



# First Peoples Economic **Growth** Fund

Annual Report 2022 - 2023



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# A message from the Minister



On behalf of the Government of Manitoba, congratulations to First Peoples Economic Growth Fund on another successful year of ensuring First Nation entrepreneurs have the supports they need to build and grow their businesses.

Your work is an essential part of Manitoba's economic development and strengthens the local economies of First Nations by encouraging and supporting business development and job creation.

Our government is proud to work with you, in partnership with the Assembly of Manitoba Chiefs, to advance economic reconciliation and build an inclusive and representative economy that creates prosperity and opportunities for all Manitobans.

My thanks to the First Peoples Economic Growth Fund's board of directors, management and staff for your leadership and continued commitment to economic development.

I look forward to continued partnership and collaboration with you and the First Nations business community as we work together to build our economy.

**Honourable Jeff Wharton,  
Minister Economic Development, Investment And Trade**



# A message from the Grand Chief



Tansi, on behalf of the Assembly of Manitoba Chiefs (AMC), it is my distinct pleasure to extend our warmest greetings as we come together to celebrate another year of progress and success with the First Peoples Economic Growth Fund (FPEGF) Annual Report.

This initiative embodies our shared commitment to fostering economic growth and prosperity for our First Nations. The FPEGF serves as a vital pillar of support for economically viable business proposals, allowing First Nation entrepreneurs and businesses to flourish and thrive.

As we review the achievements and milestones highlighted in this year's Annual Report, we are reminded of the incredible dedication, resilience, and innovation that define the spirit of our First Nation entrepreneurs and businesses. Your hard work and unwavering determination continue to inspire us all.

I acknowledge that the road to economic growth is not without its challenges, but it is through our collective efforts and determination that we have been able to make meaningful strides towards a brighter future. Together, we are building bridges of opportunity, fostering sustainable development, and creating a legacy of success that will benefit generations to come.

I am deeply grateful for the unwavering support of our partners, stakeholders, and community members who continue to play a pivotal role in the success of the FPEGF. Your dedication to this initiative is a testament to the power of collaboration and the potential for positive change.

Once again, thank you for your tireless efforts, your dedication, and your commitment to a brighter future for all Manitobans. We eagerly anticipate the insights and achievements that will be shared in this year's Annual Report and look forward to the continued success of the FPEGF.

Ekosani, kinanâskomitinawaw,  
**Cathy Merrick, Grand Chief  
Assembly Of Manitoba Chiefs**



Assembly of Manitoba Chiefs  
EMPOWERING OUR NATIONS

# Background of FPEGF

A joint economic development initiative between the Assembly of Manitoba Chiefs (AMC) and the Province of Manitoba saw the creation of First Peoples Economic Growth Fund Inc. (FPEGF).

FPEGF is an organization with the mandate to provide financing to support Manitoba First Nation business proposals that are economically viable.

The unique aspect of FPEGF is that it can provide a variety of support for First Nation-owned businesses through a diverse portfolio of programs. FPEGF may provide financing for business development and support in the following areas:

## **Financing Programs**

- Joint Venture Program
- Community Economic Expansion Program
- Entrepreneur Loan Program

## **Support Programs**

- Business Plan Assistance Program
- Aftercare Program
- Skills Development Program
- Business Contribution Program



# Guiding Principles

1. The Fund will only support those projects that are economically viable and provide a positive return on investment to First Nations entrepreneurs, communities and FPEGF.
2. Leveraging other investment dollars is critical to the growth of the First Nation's economy and must be demonstrated by every business proposal presented to FPEGF.
3. Capacity building will be an important criteria in the decision-making processes, be it human capital, infrastructure or community capacity.
4. Job creation, long-term and sustainable employment opportunities, in areas where there is high unemployment, is desirable.
5. A portion of the Fund will be targeted for projects originating in rural and northern Manitoba.
6. All businesses receiving funding will have to meet or exceed prevailing environmental and health standards.
7. FPEGF, while looking to assist businesses of high economic return, will also consider the needs of the applicants; in general, applications of exceptional merit with the greatest need will receive the highest priority.

# Board of Directors

The volunteer Board Members bring a broad range of knowledge and experience to FPEGF including finance and accounting, retail business, northern business, Indigenous economic development, business management and leadership. The members of the Board are jointly appointed by the Assembly of Manitoba Chiefs and the Province of Manitoba.



**Chair**  
**Jim Beardy, BBA**

**Kawéchiwasik  
Development Corporation  
CEO**



**Vice Chair**  
**Michael McMullen, MBA**

**MCM Consulting Ltd.  
President**



**Director**  
**Dr. Wanda (Wuttunee) Charles, PhD**

**University of Manitoba  
Professor of Native Studies**

## Office visit with Vance Badawey, Member of Parliament & Parliamentary Secretary to Indigenous Affairs Minister



L to R: Connor Moen (ISC), Wayne Flamand (NACCA), MP Vance Badawey, with FPEGF staff: Tessa Millen, Catherine Holder, Fabian Sanderson, Tiffany Monkman, Clayton Burka, and Joanne Fortney.



# Financing Programs

## Joint Venture Program

This program is intended to provide support for large-scale Manitoba First Nations enterprises which, in the opinion of the Fund, have a business concept that, through initial screening, provides excellent opportunity. The First Nation or First Nation entrepreneur must own at least 51% of the business.

Financing is available for up to the lesser of \$1,000,000 or 50% of the total project costs (including identified startup costs and working capital). Appraisal of the project costs may be required. Projects funded under this program must be for-profit and commercially viable with total project costs generally in excess of \$500,000. Priority will be given, but not restricted, to higher-end value-added projects.

## Community Economic Expansion Program

This program is intended to assist Manitoba First Nation community-owned businesses for startup, expansions or acquisitions. The intent is that these viable businesses will provide for the creation of wealth and jobs for First Nations.

Small and medium-sized viable businesses owned by a Manitoba First Nation may be eligible for an interest-free loan up to \$300,000 or 50% of the total project costs (including identified startup costs and working capital). Appraisal of the project costs may be required. At the end of the loan, if the business is still in operation, has not been sold and all loan payments have been made consistently, up to \$75,000 or 25% of the total loan (whichever is less) may be forgiven.

## Entrepreneur Loan Program

This program is intended to assist Manitoba First Nation entrepreneurs by providing capital and/or working capital through interest-free loans that will enhance the applicant's ability to leverage financing from other institutions and agencies.

Each loan will be for the lesser of \$200,000 per project or 50% of the total project costs (including identified startup costs and working capital) identified in the business plan. Appraisal of the project costs may be required.



# CEO's Message

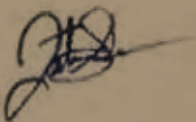
I am delighted to present the First Peoples Economic Growth Fund's Annual Report for 2022-2023. This year was marked by continued success, and this report outlines our accomplishments in detail. After nearly three years of remote work due to the pandemic, 2022-2023 saw the gradual return of our employees to in-person work. Our teams worked diligently to support the transition to a hybrid model, and we remained committed to upgrading our infrastructure and modernizing our workplace.

This fiscal year, we approved twenty new loan applications amounting to \$4,510,337, reflecting a 42% increase from the previous year, underscoring growing confidence in the recovering economic landscape and strong client engagement and promotional efforts throughout Manitoba. These loans are expected to create fifty-three new jobs and preserve thirty-three existing positions. Twenty-four business clients who fulfilled their commitment terms received \$5,013,579 in loan funding, which has been injected into Manitoba's economy.

Furthermore, we approved forty-seven BCF applications amounting to \$1,386,414 in non-repayable contributions. These "grants" will be responsible for creating fifty-six new jobs and maintaining twenty-one positions. The impact on Manitoba's economy from businesses who met the commitment terms and conditions is \$1,789,014. I am very proud of the work we have accomplished over the past year, and I look forward to continuing to foster an environment where First Nations Communities and their Members can excel in their entrepreneurial journeys.

Thank you to our Founding Partners, the Assembly of Manitoba Chiefs and the Province of Manitoba, for their strong and continued support. A big thank you to the FPEGF team and our Board of Directors; your willingness to go above and beyond for our cause is inspiring. Your ongoing efforts to advance our mission and mandate will continue to make lasting impacts across generations.

To our clientele, we are thankful that you continue to partner with FPEGF, and we look forward to supporting you, growing with you, and championing your success.



**Chi Miigwetch,**

**Fabian Sanderson**  
**Chief Executive Officer**



# Support Programs

## Business Plan Assistance Program

This program is intended to provide support to Manitoba First Nation individuals or First Nation-based enterprises which, in the opinion of the Fund, have a business concept that, through initial screening, provides excellent opportunity, but demonstrates a need for financial assistance to develop a professional independent business plan.

This program allows the applicant to engage the services of a professional consultant to assist in the research and development of a quality business plan that will be used to attract financing for the business.

Funding available is up to 75% of the costs to a maximum of \$20,000. This funding is non-repayable. The client is expected to pay the first 25% of the costs.

## Skills Development Program

This program supports rapid business readiness training for new and existing First Nations entrepreneurs to develop their management and marketing skills.

