



First Peoples
Economic Growth Fund
Your Growth Partner



Annual Report

2023-2024





Your Growth Partner

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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, kinanaskomitnawaw,
Cathy Merrick, Grand Chief
Assembly Of Manitoba Chiefs



A message from the Minister



On behalf of the Government of Manitoba, I am honoured to provide greetings for the 2023/24 annual report of the First Peoples Economic Growth Fund (FPEGF).

Over a century after the signing of the Numbered Treaties, significant socioeconomic inequities remain between First Nations and non-Indigenous communities in Manitoba.

Our government understands our duty to address those inequities. We also understand that successful First Nations economic development ultimately benefits all Manitobans and strengthens our entire province.

This is why we established a department dedicated to economic reconciliation between Indigenous and non-Indigenous Manitobans. We know that the full participation of Indigenous Peoples in economic development is key to unlocking Manitoba's potential.

We recognize that the path forward will be based on collaboration, respect, and meaningful engagement with Indigenous Manitobans. Budget 2024 provides \$4M in new funding to advance Indigenous economic development initiatives, including the co-development of an economic reconciliation strategy with First Nations, Inuit, and the Red River Métis.

This economic reconciliation strategy will serve as a guide for existing and future programs and investments that broadly support Indigenous business owners, entrepreneurs, and organizations to promote economic development and employment for Indigenous Manitobans.

As the first-ever Minister responsible for Indigenous Economic Development, I understand the importance of FPEGF's role in this work. Established in 2007, FPEGF is a joint initiative of the Assembly of Manitoba Chiefs (AMC) and the Government of Manitoba that addresses the barriers facing First Nations entrepreneurs by supporting viable business proposals.

I commend the tireless work of your staff and board of directors, and I look forward to continuing to work together to support First Nation entrepreneurs to reach their full potential.

Honourable Ian Bushie,
Minister of Municipal and Northern Relations
Minister of Indigenous Economic Development



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 Fund



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

Kawéchiwasik
Development Corporation
CEO



Vice Chair
Michael McMullen,
MBA

MCM Consulting Ltd.
President



Director
Dr. Wanda (Wuttunee) Charles,
PhD

University of Manitoba
Professor Emerita

FPEGF 2023-2024 Staff



L to R: Eugene Desjarlais, Clayton Burka, Chanel Elenbaas, Joanne Fortney, Hannah Brass, Alyssa Czemyrnski, Robyn Wozney, Tiffany Monkman, Catherine Holder, Fabian Sanderson, Tessa Millen, Adam McPherson

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 project costs. Appraisal of the project costs may be required.

CEO's Message

As I reflect on the past year, I am filled with a profound sense of gratitude and pride for all that we have accomplished together. Our mission to empower Manitoba First Nation Communities through access to affordable financial resources has never been more critical, and this year, we have made significant strides in advancing this cause.

The challenges we faced were not insignificant. The economic landscape continues to evolve, bringing with it both opportunities and obstacles. Yet, through it all, our commitment to those we serve has remained unwavering. We have provided loans to businesses of all sizes, which otherwise might have been overlooked by traditional financial institutions. These loans have not only helped to stabilize lives but have also sparked growth and innovation in communities that need it most.

This year, FPEGF approved \$7,045,302 in loan funding, representing a substantial increase from the \$4,510,337 approved during the 2022/23 period. In addition, our non-repayable contribution grew from \$1,141,913 in 2022/23 to \$2,229,889 in 2023/24. By adopting new strategies and forging valuable partnerships, we successfully expanded our reach, enabling us to serve more people than ever and achieve over 50% growth in loan and "grant" dollar values.

This increase is not just about the numbers but rather our goal of ensuring that every First Nation and Band Member, no matter where they live, has the opportunity to achieve their entrepreneurial dreams. Our impact is not measured solely by the dollars we lend, but by the lives we touch. Behind every loan, there is a story—a story of hope, resilience, and the belief that tomorrow can be better than today. These stories fuel our passion and drive us to do more.

A tremendous thank you to our Founding Members, the Assembly of Manitoba Chiefs and the Province of Manitoba, for their strong and continued support. Without both these governments' vision and financial support, we would not be where we are today.

I want to extend my deepest thanks to our dedicated partners, our generous federal supporter NACCA (BCF), and our invaluable FPEGF team. Your commitment and hard work make our mission possible. As we look ahead, we do so with a renewed sense of purpose and determination. The road may not always be easy, but together, we will continue to build a brighter, more equitable future for all Manitoba First Nations. Thank you for being part of this journey.

Ekosani, Chi-Mligwech,



Fablan 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 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.

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.

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.

Business Contribution Fund



This program is available to eligible First Nations 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.

