrealized CG</b>	<b>316,685</b>	<b>349,561</b>	<b>501,691</b>	<b>376,311</b>	<b>360,957</b>	<b>371,845</b>
<b>Investment Income</b>	<b>8.64%</b>	<b>8.23%</b>	<b>7.80%</b>	<b>7.86%</b>	<b>8.28%</b>	<b>8.55%</b>
<b>Realized Investment Income as % of Avg Assets</b>	<b>72,218</b>	<b>83,280</b>	<b>59,684</b>	<b>97,473</b>	<b>279,760</b>	<b>47,231</b>
<b>Total Investment Income as % of Avg Assets</b>	<b>2.23%</b>	<b>2.21%</b>	<b>1.03%</b>	<b>2.33%</b>	<b>7.11%</b>	<b>1.25%</b>

## Audited Financial Statements

As required under its incorporating by-laws and various funding agreements, NADF's financial statements are audited each year by an external public accounting firm. Management is responsible for the preparation and presentation of the financial statements, including responsibility for significant accounting judgments and estimates and internal controls. The responsibility of the external auditors, MNP LLP, is to express an opinion on the financial statements based on their audit. MNP LLP have concluded that in their opinion the consolidated financial statements for Nishnawbe Aski Development Fund present fairly, in all material respects, the financial position of NADF as at March 31, 2018 and the results of its operations and surplus (deficit) and cash flow for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations. NADF has received a 'clean' audit opinion as it has in each year of its operations. This provides users of the financial statements with assurance regarding the fair presentation of NADF's operations in the financial statements. Excerpts, the Consolidated Statement of Financial Position and Consolidated Statement of Operations and Surplus (Deficit) are provided herein, but the complete audited financial statements are available at NADF's head office.

## Management's Responsibility

To the Members and Board of Directors of NADF:

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian accounting standards for not-for-profit organizations. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of consolidated financial statements.

The Board of Directors is composed entirely of Directors who are neither management nor employees of the Organization. The Board is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial information included in the annual report. The Board fulfills these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Board is also responsible for recommending the appointment of the Organization's external auditors.

MNP LLP is appointed by the Members of NADF to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically with management to discuss their audit findings.

August 16, 2018



Executive Director

## Independent Auditors' Report

To the Members and Board of Directors of Nishnawbe Aski Development Fund:

We have audited the accompanying consolidated financial statements of Nishnawbe Aski Development Fund, which comprise the consolidated statement of financial position as at March 31, 2018, and the consolidated statements of operations and surplus (deficit) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Nishnawbe Aski Development Fund as at March 31, 2018 and the results of its operations and surplus (deficit) and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Other Matter*

The supplementary information contained in the Schedules is presented for the purposes of additional analysis and is not a part of the basic audited consolidated financial statements. The information in the Schedules was derived from the accounting records tested in forming an opinion on the consolidated financial statements as a whole.

Thunder Bay, Ontario

August 16, 2018

**MNP LLP**

Chartered Professional Accountants

Licensed Public Accountants

Consolidated Statement of Financial Position (As of March 31, 2018)