Funding available is up to 75% of the approved costs. The program funds only direct course costs such as tuition, workshop fees and books; living expenses are not included. The program is not intended to finance the acquisition of a degree or certificate.

## Aftercare Program

This program is intended to provide professional support to new businesses that have obtained assistance under another FPEGF financing program in order to help improve the opportunity for success.

Funding under this program is intended to allow the business to engage the services of a professional consultant to examine the operations of the business in order to identify areas that may require special attention. Funding is not intended for the development of interim or annual financial statements.

Funding available is up to 75% of the costs to a maximum of \$20,000. Approved funding must be used within two years. The funding is non-repayable.

## Business Contribution Fund

This program is available to eligible First Nation businesses in Manitoba. Contributions may be made towards a startup, expansion or acquisition of a viable business. Maximum contribution towards a business owned by a First Nation individual is up to 40% of eligible costs to a maximum of \$99,999. Maximum contribution toward a business owned by a Manitoba First Nation or group of Manitoba First Nations is up to 40% of eligible costs to a maximum of \$250,000.

Besides a contribution towards capital and operating as summarized above, FPEGF will also consider providing a non-repayable contribution of up to 75% of the cost for the development of an independent business plan. As well we may contribute up to 75% towards environmental assessments when required, 60% towards marketing costs and 75% towards business support (training, aftercare management). The BCF is generously supported by Indigenous Services Canada.

## Orange Shirt Day





# Our Staff 2022-2023



**Fabian Sanderson**  
• Chief Executive Officer



**Robyn Wozney**  
• Finance Manager



**Tiffany Monkman**  
• Senior Loans Manager



**Eugene Desjarlais**  
• Business Contribution  
Fund Analyst



**Clayton Burka**  
• Loans Account Manager



**Alyssa Czemyrnski**  
• Loans Account Manager



**Catherine Holder**  
• Executive Assistant and  
Loans Administrator



**Joanne Fortney**  
• Compliance Officer and  
Loans Administrator



**Tessa Millen**  
• Loans Associate



**Hannah Brass**  
Loans Associate



**Lisa Myron**  
Finance Assistant

# FPEGF Approved Loans

## Loans Approved for Period April 1, 2022 to March 31, 2023

# Program	FPEGF Amount Approved <sup>oo</sup>	DOLLARS LEVERAGED		Impact on Manitoba Economy	New Jobs Created
		BCF <sup>o</sup> Dollars Approved	All Other Dollars		
# Program	(A)	(B)	(C)	(A+B+C)	
2 Community Economic Expansion only	600,000	0	2,416,000	3,016,000	4
14 Entrepreneur Loan only	599,376	541,914	233,125	1,374,415	32
0 Joint Venture only	0	0	0	0	0
3 Joint Venture combined with Community Expansion*	2,535,960	500,000	5,393,365	8,429,325	15
1 Joint Venture combined with Entrepreneur Loan**	775,001	99,999	1,032,750	1,907,750	2
<b>20 Loans Approved</b>	<b>4,510,337</b>	<b>1,141,913</b>	<b>9,075,240</b>	<b>14,727,490</b>	<b>53</b>

\* Joint Venture Loan: \$1,635,960 + Community Economic Expansion Loan: \$900,000

\*\* Joint Venture Loan: \$575,001 + Entrepreneur Loan: \$200,000

## Grand Total of Loans Applications Approved from September 23, 2008 to March 31, 2023

# Program	FPEGF Amount Approved <sup>oo</sup>	DOLLARS LEVERAGED		Impact on Manitoba Economy	New Jobs Created
		BCF <sup>o</sup> Dollars Approved	All Other Dollars		
# Program	(A)	(B)	(C)	(A+B+C)	
39 Community Economic Expansion	8,917,378	2,019,898	31,634,746	42,572,022	438
221 Entrepreneur Loan	12,842,676	6,322,234	10,271,229	29,436,139	115
12 Joint Venture	3,981,520	577,000	1,999,869	6,558,389	271
34 Joint Venture combined with Community Expansion*	25,374,522	4,665,183	44,271,158	74,310,863	104
20 Joint Venture combined with Entrepreneur Loan**	6,055,117	1,396,669	6,567,281	14,019,067	65
4 Resource & Energy Investment	4,438,056	234,894	12,478,365	17,151,315	1,315
<b>330 Loans/Equity Investments Approved</b>	<b>61,609,269</b>	<b>15,215,878</b>	<b>107,222,648</b>	<b>184,047,795</b>	

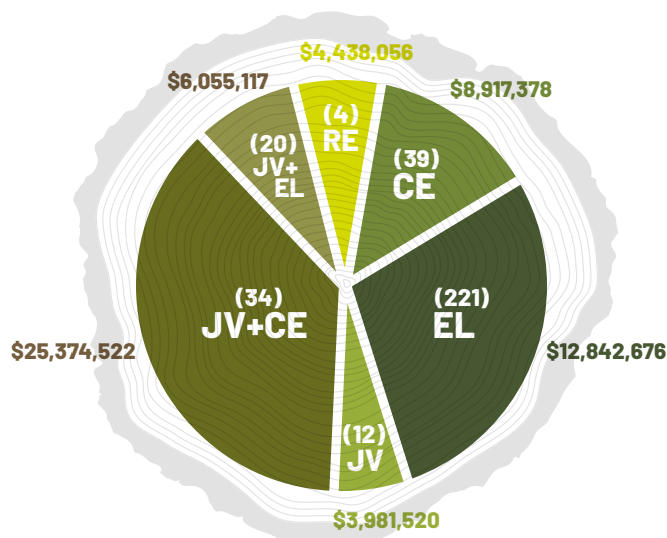
\* Joint Venture Loans: \$15,693,384 + Community Economic Expansion Loans: \$9,681,138

\*\* Joint Venture Loans: \$3,506,023 + Entrepreneur Loans: \$2,549,094

<sup>oo</sup> Some Loan dollars have not been disbursed as at March 31, 2023. Commitments will be disbursed once all Terms and Conditions are met.

<sup>o</sup> BCF - Business Contribution Fund delivered by FPEGF.

330 Loans Application  
Approved = **\$61,609,269**



# FPEGF Approved Support Applications

## Support Applications Approved for Period April 1, 2022 to March 31, 2023

# Support Program	FPEGF Amount Approved**	DOLLARS LEVERAGED		Impact on Manitoba Economy
		BCF* Dollars Approved	All Other Dollars	
# Support Program	(A)	(B)	(C)	(A+B+C)
1 Aftercare	20,000	0	11,500	31,500
29 Business Plan Assistance	13,092	228,527	153,213	414,833
0 Skills Development	0	0	0	0
<b>30 Support Applications Approved</b>	<b>33,092</b>	<b>228,257</b>	<b>164,713</b>	<b>446,333</b>

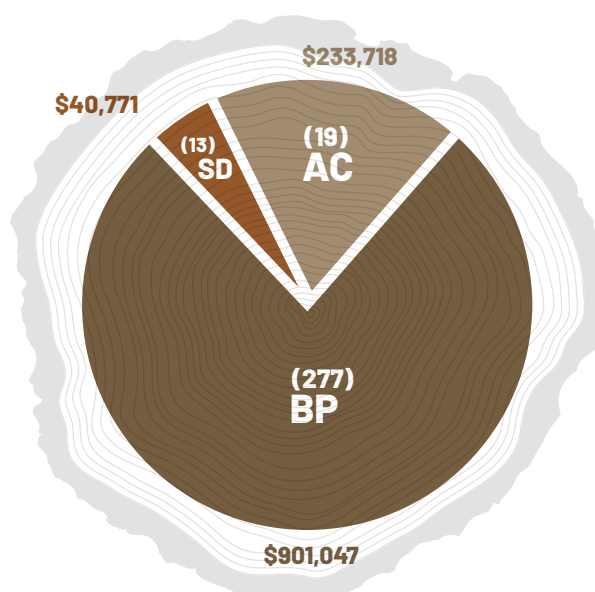
## Grand Total of Support Applications Approved from September 23, 2008 to March 31, 2023

# Support Program	FPEGF Amount Approved**	DOLLARS LEVERAGED		Impact on Manitoba Economy
		BCF* Dollars Approved	All Other Dollars	
# Support Program	(A)	(B)	(C)	(A+B+C)
19 Aftercare	233,718	0	102,438	336,156
277 Business Plan Assistance	901,047	1,120,449	851,582	2,873,078
13 Skills Development	40,771	0	13,597	54,368
<b>309 Support Applications Approved</b>	<b>1,175,536</b>	<b>1,120,449</b>	<b>967,617</b>	<b>3,263,602</b>