Our Staff 2023-2024



Fabian Sanderson
Chief Executive Officer



Adam McPherson
Chief Operating Officer



Robyn Wozney
Chief Financial Officer



Tiffany Monkman
Senior Loans Manager



Eugene Desjarlais
Business Contribution
Fund Analyst



Clayton Burka
Loans Account Manager



Alyssa Czernyanski
Loans Account Manager



Joanne Fortney
Compliance Officer



Catherine Holder
Executive Assistant



Tessa Millen
Loans Administrator



Chanel Elenbaas
Loans Finance Associate



Hannah Brass
Loans Associate

FPEGF Approved Loans

Loans Approved for Period April 1, 2023 to March 31, 2024

# Program	FPEGF Amount Approved ^{††}	DOLLARS LEVERAGED		Impact on Manitoba Economy	New Jobs Created
		BCF [†] Dollars Approved	All Other Dollars		
	(A)	(B)	(C)	(A+B+C)	
2 Community Economic Expansion only	178,119	152,759	52,801	383,679	3
25 Entrepreneur Loan only	1,542,133	1,077,130	659,933	3,279,196	30
0 Joint Venture only	0	0	0	0	0
4 Joint Venture combined with Community Expansion*	4,125,050	1,000,000	5,166,301	10,291,351	29
1 Joint Venture combined with Entrepreneur Loan**	1,200,000	0	3,642,000	4,842,000	2
32 Loans Approved	7,045,302	2,229,889	9,521,035	18,796,226	64

* Joint Venture Loan: \$2,925,050 + Community Economic Expansion Loan: \$1,200,000

** Joint Venture Loan: \$1,000,000 + Entrepreneur Loan: \$200,000

Grand Total of Loans Applications Approved from September 23, 2008 to March 31, 2024

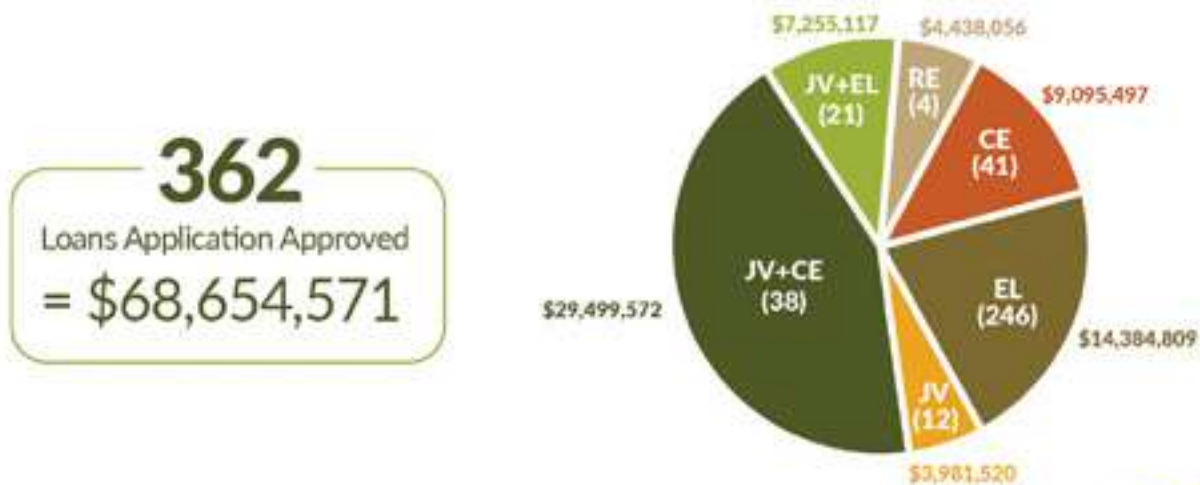
# Program	FPEGF Amount Approved ^{††}	DOLLARS LEVERAGED		Impact on Manitoba Economy	New Jobs Created
		BCF [†] Dollars Approved	All Other Dollars		
	(A)	(B)	(C)	(A+B+C)	
41 Community Economic Expansion	9,095,497	2,172,657	31,687,547	42,955,701	325
246 Entrepreneur Loan	14,384,809	7,399,364	10,931,162	32,715,335	468
12 Joint Venture only	3,981,520	577,000	1,999,869	6,558,389	115
38 Joint Venture combined with Community Expansion*	29,499,572	5,665,183	49,437,459	84,602,214	300
21 Joint Venture combined with Entrepreneur Loan**	7,255,117	1,396,669	10,209,281	18,861,067	106
4 Resource & Energy Investment	4,438,056	234,894	12,478,365	17,151,315	65
362 Loans/Equity Investments Approved	68,654,571	17,445,767	116,743,683	202,844,021	1,379

* Joint Venture Loans: \$18,618,434 + Community Economic Expansion Loans: \$10,881,138

** Joint Venture Loans: \$4,506,023 + Entrepreneur Loans: \$2,749,094

†† Some Loan dollars have not been disbursed as at March 31, 2024. Commitments will be disbursed once all Terms and Conditions are met.

† BCF - Business Contribution Fund delivered by FPEGF.



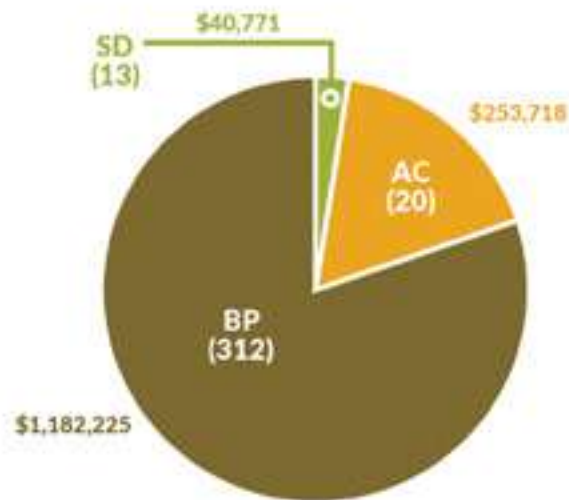
FPEGF Approved Support Applications

Support Applications Approved for Period April 1, 2023 to March 31, 2024	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
35 Business Plan Assistance	218,178	56,949	126,638	464,765
0 Skills Development	0	0	0	0
36 Support Applications Approved	301,178	56,949	138,138	496,265