	General Fund	Sponsorship Fund	ABFP Fund	IEDF Fund	Neegani Fund	CFDC Operating Fund	CFDC Investment Fund	2018	2017
<b>ASSETS</b>									
<b>Current</b>									
Cash	-	-	563,663	667,249	380,243	-	1,230,541	2,841,696	3,306,926
Accrued interest receivable (Note 2)	119,177	-	-	10,678	-	-	11,946	141,801	102,381
Accounts receivable (Note 3)	498,912	-	-	-	35,169	-	-	534,081	865,126
Due from (to) other funds (Note 4)	87,164	3,056	(28,966)	(47,257)	(22,740)	13,269	(4,526)	-	-
Prepaid expenses	18,040	-	-	-	5,108	-	-	23,148	14,225
	723,293	3,056	534,697	630,670	397,780	13,269	1,237,961	3,540,726	4,288,658
Long-term investments (Note 5)	1,772,023	-	-	-	1,055,031	-	-	2,827,054	4,011,136
Loans receivable (Note 6)	3,922,477	-	-	1,317,531	-	-	1,632,203	6,872,211	4,760,356
Capital assets (Note 7)	107,733	-	10,122	12,632	-	8,870	-	139,357	171,059
	6,525,526	3,056	544,819	1,960,833	1,452,811	22,139	2,870,164	13,379,348	13,231,209
<b>LIABILITIES</b>									
<b>Current</b>									
Bank indebtedness	32,209	-	-	-	-	-	-	32,209	11,581
Accounts payable and accrued liabilities (Note 8)	257,140	-	291,431	1,734,155	3,003	18,422	1,061	2,305,212	2,378,306
Deferred revenue (Note 9)	402,240	3,056	289,251	152,151	-	3,540	-	850,238	772,983
Current portion of notes payable (Note 10)	162,277	-	-	-	-	-	-	162,277	177,446
	853,866	3,056	580,682	1,886,306	3,003	21,962	1,061	3,349,936	3,340,296
Deferred revenue (Note 9)	87,366	-	4,314	10,109	-	6,311	-	108,100	125,618
Notes payable (Note 10)	1,004,299	-	-	-	-	-	-	1,004,299	818,061
	1,945,531	3,056	584,996	1,896,415	3,003	28,273	1,061	4,462,335	4,283,975
<b>SURPLUS</b>									
Contributed surplus (Note 11)	6,286,585	-	-	-	1,303,552	-	2,331,800	9,921,937	9,921,937
Surplus (deficit)	(1,706,590)	-	(40,177)	64,418	146,256	(6,134)	537,303	(1,004,924)	(974,703)
	4,579,995	-	(40,177)	64,418	1,449,808	(6,134)	2,869,103	8,917,013	8,947,234
	6,525,526	3,056	544,819	1,960,833	1,452,811	22,139	2,870,164	13,379,348	13,231,209

Approved on behalf of the Board

  
Director

  
Director

## Consolidated Statement of Operations and Surplus (Deficit) (As of March 31, 2018)

Schedule	Surplus (Deficit) Beginning of Year	Revenue for the Year	Expenditures for the Year	Surplus (Deficit) for the Year	Interfund Transfers	Surplus (Deficit) End of Year
<b>General Fund</b>						
1 Loan Operations	(1,453,929)	591,576	723,486	(131,910)	(25,380)	(1,611,219)
2 National Aboriginal Capital Corporation Association Services	-	47,332	47,332	-	-	-
3 Nishnawbe Aski Development Fund Business Awards	-	48,070	48,070	-	-	-
4 Indigenous and Northern Affairs Canada (INAC) Programs	(31,546)	827,554	831,929	(4,375)	4,375	(31,546)
5 Mining, Forestry and Energy Projects	52,708	8,082	10,458	(2,376)	-	50,332
6 Nishnawbe Maajijikaywin	-	516,467	528,592	(12,125)	12,125	-
7 Digital Media Summit	(83,733)	15,887	32,430	(16,543)	-	(100,276)
8 Other Projects	(15,282)	58,622	68,196	(9,574)	8,880	(15,976)
9 NADF Fundraising and Celebrations	-	7,454	5,359	2,095	-	2,095
	(1,531,782)	2,121,044	2,295,852	(174,808)	-	(1,706,590)
<b>Sponsorship Fund</b>						
10 Sponsorship Fund	-	2,213	2,213	-	-	-
<b>ABFP Fund</b>						
11 Aboriginal Business Financing Program	(30,132)	2,404,662	2,414,707	(10,045)	-	(40,177)
<b>IEDF Fund</b>						
12 Indigenous Economic Development Fund	3,675	626,967	566,224	60,743	-	64,418
<b>Neegani Fund</b>						
13 Neegani Investment Management Inc.	112,212	90,837	56,793	34,044	-	146,256
<b>Community Futures Development Corporation Operating Fund</b>						
14 Community Futures Development Corporation Operating Fund	(6,045)	323,111	323,200	(89)	-	(6,134)
<b>Community Futures Development Corporation Investment Fund</b>						
15 Community Futures Development Corporation Investment Fund	477,369	97,911	37,977	59,934	-	537,303
	(974,703)	5,666,745	5,696,966	(30,221)	-	(1,004,924)

2017/2018

# Annual Report



**NISHNAWBE ASKI  
DEVELOPMENT FUND**

Supporting Aboriginal Prosperity  
[www.nadf.org](http://www.nadf.org) | 1-800-465-6821

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