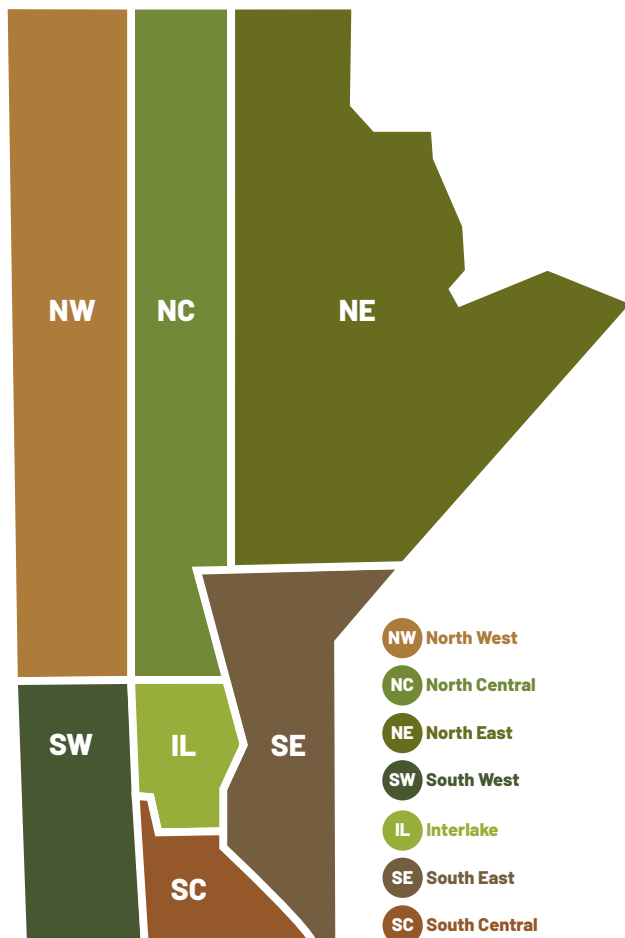
\*\* Some support dollars have not been disbursed as at March 31, 2023. Commitments will be disbursed once all Terms and Conditions are met.

\*BCF - Business Contribution Fund delivered by FPEGF.

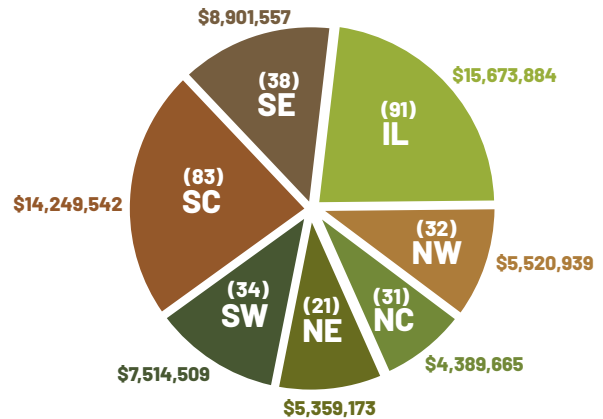
309 Support Applications  
Approved = **\$1,175,536**



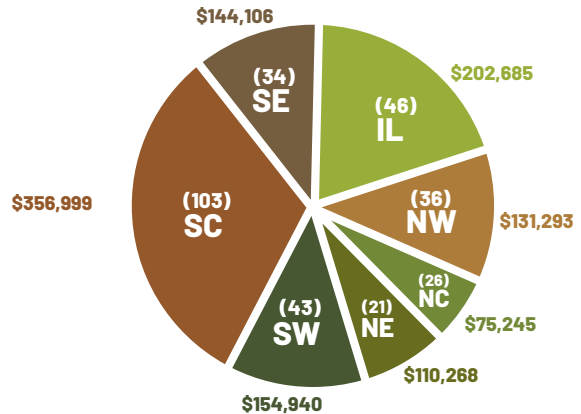
# FPEGF Total Loan, Support & BCF Approvals by Geographic Region



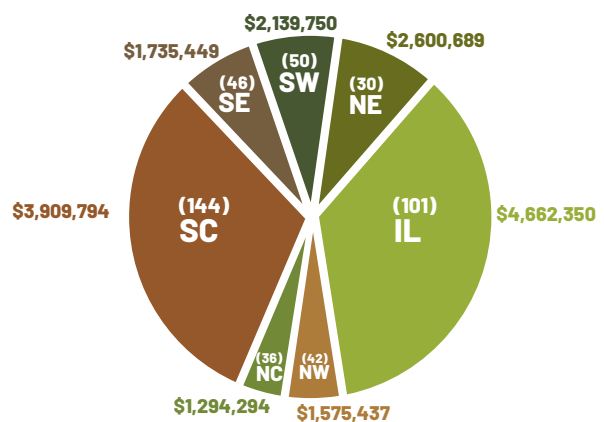
**330 Loans Approved = \$61,609,269**



**309 Support Loans Approved = \$1,175,536**



**449 Business Contribution Fund Approved = \$17,917,763**



# FPEGF Business Contribution Fund

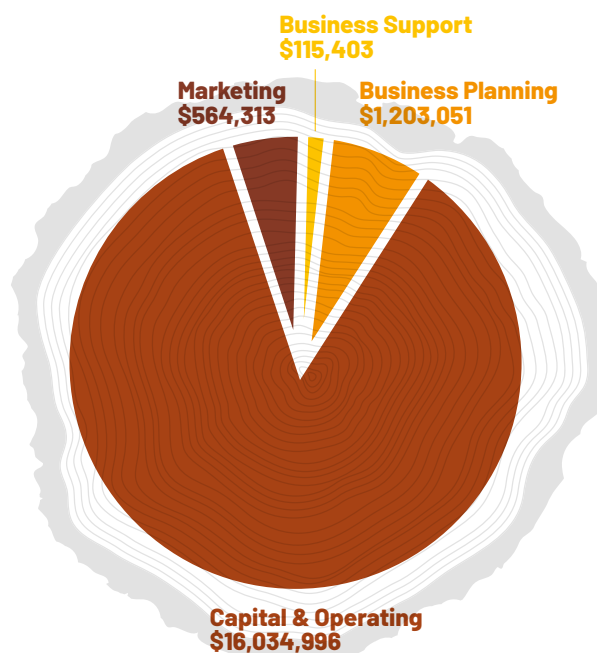
BCF Applications Approved for Period April 1, 2022 to March 31, 2023		BCF Dollars Approved* (A)				Dollars Leveraged** (B)	Total (A+B)
#	Type	Business Planning	Capital & Operating	Marketing	Business Support		
30	Business Planning	242,217					242,217
17	Capital & Operating		1,112,002	29,195	3,000		1,144,197
47	BCF Support Applications Approved	242,217	1,112,002	29,195	3,000		1,386,414

Grand Total of BCF Support Applications Approved from February 11, 2013 to March 31, 2023		BCF Dollars Approved* (A)				Dollars Leveraged** (B)	Total (A+B)
#	Type	Business Planning	Capital & Operating	Marketing	Business Support		
211	Business Planning	1,203,051				29,382	1,232,433
238	Capital & Operating		16,034,996	564,313	115,403	4,571,569	21,286,281
449	BCF Support Applications Approved	1,203,051	16,034,996	564,313	115,403	4,600,951	22,518,714

\* Some BCF Support dollars have not been disbursed or were partially disbursed as at March 31, 2023. Commitments will be fully disbursed once all Terms and Conditions are met.

\*\* Some Dollars Leveraged amounts are already reported in Approved Loan and Support Applications statistics (see Pages 11 and 12)

449 BCF Approvals  
by Type = **\$17,917,763**





# Indigenous Business Stabilization Program (IBSP)



First Peoples Economic Growth Fund along with the National Aboriginal Capital Corporation Association (NACCA) provided COVID-19 contingency funding to assist various First Nation businesses in managing the COVID-19 pandemic. The funds disbursed into the Manitoba economy are \$970,000.

## The IBSP non-repayable grant was provided to the following businesses:

A 2 Z Hair	Four Directions Skid Steer Service Ltd.	Reg Everett Fishing
A Buyer's Choice Home Inspection	Gorilla Fries Inc.	Ron's Heavy Equipment
A Plus Plumbing & Heating	Grey Owl Skid Steer Services	Sapotaweyak Petro-Canada
Al's Wash N Dry Convenience	Hoop and Holler Media	Sapotaweyak VLT Lounge
Amik Aviation Ltd.	Jack River Drilling & Blasting	Schnell Construction Inc.
AMT Custom Hay Supply	JBD Electric	Sharon McKay Fishing
Anishinaabe Bimishimo Corporation	Johannson Fisheries Ltd.	Sheldon Simard Fishing
Ashley Spence Fishing	John Thomas Fishing	Sipie's Mobile Wash
Beatoes Productions	JT Septic Service	Skylar's Commercial Fishing
Brandon Johannson Fishing	K & B Supplies	Stevenson's Excavating & Construction
BRC Thomas Trucking & Bobcat Service	Kyle's Commercial Fishing	Swampy Custom Homes
Brian Amos Fishing	Lake Manitoba First Nation	The BeYOUtee Factory Inc.
C & N Woodhouse Bros	Gaming Commission	The BeYOUtee School Inc.
Canadian Fish Guys	Lake Manitoba Gas Bar & Convenience	The Collectors Club
Catcheway's Septic Services	Larry Scott Commercial Fishing	The Hardcore Surf and Paddleboard Company
Cook Brothers Transport	Little Saskatchewan Multiplex	The Indigenous Kitchen
Cooks Campground & Cabins	M&M Food Market Regent	Three Suns Construction Ltd.
Cordell's Commercial Fishing	M&M Food Market Selkirk	Treaty Auto
Cree Star Gifts	M. Morgan Electric	Triple T Cabins
CRU Barber & Company	Mamaweenong Convenience Store	Tristan's Fishing
D. Bear Enterprises	Maskwa Vending Company	Two Nations Septic Services
Destination X BMX Ltd.	Missinippi Freight	Tyson Commercial Fishing
Dreamcatcher Promotions	MnB's Gas Bar Inc.	Vince's Crate Fishing
Edna's Govereau Fishing	NIPI Environmental Monitoring Services Inc.	Walter E. Sinclair Commercial Fishing
Elizabeth Cloud Leasing	North Haven Company Inc.	Wawasum Energy Inc.
Eric Bouchey Fishing	Northern Lights Petroleum	White Wolf Hunting & Fishing Supplies Ltd.
Everest Homes	Ovide Moar Fishing	Wiisiinin Oma (Eat Here)
Fair Trade Alliance	OVO Leasing Inc.	William Walker Fishing
Faron's Fishing	P3W Consulting Ltd.	Willy's Fishing
Favell's Auto Service	Paup's Property Maintenance	Wilma's Place
Feast Cafe Bistro Ltd.	Peak Performance and Athletics	Young's fishing
First Nation Focus Realty Inc.	Peguis Auto Parts	
First Nation Redi-Mix Concrete	Q. Monkman Fisheries	
Floors Entirely	R.G. Evans Indigenous Solutions	
Flozzy's Pizza		