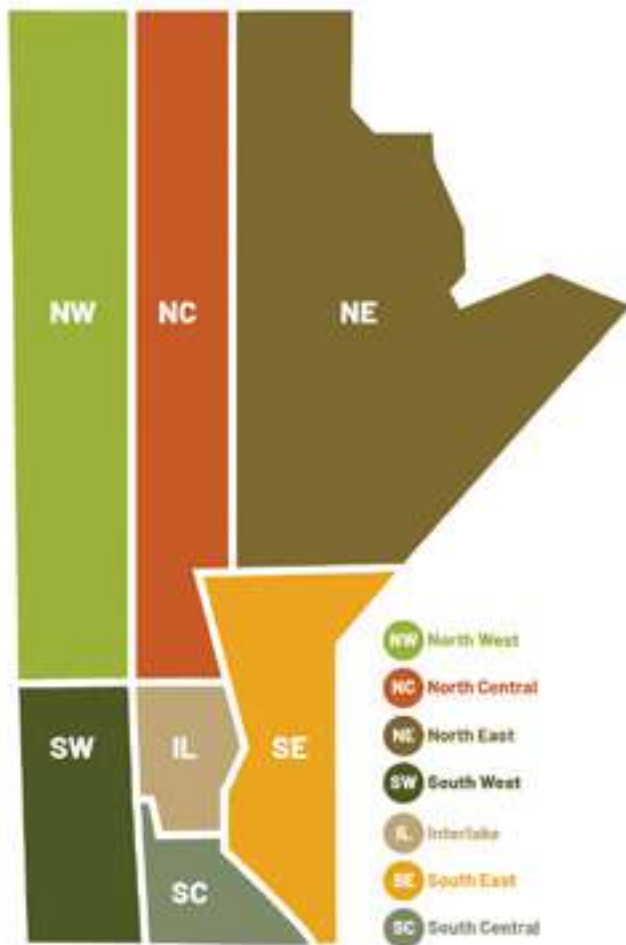
Grand Total of Support Applications Approved from September 23, 2008 to March 31, 2024	FPEGF Amount Approved**	DOLLARS LEVERAGED		Impact on Manitoba Economy
		BCF [†] Dollars Approved	All Other Dollars	
# Support Program	(A)	(B)	(C)	(A+B+C)
20 Aftercare	253,718	0	113,938	367,656
312 Business Plan Assistance	1,182,225	1,177,398	978,220	3,337,843
13 Skills Development	40,771	0	13,597	54,368
345 Support Applications Approved	1,476,714	1,177,398	1,105,755	3,759,867

** Some support dollars have not been disbursed as at March 31, 2024. Commitments will be disbursed once all Terms and Conditions are met.
[†] BCF - Business Contribution Fund delivered by FPEGF.

345
 Support Applications Approved
 = \$1,476,714



FPEGF Total Loan, Support & BCF Approvals by Geographic Region



362 Loans Approved = \$68,654,571



345 Support Applications Approved = \$1,476,714



489 Business Contribution Fund Approved = \$20,325,821



FPEGF Business Contribution Fund

BCF Applications Approved for Period April 1, 2023 to March 31, 2024

#	Type	BCF Dollars Approved ¹ (A)				Dollars Leveraged ^{2,3} (B)	Total (A+B)
		Business Planning	Capital & Operating	Marketing	Business Support		
9	Business Planning	83,171				83,171	
31	Capital & Operating		2,233,885	60,048	30,954		2,324,887
40	Marketing and Business Support						
40	BCF Support Applications Approved	83,171	2,233,885	60,048	30,954		2,408,058

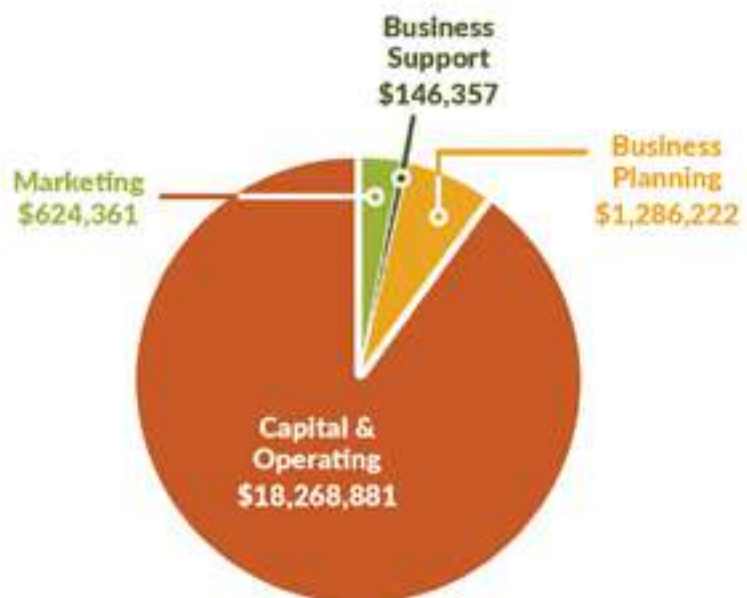
Grand Total of BCF Support Applications Approved from February 11, 2013 to March 31, 2024

#	Type	BCF Dollars Approved ¹ (A)				Dollars Leveraged ^{2,3} (B)	Total (A+B)
		Business Planning	Capital & Operating	Marketing	Business Support		
220	Business Planning	1,286,222				29,382	1,315,604
269	Capital & Operating		18,268,881	624,361	146,357	4,571,569	23,611,168
489	Marketing and Business Support						
489	BCF Support Applications Approved	1,286,222	18,268,881	624,361	146,357	4,600,951	24,926,772

¹ Some BCF Support dollars have not been disbursed or were partially disbursed as at March 31, 2024. Commitments will be fully disbursed once all Terms and Conditions are met.