# Client Testimonials

## **The Indigenous Marketing Company Kaeden Merasty**



Tansi, my name is Kaeden Merasty, and I am the Founder and CEO of The Indigenous Marketing Company (IMC) and a proud member of Flying Dust First Nation. My vision is to guide Indigenous Peoples towards achieving full economic independence that aligns with their cultures, values, and beliefs. As a Cree First Nations businessman, I established this agency to work with aspiring entrepreneurs and Indigenous business professionals just like you.

Over the years, I have held numerous roles, working closely with executives and CEOs on developing business strategies, executing sales and marketing initiatives, and managing client relationships.

Utilizing this knowledge and experience, IMC was created to produce desirable outcomes for Indigenous Peoples through its holistic digital marketing solutions. It is my mission to empower Indigenous Peoples by providing equal opportunities and the support systems needed to achieve economic success.

I would not be where I am today without the help I received from First Peoples Economic Growth Fund (FPEGF). FPEGF played a significant role in making my business vision a reality. Through essential start-up funding, FPEGF enabled me to purchase the required equipment for myself and my team to begin growing the company.

Tiffany Monkman, the Senior Loans Manager at FPEGF, was very helpful throughout the application process. She responded to my questions in a timely manner and ensured that I followed the necessary steps to meet all the application's requirements.

If you are a First Nations person looking to start or grow a business in Manitoba, FPEGF is there to support you.

## **Schnell Construction Incorporated**

### **Nicole Schnell**



My name is Nicole Schnell, and I am the proud owner of Schnell Construction Incorporated. We are a small company that offers excavation services of any size, aggregate hauling, snow removal, landscaping, lot clearing, shoreline stabilization, septic tank installation as well various skid steer work.

We started our business in May 2020 during the height of the COVID-19 pandemic and it was a challenge due to having to do everything online, and not meet with people in person.

We first heard about First Peoples Economic Growth Fund from a relative. The process of applying for financing was daunting at first, facing a lot of paperwork, but with so much help and friendly assistance it was made much easier. Help was always a quick phone call away. If we did not have the financing from FPEGF we would not be able to offer the services we currently do, and we would not be as successful. We were able to buy the equipment to meet our customer needs and expand the services we can now offer. Our business is having a very successful year and we are happy with our growth.

Recently, we were able to thank our customers with offering a weekend of skid steer services for free. We donate prizes annually to the community and run the annual kids beach games, donating food and prizes as well as our time. It feels amazing to give back a small part to the community that has helped our business grow.

We would apply for financing from FPEGF in the future. The COVID-19 Contingency Fund was a huge help financially during the pandemic. We owe so much of our success to FPEGF.

The financing from FPEGF has enabled us to grow and meet our customer needs in a competitive market during challenging times. We are grateful and humbled by the help that we have received, and the support has touched our hearts and been our backbone. The staff and FPEGF are so kind and knowledgeable. FPEGF has given us our dignity in asking for help when we needed it. We are so proud of our accomplishments thus far and are excited for the future.

# Client Testimonials

## **Gorilla Fries Inc. Gary Freeman**

My name is Gary Freeman, and I am the owner of Gorilla Fries. This is a food truck that has been serving delicious food at various venues throughout the province of Manitoba since 2018.



I expressed my interest in purchasing a food truck to Debbie McElhinney from the Surrender Claim Trust in Peguis. She suggested I contact First Peoples Economic Growth Fund in Winnipeg about their zero interest loans for businesses. I contacted FPEGF and they set up an appointment with the loans manager, Tom Thordarson. Tom was very supportive of my business idea, and he explained what FPEGF needed from me to get approved for a loan and what grants might be available to me as well. You do not just apply, and it is approved, you must supply lots of information with supporting documents and a business plan. I hired a consulting company to prepare the business plan for Gorilla Fries and that made the process much easier. Once all the documentation and the business plan were submitted it didn't take long for the loan to be approved. Tom even assisted me with applying for a grant from Surrender Claim Trust to offset the amount of loan I needed to apply for.

Gorilla Fries had only been in operation 1½ seasons when COVID-19 hit. Operating a food truck during COVID-19 was a financial struggle to say the least. There were no rodeos, fairs, pow wows, markets, music festivals at all in 2020 and most of 2021, so our major revenue sources were gone. This coupled with the increase in fuel and food costs made the struggle even more challenging. I tried other ways to generate revenue, but I could not generate the revenue needed to cover the operating costs and long-term liabilities. If it wasn't for my FPEGF loans officer Tiffany Monkman telling me about the COVID-19 Contingency Funding and helping me with the application, Gorilla Fries probably would not have survived. I am very thankful for the support I received.

Gorilla Fries is a seasonal business that my wife and I operate from June 1st until October 31st. Even though Gorilla Fries has not financially recovered from the pandemic we are optimistic that 2023 will be a good year. We really enjoy taking our food truck to pow wows and rodeos, and we are hopeful that we will get more bookings for Gorilla Fries at these types of venues.

## **Sternat Manaigre Law Corporation** **Priscilla Sternat-Mclvor, Lisa Manaigre**



We are Priscilla Sternat-Mclvor and Lisa Manaigre – the partners of Sternat Manaigre Law Corporation. We opened our female, Indigenous-owned law firm in March 2017, with the help of the First Peoples Economic Growth Fund. We were lucky enough to learn about FPEGF through our former law firm.

Without the lending and grant opportunities afforded to us by FPEGF, it is doubtful that we would have been able to open our firm within a relatively short timeframe (under six months). We were able to quickly access the funds that we needed to start our planning, purchase our equipment, and set up a full office. We were able to start our operation with the technology needed for remote work from day one, with the idea in mind that this kind of flexibility was important in supporting women working in private legal practice. Little did we know that this would also make it easy for our team to transition to working from home during the COVID-19 pandemic without skipping a beat.

Since our initial loan was granted to us, we have been able to work with our account manager to foresee changes to our business and adapt to them before they happen. We have found the account managers at First Peoples to be responsive and agile in helping us to meet our business's needs.

The support that we have received from FPEGF has helped our firm grow from four lawyers to nine lawyers and from three full-time staff to four full-time staff. We are proud to support Indigenous hiring wherever possible and we are constantly finding ways to support the greater community through our lawyer volunteer hours, supporting many boards and organizations, giving to those less fortunate with our annual Christmas hampers and offering flexible payment arrangements to our clients who require competent and compassionate legal services but are not able to access Legal Aid.

We look forward to a continued, strong relationship with FPEGF as we continue to grow our firm.



# Clientele List – Application Commitments

The following client list are those businesses who received application approval commitments as of March 31, 2023. Clients must meet all the commitment terms and conditions prior to funds being released.

## Business Support Programs \$33,092

### Business Plan Assistance \$13,092

#### Manitoba region: Northwest

- Sapotaweyak Cree Nation
- Tornquist Enterprise Driving School
- Young Fab Designs
- Sunshine Flower 'N' Gifts
- Tim Hortons #1614
- Jody's Food Trailer

#### Manitoba region: North Central

- OVO Leasing Inc.
- Norway House Fisherman's Co-op Ltd.
- Pimicikamak Communications Corporation

#### Manitoba region: Northeast

- Kawéchiwasik Atawikamik
- Fox Lake Automotive Services Ltd.

#### Manitoba region: Southwest

- 4251 Rolling River Gas Bar & Restaurant
- Blue Sky Gas Station

#### Manitoba region: Southeast

- Honcho Concrete Construction Corporation
- Robbie's Kitchen

#### Manitoba region: South Central

- Thompson's Property Maintenance

- Sol Food Truck
- The Aspiring Leaf and Bean
- TIPI Insurance Partners
- AJA Property Maintenance and Landscaping Inc.
- The Indigenous Kitchen
- Vertical Adventures South
- Spirit Wolf Contracting
- MRO Roofing & Reno's
- Dineh Optical Ltd.
- Kejic Productions
- First Rider Inc.
- Indigenous Nations Apparel Company

#### Manitoba region: Interlake

- Sharon McKay Fishing

### Aftercare Program \$20,000

#### Manitoba region: South Central

- Peace Pipe Cannabis Company Inc.

## Business Contribution Fund \$1,386,414

### Business Plan Assistance \$242,217

#### Manitoba region: Northwest

- Sapotaweyak Cree Nation
- Tornquist Enterprise Driving School
- Young Fab Designs
- Sunshine Flower 'N' Gifts
- Tim Hortons #1614
- Jody's Food Trailer

#### Manitoba region: North Central

- OVO Leasing Inc.
- Norway House Fisherman's Co-op Ltd.
- Pimicikamak Communications Corporation

#### Manitoba region: Northeast

- Kawéchiwasik Atawikamik
- Fox Lake Automotive Services Ltd.

#### Manitoba region: Southwest

- 4251 Rolling River Gas Bar & Restaurant
- Blue Sky Gas Station

#### Manitoba region: South Central

- Thompson's Property Maintenance
- Sol Food Truck
- The Aspiring Leaf & Bean
- TIPI Insurance Partners

- AJA Property Maintenance and Landscaping Inc.
- The Indigenous Kitchen
- Vertical Adventures South
- Spirit Wolf Contracting
- MRO Roofing & Reno's
- Dineh Optical Ltd.
- Kejic Productions
- First Rider Inc.
- Indigenous Nations Apparel Company

#### Manitoba region: Southeast

- Honcho Concrete Construction Corporation
- Robbie's Culinary Creations

#### Manitoba region: Interlake

- TNT Plumbing and Heating
- Sharon McKay Fishing

# Clientele List – Application Commitments

*Business Contribution Fund continued*

## Capital & Operating / Marketing / Business Support \$1,144,197

### Manitoba region: Northwest

- Sunshine Flower 'N' Gifts

### Manitoba region: North Central

- Audrey's Ice Cream Parlour
- Christopher Clarke Fishing
- Elmer Clarke Fishing
- L & D Chicken Shack

### Manitoba region: Southwest

- Outlaw Livestock

### Manitoba region: South Central

- Indigenous Nations Apparel Company
- Clean Energy Manitoba Electrical Group Ltd.
- Schnell Construction

### Manitoba region: Southeast

- Robbie's Culinary Creations
- Owen Leasing Inc.

### Manitoba region: Interlake

- Spirit Wolf Contracting
- Walter E. Sinclair Commercial Fishing
- Lake Manitoba Multiplex
- Fisher River Butcher Shop & Clothing Store
- Mowat Fishing
- Brian Amos Fishing

## Loans \$4,510,337

### Entrepreneur Loan Program \$799,376

### Manitoba region: Northwest

- Sunshine Flower 'N' Gifts

### Manitoba region: North Central

- Christopher Clarke Fishing
- Elmer Clarke Fishing
- L & D Chicken Shack
- Audrey's Ice Cream Parlour

### Manitoba region: Southwest

- Outlaw Livestock

### Manitoba region: South Central

- Indigenous Nations Apparel Company
- Clean Energy Manitoba Electrical Group Ltd.
- Schnell Construction

### Manitoba region: Southeast

- Robbie's Culinary Creations
- Owen Leasing Inc.

### Manitoba region: Interlake

- Spirit Wolf Contracting
- Walter E. Sinclair Commercial Fishing
- Brian Amos Fishing
- Mowat Fishing

### Community Economic Expansion \$1,500,000

### Manitoba region: Northwest

- Paskwayak Gravel

### Manitoba region: North Central

- Otohwin Gas Bar & Convenience Store

### Manitoba region: Northeast

- Fox Lake Automotive Services Ltd.

### Manitoba region: Interlake

- Fisher River Butcher Shop & Clothing Store
- Lake Manitoba Multiplex

### Joint Venture Program \$2,210,961

### Manitoba region: Northeast

- Fox Lake Automotive Services Ltd.

### Manitoba region: Southeast

- Owen Leasing Inc.

### Manitoba region: Interlake

- Fisher River Butcher Shop & Clothing Store
- Lake Manitoba Multiplex

# Clientele List – Commitment Disbursements

The following client list are those businesses who received approval for a commitment this year and past years, and who met all the commitment terms and conditions as of March 31, 2023. These funds were disbursed into the economy this fiscal year.

## Business Support Programs

### Business Plan Assistance

#### Manitoba region: Northwest

- Missinippi Freighting
- The Lido
- Jody's Food Truck
- Sunshine Flowers 'N' Gifts
- Young Fab Designs
- Tornquist Enterprise Driving School

#### Manitoba region: North Central

- Audrey's Ice Cream Parlour
- Norway House Fisherman's Co-op Ltd.

#### Manitoba region: Northeast

- Fox Lake Automotive Services Ltd.

#### Manitoba region: Southwest

- Swan Lake Hotel & Conference Centre
- Cloud's Convenience
- 4251 Rolling River Gas Bar & Restaurant

### Impact on Manitoba Economy \$10,279

#### Manitoba region: South Central

- Flying Eagle Foot Care
- Indigenous Nations Apparel Company
- MRO Roofing & Reno's
- The Indigenous Kitchen
- Sol Food Truck

#### Manitoba region: Southeast

- Mashkiki Mistadim Medicine Horse Life Skills
  - Robbie's Culinary Creations
- #### Manitoba region: Interlake
- Chief Peguis Industries 2018 LP
  - Fisher River Grocery
  - Spirit Wolf Contracting

## Business Contribution Fund

### Business Plan Assistance \$156,337

#### Manitoba region: Northwest

- Missinippi Freighting
- The Lido
- Jody's Food Trailer
- Sunshine Flower 'N' Gifts
- Young Fab Designs
- Tornquist Enterprise Driving School

#### Manitoba region: North Central

- Norway House Mining Camp
- Audrey's Ice Cream Parlour
- Norway House Fisherman's Co-op Ltd.

#### Manitoba region: Northeast

- Fox Lake Automotive Services Ltd.

#### Manitoba region: Southwest

- Swan Lake Hotel & Conference Centre
- Lake Manitoba Multiplex
- Cloud's Convenience

#### Manitoba region: South Central

- Style Encore
- Flying Eagle Foot Care
- Indigenous Nations Apparel Company
- MRO Roofing & Reno's
- Spirit Wolf Contracting
- Sol Food Truck

#### Manitoba region: Southeast

- Mashkiki Mistadim Medicine Horse Life Skills
- Robbie's Culinary Creations

#### Manitoba region: Interlake

- Chief Peguis Car Wash & Laundromat
- Brian Amos Fishing
- Dauphin Pharmacy
- Chief Peguis Industries 2018 LP
- Fisher River Grocery

# Clientele List – Commitment Disbursements

Business Contribution Fund continued

## Capital & Operating / Marketing / Business Support \$1,632,677

### Manitoba region: Northwest

- Missinippi Airways
- TLC & Sons

### Manitoba region: North Central

- Audrey's Ice Cream Parlour
- L & D Chicken Shack
- Christopher Clarke Fishing

### Manitoba region: Northeast

- Bird Store, Café & Gas Bar

### Manitoba region: Southwest

- Parkland Sport & Marine
- Outlaw Livestock
- Lake Manitoba Multiplex
- 4251 Rolling River Gas Bar & Restaurant

### Manitoba region: South Central

- First Nation Focus Realty Inc.
- SIM Airlines
- Schnell Construction
- Wigwam Firewood Sales
- CRU Barber & Company

- FN Paper & Chemical Supply Limited Partnership
- Wolverine Construction
- Clean Energy Manitoba Electrical Group Ltd.
- The Indigenous Kitchen
- Indigenous Nations Apparel Company

### Manitoba region: Southeast

- Owen Leasing Inc.
- Robbie's Culinary Creations

### Manitoba region: Interlake

- Cook Brothers Transport
- Saulteaux Tribal Nation Limited Partnership
- Mowat Fishing
- Fisher River Butcher Shop & Clothing Store

## Loans

### Entrepreneur Loan Program \$1,074,488

#### Manitoba region: Northwest

- TLC & Sons
- Sunshine Flower 'N' Gifts

#### Manitoba region: North Central

- Audrey's Ice Cream Parlour
- L & D Chicken Shack
- Christopher Clarke Fishing

#### Manitoba region: Southwest

- Outlaw Livestock
- Parkland Sport & Marine

#### Manitoba region: South Central

- FN Paper & Chemical Supply Limited Partnership
- Wolverine Construction Inc.
- Schnell Construction Inc.
- Clean Energy Manitoba Electrical Group Ltd.
- Indigenous Nations Apparel Company