^{2,3} Some Dollars Leveraged amounts are already reported in Approved Loan and Support Applications statistics (see Pages 11 and 12)

489
BCF Approvals by Type
= \$20,325,821



Client Testimonials



Red Rebel Armour Sean Rayland Boubar

At Red Rebel Armour, we're more than just a clothing brand—we're storytellers and community builders. Our mission is to create streetwear that uplifts Indigenous culture, supports social causes, and gives back in meaningful ways. Founded in 2018, the business began as an idea fueled by a desire to make a positive impact, and today, it stands as a symbol of resilience and growth.

When we were ready to scale up, we turned to First Peoples Economic Growth Fund (FPEGF) for support. Their focus on empowering Indigenous entrepreneurs made them the perfect partner for us. From the very beginning, FPEGF was approachable and understanding, taking the time to truly see our vision. The application process felt less intimidating thanks to their guidance and encouragement.

The financing we received from FPEGF was a turning point for our business. It gave us the resources to take the next big step in our journey. Without their help, we'd still be struggling to grow and expand our impact. Today, Red Rebel Armour is thriving—not just financially, but in the difference we're making. We've grown our operations, and we're proud to provide employment opportunities for Indigenous individuals reentering the community from the justice system. We also use our platform to raise awareness for cultural stories and advocate for important causes, contributing to programs and ceremonies that strengthen our community.

FPEGF has been instrumental in our journey, and I wouldn't hesitate to work with them again as we continue to grow. Their support is more than just financial; it's about empowering businesses like ours to succeed and create lasting change.

Client Testimonials



Arrowhead Development Corporation Terry Myran

Our Organization is driven by a mission to create opportunities and economic independence for our community. The support we have received from the First Peoples Economic Growth Fund (FPEGF) has been invaluable in achieving this mission.

FPEGF believed in the vision behind the Madison Petro Canada gas station, Winnipeg's first urban reserve gas station. With their guidance and resources, we were able to surpass expectations, growing from an ambitious idea into a thriving business. The station's success has not only exceeded revenue goals but has also created 45 jobs, fostering skill development and economic growth for Long Plain First Nation members.

From the start, FPEGF stood by us, offering more than just financial assistance. They understood our challenges, helped refine our plans, and even coordinated training for our staff. Their expertise and dedication have empowered us to take bold steps, such as building a second station on the Long Plain Reserve and planning a third location to complement the Keesh Gaming & Conference Centre.

FPEGF is a true collaborator in our growth. Their support has enabled us to transform ideas into reality, creating lasting impacts for our community. I wholeheartedly recommend them to any organization seeking a trusted partner to help realize their ambitions.

Client Testimonials



SOL Food Truck Ovie Lawrenchuk

My name is Ovie Lawrenchuk, and I am the owner of SOL Food Truck. My business began in 2023 with an Asian-fusion menu operating out of a trailer rented out to me by a friend.

I was connected to FPEGF through Futurpreneur, and paired with Eugene Desjarlais to start the application process for a business loan and contribution. The process was very thorough, but Eugene and the FPEGF team were helpful all the way through and by spring of the following year my food truck was built and ready for action.

Today SOL operates as a food truck, restaurant, and catering service, and grows larger every month. The growth my business is experiencing is owed in no small part to the starting capital access that I was fortunate enough to be provided by FPEGF, and I would recommend the same process to any indigenous entrepreneur out there with a good idea in need of a financial spark.

Clientele List – Application Commitments

The following client list are those businesses who received application approval commitments as of March 31, 2024. Clients must meet all the commitment terms and conditions prior to funds being released.

Business Support Programs \$301,178

Business Plan Assistance \$281,178

Manitoba region:

Northwest

- Indigenous Inclusive Education
- Severe Trucking

Manitoba region: North Central

- Aaron's Towing
- Broadband Communications North
- Foderaro Screen Design
- Massey Site Solutions
- Midnorth Development Workforce Camp & Hotel
- Northwest Diamond Drilling
- Weber's Footcare Service

Manitoba region: Southwest

- Chartrand Trucking
- Dauphin River Chicken Delight
- Dauphin River Construction
- Minegoziibe Construction
- PCEF Ventures
- Raven Omah Dazhilyaan
- Westman Advertisements

Manitoba region: Northeast

- Ten Shilling Creek
- Kawéchiwasik Atawikamik

Manitoba region: Interlake

- Granny Pearl's General Store
- Wally's Place

- Northern Wellness Pharmacy & Healthcare
- Saulteaux Tribal Nation (IRTC)
- TNT Plumbing and Heating

Manitoba region: Southeast

- Bostrom's Corner
- Keya Bedding Company
- M. Morgan Electric

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Nathan Ballantyne
- Red Rebel Armour
- Roseau River Grocery Store

- S2P Technologies
- Yazopi Trading Post
- OVO Leasing
- Owen Leasing Inc.