#### Manitoba region: Southeast

- Owen Leasing Inc.
- Robbie's Culinary Creations

### Impact on Manitoba Economy \$5,013,579

#### Manitoba region: Interlake

- Mowat Fishing
- Brian Amos Fishing

#### Community Economic Expansion \$900,000

#### Manitoba region: Southwest

- Lake Manitoba Multiplex
- Saulteaux Tribal Nation Limited Partnership
- Fisher River Butcher Shop & Clothing Store

#### Manitoba region: Interlake

#### Joint Venture \$3,039,091

#### Manitoba region: Northwest

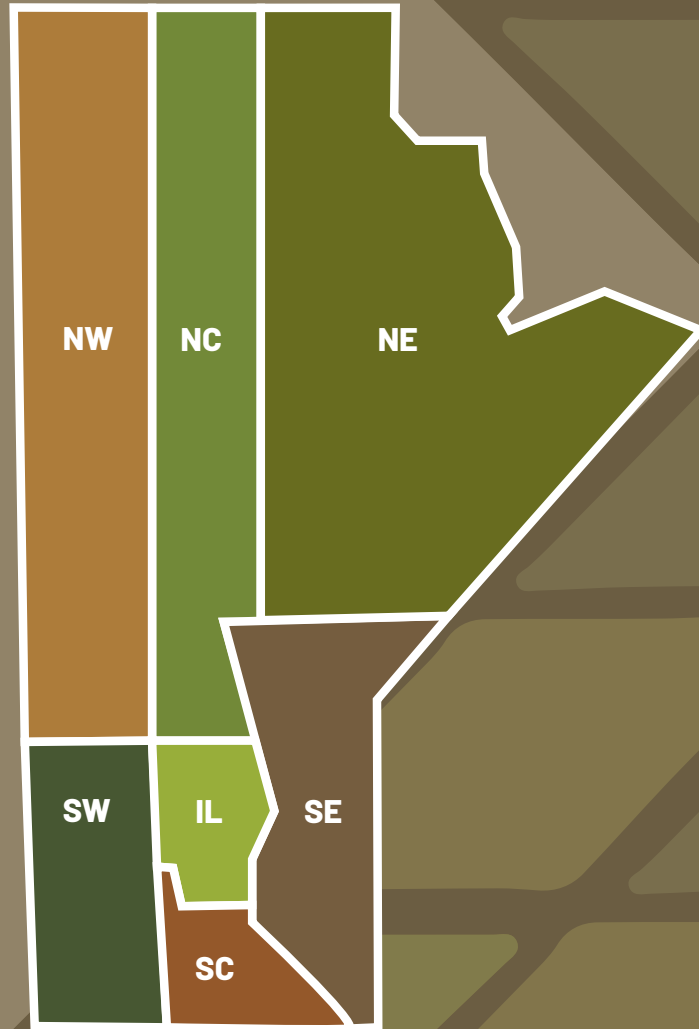
- Missinippi Airways

#### Manitoba region: Southwest

- Owen Leasing Inc.
- Lake Manitoba Multiplex

#### Manitoba region: Interlake

- Saulteaux Tribal Nation Limited Partnership
- Fisher River Butcher Shop & Clothing Store







# Financial Statements

Year Ended March 31, 2023

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## INDEPENDENT AUDITORS' REPORT

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To the Members of First Peoples Economic Growth Fund Inc.

### *Opinion*

We have audited the financial statements of First Peoples Economic Growth Fund Inc. (the Corporation), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Corporation 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 those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Information Other than the Financial Statements and Auditors' Report Thereon*

The other information comprises the financial information included in the annual report, including the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

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

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of

(continues)



Independent Auditors' Report to the Members of First Peoples Economic Growth Fund Inc. *(continued)*

accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

*Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Corporation 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.

## *Exchange*

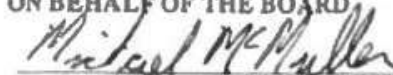
Chartered Professional Accountants LLP  
Winnipeg, Manitoba  
September 1, 2023


# Statement of Financial Position

March 31, 2023

	2023	2022
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 3,946,064	\$ 6,385,328
Short-term investments (Note 3)	23,048,010	14,813,692
Accrued interest and other receivables (Note 5)	3,226,124	5,542,437
Prepaid expenses	7,878	7,190
Due from NACCA	58,739	-
	<u>30,286,815</u>	<u>26,748,647</u>
PROPERTY AND EQUIPMENT (Notes 3, 6)	-	1,469
LOANS RECEIVABLE (Notes 3, 7, 8)	15,287,447	16,092,502
INVESTMENT IN 6606254 MANITOBA LTD. (Note 3)	100	100
	<u>\$ 45,574,362</u>	<u>\$ 42,842,718</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 150,994	\$ 71,389
Due to NACCA (Note 10)	-	126,009
Deferred revenue (Note 11)	173,731	172,730
	<u>324,725</u>	<u>370,128</u>
<b>NET ASSETS</b>		
Contributed surplus (Note 2)	3,750,000	3,750,000
Net assets	<u>41,499,637</u>	<u>38,722,590</u>
	<u>45,249,637</u>	<u>42,472,590</u>
	<u>\$ 45,574,362</u>	<u>\$ 42,842,718</u>
<b>RESTRICTIONS AND COMMITMENTS (Note 13)</b>		

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

# Statement of Operations

Year Ended March 31, 2023

	2023	2022
<b>REVENUE</b>		
Province of Manitoba	\$ 2,700,000	\$ 2,750,000
Business Contribution Fund - Equity Fund	1,297,287	864,858
Interest accretion (Note 8)	669,815	688,785
Interest on loans receivable (Note 8)	620,589	575,809
Business Contribution Fund - Operating	305,042	305,042
Aboriginal Developmental Lending Assistance	581,301	208,398
Interest on short-term investments	714,652	205,465
NACCA - Contingency Fund	-	55,618
Indigenous Business Stabilization Program	1,020,277	50,277
Miscellaneous	1,664	2,976
Loan fees	58,996	(1,313)
	<b>7,969,623</b>	<b>5,705,915</b>
<b>ASSISTANCE COSTS</b>	<b>3,479,645</b>	<b>813,362</b>
<b>EXCESS OF REVENUE OVER ASSISTANCE COSTS</b>	<b>4,489,978</b>	<b>4,892,553</b>
<b>ADMINISTRATIVE COSTS</b>		
Advertising and promotion	5,383	1,547
Amortization of property and equipment	1,469	3,525
Bad debts general fund	608,659	(360,028)
Bank charges	3,181	1,754
Consulting fees	27,180	51,849
Equipment	32,253	20,368
Insurance	11,555	10,463
Office expense	54,970	60,929
Professional fees	69,420	49,537
Recruiting	5,195	27,243
Rent	92,532	88,181
Salaries and benefits	786,465	698,264
Travel and conferences	14,669	444
	<b>1,712,931</b>	<b>654,076</b>
<b>OPERATING SURPLUS</b>	<b>2,777,047</b>	<b>4,238,477</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>38,722,590</b>	<b>34,484,113</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 41,499,637</b>	<b>\$ 38,722,590</b>

See notes to financial statements



# Statement of Cash Flows

Year Ended March 31, 2023

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Operating surplus	\$ 2,777,047	\$ 4,238,477
Items not affecting cash:		
Amortization of property and equipment	1,469	3,525
Bad debts general fund	608,659	(360,028)
Interest accretion	(669,815)	(688,785)
Interest on loans receivable	(620,589)	(575,809)
Loan discount expenses	473,899	333,964
	<u>2,570,670</u>	<u>2,951,344</u>
Changes in non-cash working capital:		
Accrued interest and other receivables	2,316,313	(2,188,999)
Accounts payable and accrued liabilities	79,605	(129,675)
Prepaid expenses	(688)	(887)
Due to NACCA	(184,748)	(285,991)
Deferred revenue	1,001	20,168
	<u>2,211,483</u>	<u>(2,585,384)</u>
Cash flow from operating activities	<u>4,782,153</u>	<u>365,960</u>
<b>INVESTING ACTIVITIES</b>		
Loans granted	(5,013,579)	(1,321,053)
Loan repayments	6,026,480	4,061,054
Net change of short-term investments	(8,234,318)	(10,075,806)
Cash flow used by investing activities	<u>(7,221,417)</u>	<u>(7,335,805)</u>
<b>DECREASE IN CASH</b>	<u>(2,439,264)</u>	<u>(6,969,845)</u>
<b>CASH - BEGINNING OF YEAR</b>	<u>6,385,328</u>	<u>13,355,173</u>
<b>CASH - END OF YEAR</b>	<u>\$ 3,946,064</u>	<u>\$ 6,385,328</u>
<b>CASH CONSISTS OF:</b>		
Cash and cash equivalent	<u>\$ 3,946,064</u>	<u>\$ 6,385,328</u>

See notes to financial statements

# Notes to Financial Statements

Year Ended March 31, 2023

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## 1. INCORPORATION

First Peoples Economic Growth Fund Inc. ("the Corporation") was incorporated as a corporation without share capital under the Corporation Act (Manitoba) on October 3, 2007. The Province of Manitoba, as represented by the Minister of Economic Development and Jobs ("the Province"), and the Assembly of Manitoba Chiefs Secretariat Inc. ("AMC") are the sole voting members of the Corporation.