Aftercare Program \$20,000

Manitoba region: South Central

- Peace Pipe Cannabis Company Inc.

Business Contribution Fund \$2,408,058

Business Plan Assistance \$83,171

Manitoba region: North Central

- Foderaro Screen Design
- Weber's Footcare Service

Manitoba region: Southwest

- Chartrand Trucking
- Raven Omah Dazhilyaan

Manitoba region: Interlake

- Saulteaux Tribal Nation (IRTC)
- Treaty One Development Corporation
- TNT Plumbing and Heating

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Nathan Ballantyne
- U-Puttz Amusement Centre

Clientele List – Application Commitments

Business Contribution Fund continued

Capital & Operating / Marketing / Business Support \$2,324,887

Manitoba region: Northwest

- CRS Fishing
- Kenneth G. Cook Enterprises
- Tornquist Enterprise Driving School

Manitoba region: North Central

- Christopher Saunders Fishing
- Foderaro Screen Design
- Patrick Saunders Fishing
- Paup's Pizza

Manitoba region: Southwest

- Blue Sky Gas Station
- Chartrand Trucking
- Cree Star Gifts

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Feast Café Bistro
- MRO Roofing & Reno's
- Odanah Truck Line
- Red Rebel Armour
- SOL Food Truck

- The Indigenous Kitchen
- Thompson's Property Maintenance
- Ticaye Developments
- U-Puttz Amusement Centre

Manitoba region: Northeast

- Walter Govereau Fishing

Manitoba region: Interlake

- Brian Amos Fishing
- Christopher Gregory Fishing
- Johansson Fisheries
- Reg Everett Fishing

- Saulteaux Tribal Nation (IRTC)
- Sharon McKay Fishing

Manitoba region: Southeast

- Grey Owl Skid Steer Services
- James Mowatt Fishing
- Melvin Whiteway Fishing
- Negginan Fishing Station

Loans \$7,045,302

Entrepreneur Loan Program \$1,742,133

Manitoba region: Northwest

- CRS Fishing
- Kenneth G. Cook Enterprises
- Tornquist Enterprise Driving School

Manitoba region: North Central

- Christopher Saunders Fishing
- Foderaro Screen Design
- Patrick Saunders Fishing
- Paup's Pizza
- Thomas Bradburn Fishing

Manitoba region: Southwest

- Chartrand Trucking
- Cree Star Gifts
- Grey Owl Skid Steer Services

Manitoba region: Southeast

- James Mowatt Fishing
- Melvin Whiteway Fishing

Manitoba region: Northeast

- Walter Govereau Fishing

Manitoba region: Interlake

- Brian Amos Fishing
- Johansson Fisheries
- Reg Everett Fishing
- Sharon McKay Fishing

Manitoba region: South Central

- Owen Leasing
- Feast Café Bistro
- MRO Roofing & Reno's
- Red Rebel Armour
- Schnell Construction
- SOL Food Truck
- The Indigenous Kitchen

- Thompson's Property Maintenance

Community Economic Expansion \$1,378,119

Manitoba region: Interlake

- Saulteaux Tribal Nation (IRTC)

Manitoba region: Southwest

- Blue Sky Gas Station
- Odanah Truck Line

Manitoba region: Southeast

- Negginan Fishing Station

Manitoba region: South Central

- Ticaye Developments
- Arrowhead Crossing Gas Bar & Grocery

Joint Venture Program \$3,925,050

Manitoba region: Interlake

- Saulteaux Tribal Nation (IRTC)

Manitoba region: Southwest

- Blue Sky Gas Station
- Odanah Truck Line

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Owen Leasing

Clientele List – Application 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, 2024.

These funds were disbursed into the economy this fiscal year.

Business Support Programs

Impact on Manitoba Economy \$43,851

Business Plan Assistance

Manitoba region: Northwest

- Sapotaweyak Cree Nation

Manitoba region: North Central

- Foderaro Screen Design
- OVO Leasing
- PCEF Ventures
- Raven Omah Dazhilyaan
- Thompson's Property Maintenance
- Weber's Footcare Service

Manitoba region:

Southwest

- Blue Sky Gas Station
- Chartrand Trucking
- Westman Advertisements

Manitoba region: Interlake

- Granny Pearl's General Store
- Northern Wellness Pharmacy & Healthcare
- Saulteaux Tribal Nation (IRTC)
- Sharon McKay Fishing
- TNT Plumbing and Heating

Manitoba region: Southeast

- Honcho Concrete Construction

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Dineh Optical
- Nathan Ballantyne
- Red Rebel Armour
- Owen Leasing

Business Contribution Fund

Impact on Manitoba Economy \$1,397,534

Business Plan Assistance \$139,787

Manitoba region: Northwest

- Sapotaweyak Cree Nation

Manitoba region: Interlake

- Saulteaux Tribal Nation (IRTC)
- Sharon McKay Fishing
- TNT Plumbing and Heating

Manitoba region: Southwest

- Blue Sky Gas Station
- Chartrand Trucking

Manitoba region: North Central

- Foderaro Screen Design
- Thompson's Property Maintenance
- Weber's Footcare Service

Manitoba region: Southeast

- Honcho Concrete Construction

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Dineh Optical
- Nathan Ballantyne
- U-Puttz Amusement Centre
- OVO Leasing

Clientele List – Application Disbursements

Business Contribution Fund continued

Capital & Operating / Marketing / Business Support \$1,257,747

Manitoba region: Northwest

- CRS Fishing
- Kenneth G. Cook Enterprises
- Ne Mosoom Weke
- Sunshine Flower N Gifts
- Tornquist Enterprise Driving School

Manitoba region: Northeast

- Walter Govereau Fishing

Manitoba region: Interlake

- Christopher Gregory's Fishing

- Johannson Fisheries
- Sharon McKay Fishing
- Walter E. Sinclair Commercial Fishing

Manitoba region: Southwest

- Cree Star Gifts
- Outlaw Livestock

Manitoba region: Southeast

- Robbie's Culinary Creations

Manitoba region: North Central

- Audrey's Ice Cream Parlour

- Elmer Clarke Fishing
- L & D Chicken Shack
- Odanah Truck Line
- Paup's Pizza
- Raven Omah Dazhilyaan
- Thompson's Property Maintenance

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery
- Clean Energy Manitoba Electrical Group
- Grey Owl Skid Steer Services

- Indigenous Nations Apparel Company
- Reg Everett Fishing
- SOL Food Truck
- Spirit Wolf Contracting
- U-Puttz Amusement Centre

Loans

Entrepreneur Loan Program \$779,761

Manitoba region: Northwest

- CRS Fishing
- Kenneth G. Cook Enterprises
- Ne Mosoom Weke
- Tornquist Enterprise Driving School

Manitoba region: Northeast

- Walter Govereau Fishing

Manitoba region: North Central

- Elmer Clarke Fishing
- Paup's Pizza
- Thompson's Property Maintenance

Manitoba region: Interlake

- Johannson Fisheries
- Sharon McKay Fishing
- Walter E. Sinclair Commercial Fishing

Manitoba region: Southwest

- Cree Star Gifts

Manitoba region: South Central

- Grey Owl Skid Steer Services
- Reg Everett Fishing
- SOL Food Truck
- Spirit Wolf Contracting

Impact on Manitoba Economy \$2,604,811

Community Economic Expansion \$900,000

Manitoba region: Northwest

- Paskwayak Gravel

Manitoba region: Southwest

- Odanah Truck Line

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery

Joint Venture Program \$925,050

Manitoba region: Southwest

- Odanah Truck Line

Manitoba region: South Central

- Arrowhead Crossing Gas Bar & Grocery

Providing tailored financial support programs to drive the business growth and aspirations of Manitoba's First Nations and their Members.




First Peoples
Economic Growth Fund
Your Growth Partner



Financial Statements

Year Ended March 31, 2024

INDEPENDENT AUDITORS' REPORT

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, 2024, 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, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *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)

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
June 20, 2024

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Statement of Financial Position

March 31, 2024

	2024	2023
ASSETS		
CURRENT		
Cash	\$ 11,284,554	\$ 3,946,064
Short-term investments (Note 3)	23,957,858	23,048,010
Accrued interest and other receivables (Note 5)	658,731	3,226,124
Prepaid expenses	24,461	7,878
Due from NACCA	9,276	58,739
	<hr/>	<hr/>
	35,934,880	30,286,815
LOANS RECEIVABLE (Notes 3, 7, 8)	15,477,303	15,287,447
INVESTMENT IN 6606254 MANITOBA LTD. (Note 3)	100	100
	<hr/>	<hr/>
	\$ 51,412,283	\$ 45,574,362
 LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 32,390	\$ 150,994
Deferred revenue (Note 10)	-	173,731
	<hr/>	<hr/>
	32,390	324,725
 NET ASSETS		
Contributed surplus (Note 2)	3,750,000	3,750,000
Net assets	47,629,893	41,499,637
	<hr/>	<hr/>
	51,379,893	45,249,637
	<hr/>	<hr/>
	\$ 51,412,283	\$ 45,574,362

RESTRICTIONS AND COMMITMENTS (Note 12)

ON BEHALF OF THE BOARD

 Director
 Director

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

**Statement of Operations
Year Ended March 31, 2024**

	2024	2023
REVENUE		
Province of Manitoba	\$ 2,700,000	\$ 2,700,000
Business Contribution Fund - Equity Fund	2,435,731	1,297,287
Interest accretion (Note 8)	575,532	669,815
Interest on loans receivable (Note 8)	593,723	620,589
Business Contribution Fund - Operating	475,809	305,042
Aboriginal Developmental Lending Assistance	526,442	581,301
Interest on short-term investments	1,278,317	714,652
Indigenous Business Stabilization Program	50,278	1,020,277
Miscellaneous	4,600	1,664
Investment Readiness Program	85,753	-
Loan fees	29,373	58,996
	<u>8,755,558</u>	<u>7,969,623</u>
ASSISTANCE COSTS	<u>2,069,314</u>	<u>3,479,645</u>
EXCESS OF REVENUE OVER ASSISTANCE COSTS	<u>6,686,244</u>	<u>4,489,978</u>
ADMINISTRATIVE COSTS		
Advertising and promotion	85,865	5,383
Amortization of property and equipment	-	1,469
Bad debts general fund	(1,033,023)	608,659
Bank charges	2,458	3,181
Consulting fees	22,935	27,180
Equipment	30,574	32,253
Insurance	6,472	11,555
Office expense	208,147	54,970
Professional development and training	1,831	-
Professional fees	106,630	69,420
Recruiting	908	5,195
Rent	93,523	92,532
Salaries and benefits	997,523	786,465
Travel and conferences	32,145	14,669
	<u>555,988</u>	<u>1,712,931</u>
OPERATING SURPLUS	<u>6,130,256</u>	<u>2,777,047</u>
NET ASSETS - BEGINNING OF YEAR	41,499,637	38,722,590
NET ASSETS - END OF YEAR	<u>\$ 47,629,893</u>	<u>\$ 41,499,637</u>