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## 2. DESCRIPTION OF BUSINESS

### General Business Assistance Program

On October 3, 2007, the Province and AMC entered into a Unanimous Members Agreement that sets out the Program Principles and Program Outlines under which the Corporation will operate. The Program principles include:

Supporting those projects that are economically viable and provide a positive return on investment to First Nations entrepreneurs, communities, the Corporation and its sponsors;

Leveraging investments in First Nations enterprise and giving priority to those projects that can act as a catalyst for further economic development;

Enabling First Nations' human capital, infrastructure or community capacity;

Creating jobs, particularly long-term and sustainable employment opportunities in communities where there is high unemployment; and

Meeting or exceeding prevailing environmental and health standards as set out by legislation, regulation and/or municipal codes.

Furthermore, while considering projects of high economic return, the Corporation will also consider the relative needs of the applicants. In general, applications of exceptional merit and the greatest need will receive the highest priority. Furthermore, a portion of the Corporation's programs and activities will be reserved for projects originating in rural and northern Manitoba.

While the Program outlines may from time to time be amended by the Corporation's Board of Directors, the Corporation will offer the following programs:

### Financing Programs

- Joint Venture Program
- Community Economic Expansion Program
- Entrepreneur Loan Program

### Support Programs

- Business Plan Assistance Program
- Aftercare Program
- Skills Development Program

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# Notes to Financial Statements

Year Ended March 31, 2023

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## 2. DESCRIPTION OF BUSINESS *(continued)*

### Resource and Energy Investment Program

On March 25, 2009, the Corporation and Indigenous Services Canada ("ISC") entered into an agreement to create the Resource and Energy Investment Program ("REIP"). The REIP is funded as follows: ISC \$3,000,000, the Corporation \$1,500,000 and Manitoba Hydro \$750,000. \$3,750,000 of this funding has been reflected as contributed surplus in the statement of financial position. The programs and goals of the REIP focus on the following:

A self sustaining, revolving capital pool that will grow and ultimately create sustainable First Nation economic development in the resource and energy sector of Manitoba.

Leverage private industry partner investment financing from financial institutions or other non-governmental services, and other equity investments.

The Program and goals of the REIP will be administered through two types of investments - sub-debt and equity financing. The REIP is an investment fund - there will be expectations of a return, however it will consider requirements for "patient capital", where returns may be deferred during a development period. Sub-debt will typically include medium term loans that would take a subordinate security position to bank financing, typically for a higher rate of interest. Equity financing may take several forms such as partnership units, common equity or preferred shares with fixed dividend provisions or returns based on available profits. The shares may also be redeemable or convertible in defined circumstances.

### Business Contribution Fund

During the year ended March 31, 2023 the Corporation and the National Aboriginal Capital Corporations Association ("NACCA") entered into an agreement to continue the Business Contribution Fund ("BCF"). NACCA provided \$305,042 in operational funding and was to provide \$1,729,715.00 in equity funding for the year ended March 31, 2022. This agreement was amended due to Covid-19 lockdowns during the year ended March 31, 2022 to reduce the equity funding to \$1,297,287. FPEGF was required to return the funds to NACCA who redistributed these funds to Provinces that had projects that could disburse the funds within the fiscal year.

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## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgment. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

### Financial instruments policy

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

*(continues)*

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# Notes to Financial Statements

Year Ended March 31, 2023

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## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

### Short-term investments

Short-term investments consist of guaranteed investment certificates with original terms to maturity of greater than 90 days.

### Loans receivable

At the time loans are advanced, they are recognized at fair value and then subsequently recorded at amortized cost using the effective interest method of amortization. Loans are stated net of an allowance for loan losses which is established to recognize estimated and probable losses. Loans are written off when there is no realistic prospect of recovering the loan in full. Recoveries on loans previously written off are taken into income.

See Note 8 for details related to policies for loans receivable.

### REIP investment

REIP investments represent ownership in a limited liability partnership that is not actively traded and is accounted for at cost. Management assesses impairment of the investment on an annual basis.

### Investment in 6606254 Manitoba Ltd.

The investment in 6606254 Manitoba Ltd. represents the 100% ownership of the general partner in the CFOM1 Limited partnership agreement. 6606254 Manitoba Ltd. acts as the bare trustee for CFOM1 Limited Partnership. This investment is accounted for at cost.

### Impaired loans and allowance for loan impairment

The Corporation maintains an allowance for loan impairment which reduces the carrying value of these loans to their estimated realizable amounts. The loan is considered impaired if the Corporation no longer has reasonable assurance that the full amount of the principal and interest, if any, will be collected in accordance with the terms of the loan agreement. Estimated realizable amounts are determined by estimating the fair value of security underlying the loans and deducting costs of realization, or by discounting the expected future cash flows at the effective interest rate. Changes in the estimated realizable amounts arising subsequent to initial impairment recognition are recorded as a charge or credit in the statement of operations and net assets.

### Revenue recognition

Amounts received or receivable pursuant to individual funding agreements are recognized as revenue if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue on loans receivable is recorded as income using the effective interest rate method except for loans which are considered impaired. Recognition of income ceases when it becomes apparent that the loan is impaired.

Interest on short-term investments is recognized as income when earned.

Loan fees represent reimbursements of legal and other costs incurred to set up the loan, and are therefore classified as revenue when charged, to match the period of related expenses.

(*continues*)

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# Notes to Financial Statements

Year Ended March 31, 2023

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Property and Equipment

Property and equipment are stated at cost less accumulated amortization. Normal repair and maintenance costs are expensed as incurred. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	25% - 50%	straight-line method
Website development	20%	straight-line method
Office furniture	20%	straight-line method
Leasehold improvements		Term of leasehold plus one renewal period

### Income taxes

The Corporation is a not-for-profit organization and accordingly, is not subject to income taxes under provisions of the Income Tax Act.

## 4. FINANCIAL INSTRUMENTS

The Corporation is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Corporation's risk exposure and concentration as of March 31, 2023.

### Credit risk

Credit risk arises from the potential that a counter-party will fail to perform its obligations. The Corporation is exposed to credit risk from individuals and businesses to whom funds have been loaned. In order to reduce its credit risk, the Corporation has adopted credit policies which include the analysis of the borrower's net worth, credit rating, financial viability of the business, personal guarantees and subordinate positions as collateral.

### Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Corporation is exposed to other price risk through its REIP investment.

## 5. ACCRUED INTEREST AND OTHER RECEIVABLES

	2023	2022
Goods and services tax	\$ 6,021	\$ 5,564
Loan fees	10,592	6,476
Accrued interest on short-term investments	509,511	80,397
Province of Manitoba	2,700,000	5,450,000
	<u>\$ 3,226,124</u>	<u>\$ 5,542,437</u>

# Notes to Financial Statements

Year Ended March 31, 2023

## 6. PROPERTY AND EQUIPMENT

	2023		2022	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 69,489	\$ 69,489	\$ 69,489	\$ 69,489
Website development	12,853	12,853	12,853	12,853
Office furniture	117,752	117,752	117,752	117,752
Leasehold improvements	24,675	24,675	24,675	23,206
	<b>\$ 224,769</b>	<b>\$ 224,769</b>	<b>\$ 224,769</b>	<b>\$ 223,300</b>
Net book value	\$ -		\$ 1,469	

## 7. LOANS RECEIVABLE

Loans are classified as follows:

	2023	2022
Resource and Energy Investment Program Loans	\$ 47,614	\$ 102,412
Entrepreneur Loans	3,236,432	3,790,744
Joint Venture Loans	9,426,504	9,102,496
Community Economic Expansion Loans	4,321,402	4,850,092
Accrued interest on loans	10,245	114,143
Allowance for doubtful accounts	(1,754,750)	(1,867,386)
	<b>\$ 15,287,447</b>	<b>\$ 16,092,502</b>



# Notes to Financial Statements

Year Ended March 31, 2023

## 8. RECONCILIATION OF LOANS RECEIVABLE

Changes in loans receivable activity for the year are as follows:

	2023		2022	
Loans receivable - beginning of year		\$ 16,092,502		\$ 17,541,846
Gross loans granted	\$ 5,013,579		\$ 1,321,053	
(Bad debts) recovery and loan renegotiation expense <sup>(2)</sup>	(608,659)		360,028	
Interest rate discount to fair value <sup>(3)</sup>	(473,899)	3,931,021	(333,964)	1,347,117
Interest accretion and interest on loans receivable <sup>(4)</sup>		1,290,404		1,264,594
Less: Loan repayments received		(6,026,480)		(4,061,055)
		\$ 15,287,447		\$ 16,092,502

<sup>(2)</sup> The Corporation has determined that bad debts and loan renegotiation expenses (recovery) in the amount of \$608,659 (2022 - (\$360,028)) was required, related to loans outstanding at March 31, 2023. This allowance represents the present value of the amounts determined to be uncollectible using the same discount rate as the loans granted.