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

**Statement of Cash Flows
Year Ended March 31, 2024**

	2024	2023
OPERATING ACTIVITIES		
Operating surplus	\$ 6,130,256	\$ 2,777,047
Items not affecting cash:		
Amortization of property and equipment	-	1,469
Bad debts general fund	(1,033,023)	608,659
Interest accretion	(575,532)	(669,815)
Interest on loans receivable	(593,723)	(620,589)
Loan discount expenses	627,930	473,899
	<u>4,555,908</u>	<u>2,570,670</u>
Changes in non-cash working capital:		
Accrued interest and other receivables	2,567,394	2,316,313
Accounts payable and accrued liabilities	(118,605)	79,605
Prepaid expenses	(16,583)	(688)
Due to NACCA	49,464	(184,748)
Deferred revenue	(173,731)	1,001
	<u>2,307,939</u>	<u>2,211,483</u>
Cash flow from operating activities	<u>6,863,847</u>	<u>4,782,153</u>
INVESTING ACTIVITIES		
Loans granted	(2,604,811)	(5,013,579)
Loan repayments	3,989,302	6,026,480
Net change of short-term investments	(909,848)	(8,234,318)
	<u>474,643</u>	<u>(7,221,417)</u>
Cash flow from (used by) investing activities	<u>474,643</u>	<u>(7,221,417)</u>
INCREASE (DECREASE) IN CASH	7,338,490	(2,439,264)
CASH - BEGINNING OF YEAR	<u>3,946,064</u>	<u>6,385,328</u>
CASH - END OF YEAR	<u>\$ 11,284,554</u>	<u>\$ 3,946,064</u>

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

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, Investment, Trade and Natural Resources ("the Province"), and the Assembly of Manitoba Chiefs Secretariat Inc. ("AMC") are the sole voting members of the Corporation.

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

(continues)

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

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, 2024 the Corporation and the National Aboriginal Capital Corporations Association ("NACCA") entered into an agreement to continue the Business Contribution Fund ("BCF"). NACCA provided \$475,809 in operational funding and was to provide \$2,435,731 in equity funding for the year ended March 31, 2024. This agreement was amended due to Covid-19 lockdowns during the year ended March 31, 2023 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.

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)

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

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)

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

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, 2024.

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

	<u>2024</u>	<u>2023</u>
Goods and services tax	\$ 12,145	\$ 6,021
Loan fees	9,895	10,592
Accrued interest on short-term investments	636,691	509,511
Province of Manitoba	-	2,700,000
	<u>\$ 658,731</u>	<u>\$ 3,226,124</u>

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

6. PROPERTY AND EQUIPMENT

	2024		2023	
	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	24,675
	\$ 224,769	\$ 224,769	\$ 224,769	\$ 224,769

7. LOANS RECEIVABLE

Loans are classified as follows:

	2024	2023
Resource and Energy Investment Program Loans	\$ 22,488	\$ 47,614
Entrepreneur Loans	2,961,679	3,236,432
Joint Venture Loans	9,074,261	9,426,504
Community Economic Expansion Loans	4,380,008	4,321,402
Accrued interest on loans	49,490	10,245
Allowance for doubtful accounts	(1,010,623)	(1,754,750)
	\$ 15,477,303	\$ 15,287,447

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

8. RECONCILIATION OF LOANS RECEIVABLE

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

	2024		2023	
Loans receivable - beginning of year		\$ 15,287,447		\$ 16,092,502
Gross loans granted	\$ 2,604,811		\$ 5,013,579	
(Bad debts) recovery and loan renegotiation expense ⁽²⁾	1,033,023		(608,659)	
Interest rate discount to fair value ⁽³⁾	<u>(627,930)</u>	3,009,904	<u>(473,899)</u>	3,931,021
Interest accretion and interest on loans receivable ⁽⁴⁾		1,169,255		1,290,404
Less: Loan repayments received		<u>(3,989,303)</u>		<u>(6,026,480)</u>
		\$ 15,477,303		\$ 15,287,447

⁽²⁾ The Corporation has determined that bad debts and loan renegotiation expenses (recovery) in the amount of (\$1,033,023 - recovery) (2023 - \$608,659 - bad debts) was required, related to loans outstanding at March 31, 2024. This allowance represents the present value of the amounts determined to be uncollectible using the same discount rate as the loans granted.

⁽³⁾ 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 \$1,979,761 (2023 - \$1,974,488) were discounted by \$603,984 (2023 - \$515,165).

⁽⁴⁾ Interest income accretes on the loans receivable at a rate equal to the discount rate used at inception. Interest in the amount of \$575,532 (2023 - \$669,308) was recorded as interest accretion and \$593,423 (2023 - \$618,033) 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 CFOM1 Limited Partnership. CFOM1 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 CFOM1 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.

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

10. DEFERRED REVENUE

	<u>2024</u>	<u>2023</u>
Aboriginal Developmental Leading Assistance Program	\$ -	\$ 87,978
Investment Readiness Program	-	<u>85,753</u>
	<u>\$ -</u>	<u>\$ 173,731</u>

11. 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 \$41,832 (2023 - \$32,666).