<sup>(3)</sup> Entrepreneur Loans and Community Economic Expansion Loans are issued with an interest rate of 0%. These loans are recognized at inception at the discounted fair value using a discount rate of 8%. Therefore, during the year, loans having a face value of \$1,974,488 (2022 - \$1,175,490) were discounted by \$473,899 (2022 - \$333,964).

<sup>(4)</sup> Interest income accretes on the loans receivable at a rate equal to the discount rate used at inception. Interest in the amount of \$669,308.48 (2022 - \$668,785) was recorded as interest accretion and \$620,589 (2022 - \$575,809) was recorded as interest on loans receivable.

## 9. REIP INVESTMENT

First Peoples Economic Growth Fund has entered into a limited partnership with another First Nation organization called CFOMI Limited Partnership. CFOMI Limited Partnership has purchased a 45.65% interest in a partnership that owns and operates a drilling rig. The remaining 54.35% partnership interest in this partnership is held by a publicly listed company on the TSX. The equity ownership in this partnership meets the mandate of the REIP program since a drilling rig is in the energy industry.

Given the current market conditions relating to the oil industry, the value of CFOMI Limited Partnership has decreased in value. Management historically relied on internal valuation reports prepared by the publicly listed company partner, which were audited by the partnership's independent, external auditor. Information related to the value of the asset indicated that a future return on investment was unlikely. Therefore the asset has been impaired to a \$NIL value.

# Notes to Financial Statements

Year Ended March 31, 2023

## 10. DUE TO NACCA

During the year, the Corporation entered into an agreement with the National Aboriginal Capital Corporations Association to administer Indigenous Business Stabilization Program Emergency Loans. The amount due to the National Aboriginal Capital Corporations Association represents funds advanced to the Corporation that have not been paid back to the National Aboriginal Capital Corporations Association.

## 11. DEFERRED REVENUE

	2023	2022
Aboriginal Developmental Leading Assistance Program	\$ 87,978	\$ 86,977
Investment Readiness Program	85,753	85,753
	<u>\$ 173,731</u>	<u>\$ 172,730</u>

## 12. PENSION PLAN

The Corporation has a defined contribution pension plan for its employees. The employees are responsible for paying half of the contributions into the plan, and the Corporation matches these contributions. The Corporation's expenses related to this plan for the current year were \$32,666 (2022 - \$27,223).

## 13. RESTRICTIONS AND COMMITMENTS

a) The Corporation has approved, but not yet disbursed, the following assistance related to support programs and loans receivable:

Loans receivable	\$ 2,195,418
Business plan assistance	34,969
Business contribution fund	694,719
Skills development	317
Aftercare	37,168
	<u>\$ 2,962,591</u>

These transactions have not been reflected in the financial statements. Commitments will be disbursed and recorded once all the terms and conditions under the lending agreements have been complied with by the party seeking the funds from the Corporation.

b) Operating lease

The Corporation has entered into an operating lease agreement for office space and various equipment. The aggregate minimum annual cash rental payments under lease agreements are as follows:

March 31, 2024	\$ 57,152
2025	57,152

c) The Corporation's disbursements are limited to "eligible assistance cost" for the purpose described in note 2 and "eligible administrative costs" which include wages and benefits, general office overhead, insurance and professional fees as defined in the funding agreement.

(continues)

# Notes to Financial Statements

Year Ended March 31, 2023

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## 13. RESTRICTIONS AND COMMITMENTS *(continued)*

### d) Indemnification of directors and officers

The Corporation has agreed to indemnify its directors to the extent permitted by law against any and all charges, costs, expenses and amounts paid in settlement and damages incurred by them as a result of any lawsuit or any other judicial administrative or investigative proceeding in which they are sued as a result of their service.

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## 14. ALLOCATED EXPENSES

During the year, certain expenses are being allocated to various programs, as detailed in the schedules to the financial statements. The expenses are allocated based on proportional time spent by employees and actual use of supplies and equipment. Any expenses determined to be solely related to any program are charged in full to that program.

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## 15. CONTINGENT LIABILITY

The Corporation receives funding from various agencies based on specific program needs and budgets. Some of the funding is contingent on not receiving funding from other agencies. At this time, no estimate of funding that may be payable has been recorded in these financial statements.

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# General Business Assistance Program

(Schedule 1)

Year Ended March 31, 2023

	2023	2022
<b>REVENUE</b>		
Province of Manitoba	\$ 2,700,000	\$ 2,750,000
Interest accretion	669,308	688,785
Interest on loans receivable	618,033	568,922
Interest on short-term investments	714,652	205,465
NACCA Contingency Fund	-	55,618
Miscellaneous	1,664	2,976
Loan fees	58,996	(1,313)
	<b>4,762,653</b>	<b>4,270,453</b>
<b>ASSISTANCE COSTS</b>	<b>484,177</b>	<b>348,452</b>
<b>EXCESS OF REVENUE OVER ASSISTANCE COSTS</b>	<b>4,278,476</b>	<b>3,922,001</b>
<b>ADMINISTRATIVE COSTS</b>		
Advertising and promotion	384	1,145
Bad debts	608,659	(360,028)
Bank charges	16	1,332
Consulting fees	-	2,063
Equipment	-	4,487
Insurance	-	6,278
Office	231	14,094
Professional fees	235	27,044
Recruiting	1	-
Rent	-	48,499
Salaries and benefits	166,404	344,136
Travel and conferences	-	281
	<b>775,930</b>	<b>89,331</b>
<b>OPERATING SURPLUS</b>	<b>\$ 3,502,546</b>	<b>\$ 3,832,670</b>

See notes to financial statements

# ***Resource and Energy Investment Program***

*(Schedule 2)*

*Year Ended March 31, 2023*

	2023	2022
<b>REVENUE</b>		
Interest on loans receivable	\$ 2,556	\$ 6,886
Interest accretion	506	-
	<b>3,062</b>	<b>6,886</b>
<b>ADMINISTRATIVE COSTS</b>		
Professional fees	(5)	501
<b>OPERATING SURPLUS</b>	<b>\$ 3,067</b>	<b>\$ 6,385</b>

See notes to financial statements

# Business Contribution Fund

(Schedule 3)

Year Ended March 31, 2023

	2023	2022
<b>REVENUE</b>		
Business Contribution Fund - Equity Fund	\$ 1,297,287	\$ 864,858
Business Contribution Fund - Operating	<u>305,042</u>	<u>305,042</u>
	<b>1,602,329</b>	<b>1,169,900</b>
<b>ASSISTANCE COSTS</b>	<u>2,025,467</u>	<u>464,910</u>
<b>EXCESS OF REVENUE OVER ASSISTANCE COSTS</b>	<u>(423,138)</u>	<u>704,990</u>
<b>ADMINISTRATIVE COSTS</b>		
Advertising and promotion	447	402
Amortization	-	2,467
Bank charges	-	701
Consulting fees	-	36,656
Equipment	-	15,881
Insurance	-	4,185
Office	12,782	46,503
Professional fees	9,603	19,748
Recruiting	361	27,243
Rent	-	39,682
Salaries and benefits	<u>282,236</u>	<u>112,102</u>
	<b>305,429</b>	<b>305,570</b>
<b>OPERATING SURPLUS (DEFICIT)</b>	<u>\$ (728,567)</u>	<u>\$ 399,420</u>

See notes to financial statements



# Indigenous Business Stabilization Program

(Schedule 4)

Year Ended March 31, 2023

	2023	2022
<b>REVENUE</b>	<b>\$ 1,020,277</b>	<b>\$ 50,277</b>
ASSISTANCE COSTS	<u>970,000</u>	<u>-</u>
GROSS PROFIT	<u>50,277</u>	<u>50,277</u>
<b>EXPENSES</b>		
Salaries and benefits	50,277	42,060
Consulting fees	<u>-</u>	<u>8,216</u>
	<u>50,277</u>	<u>50,276</u>
<b>OPERATING SURPLUS (DEFICIT)</b>	<b>\$ -</b>	<b>\$ 1</b>

# Aboriginal Developmental Lending Assistance

(Schedule 5)

Year Ended March 31, 2023

	2023	2022
<b>REVENUE</b>	<b>\$ 581,301</b>	<b>\$ 208,398</b>
ASSISTANCE COSTS	<u>-</u>	<u>-</u>
GROSS PROFIT	<u>581,301</u>	<u>208,398</u>
<b>EXPENSES</b>		
Advertising and promotion	4,552	-
Amortization of capital assets	1,469	1,058
Bank charges	3,166	(279)
Consulting fees	27,180	4,914
Equipment	32,253	-
Insurance	11,555	-
Office expense	41,957	332
Professional fees	59,587	2,244
Recruiting	4,833	-
Rent	92,532	-
Salaries and benefits	287,548	199,966
Travel and conferences	<u>14,669</u>	<u>163</u>
	<u>581,301</u>	<u>208,398</u>
<b>OPERATING SURPLUS</b>	<b>\$ -</b>	<b>\$ -</b>



**First Peoples**  
**Economic Growth Fund**  
Your Growth Partner

**[firstpeoplesfund.ca](http://firstpeoplesfund.ca)**

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