12. RESTRICTIONS AND COMMITMENTS

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

Loans receivable	\$ 5,988,486
Business plan assistance	312,282
Business contribution fund	1,089,747
Skills development	317
Aftercare	<u>37,168</u>
	<u>\$ 7,428,000</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.

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.

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Notes to Financial Statements

Year Ended March 31, 2024

13. 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.

14. 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.

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

General Business Assistance Program

(Schedule 1)

Year Ended March 31, 2024

	2024	2023
REVENUE		
Province of Manitoba	\$ 2,700,000	\$ 2,700,000
Interest accretion	575,532	669,308
Interest on loans receivable	593,723	618,033
Interest on short-term investments	1,278,317	714,652
Miscellaneous	4,600	1,664
Loan fees	29,373	58,996
	<u>5,181,545</u>	<u>4,762,653</u>
ASSISTANCE COSTS		
	<u>671,780</u>	<u>484,177</u>
EXCESS OF REVENUE OVER ASSISTANCE COSTS		
	<u>4,509,765</u>	<u>4,278,476</u>
ADMINISTRATIVE COSTS		
Advertising and promotion	1,111	384
Bad debts	(1,033,023)	608,659
Bank charges	2,458	16
Consulting fees	18,348	-
Equipment	22,226	-
Insurance	1,460	-
Office	71,750	231
Professional development and training	1,373	-
Professional fees	96,363	235
Recruiting	545	1
Rent	56,114	-
Salaries and benefits	150,153	166,404
Travel and conferences	28,829	-
	<u>(582,293)</u>	<u>775,930</u>
	5,092,058	
	•	
OPERATING SURPLUS	<u>\$ 5,092,058</u>	<u>\$ 3,502,546</u>

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Resource and Energy Investment Program

(Schedule 2)

Year Ended March 31, 2024

	2024	2023
REVENUE		
Interest on loans receivable	\$ -	\$ 2,556
Interest accretion	-	506
	-	3,062
ADMINISTRATIVE COSTS		
Professional fees	-	(5)
OPERATING SURPLUS	\$ -	\$ 3,067

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Business Contribution Fund

(Schedule 3)

Year Ended March 31, 2024

	2024	2023
REVENUE		
Business Contribution Fund - Equity Fund	\$ 2,435,731	\$ 1,297,287
Business Contribution Fund - Operating	<u>475,809</u>	<u>305,042</u>
	2,911,540	1,602,329
ASSISTANCE COSTS	<u>1,397,533</u>	<u>2,025,467</u>
EXCESS OF REVENUE OVER ASSISTANCE COSTS	<u>1,514,007</u>	<u>(423,138)</u>
ADMINISTRATIVE COSTS		
Advertising and promotion	22,158	447
Consulting fees	4,587	-
Equipment	8,348	-
Insurance	5,012	-
Office	33,620	12,782
Professional development and training	458	-
Professional fees	10,267	9,603
Recruiting	363	361
Rent	37,409	-
Salaries and benefits	350,270	282,236
Travel and conferences	<u>3,316</u>	<u>-</u>
	<u>475,808</u>	<u>305,429</u>
OPERATING SURPLUS (DEFICIT)	<u>\$ 1,038,199</u>	<u>\$ (728,567)</u>

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Indigenous Business Stabilization Program

(Schedule 4)

Year Ended March 31, 2024

	2024	2023
REVENUE	\$ 50,278	\$ 1,020,277
ASSISTANCE COSTS	-	970,000
GROSS PROFIT	50,278	50,277
EXPENSES		
Salaries and benefits	50,278	50,277
OPERATING SURPLUS (DEFICIT)	\$ -	\$ -

FIRST PEOPLES ECONOMIC GROWTH FUND INC.**Aboriginal Developmental Lending Assistance***(Schedule 5)***Year Ended March 31, 2024**

	2024	2023
REVENUE	\$ 526,442	\$ 581,301
ASSISTANCE COSTS	-	-
GROSS PROFIT	526,442	581,301
EXPENSES		
Advertising and promotion	62,596	4,552
Amortization of capital assets	-	1,469
Bank charges	-	3,166
Consulting fees	-	27,180
Equipment	-	32,253
Insurance	-	11,555
Office expense	17,024	41,957
Professional fees	-	59,587
Recruiting	-	4,833
Rent	-	92,532
Salaries and benefits	446,822	287,548
Travel and conferences	-	14,669
	526,442	581,301
OPERATING SURPLUS	\$ -	\$ -

FIRST PEOPLES ECONOMIC GROWTH FUND INC.

Investment Ready Program

(Schedule 6)

Year Ended March 31, 2024

	2024	2023
REVENUES	\$ 85,753	\$ -
EXPENSES		
Website and app development	85,753	-
INCOME FROM OPERATIONS	<u>\$ -</u>	<u>\$ -</u>

The background features a series of horizontal, wavy stripes in various shades of green and yellow. Overlaid on these stripes are several repeating geometric patterns: a top pattern of diamonds with upward-pointing chevrons, a middle pattern of triangles with downward-pointing chevrons, and a bottom pattern of triangles with upward-pointing chevrons. There are also horizontal lines with small circles and triangles attached, resembling string art or decorative borders.

Your Growth Partner



**First Peoples
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Your Growth Partner

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