

Supporting
Aboriginal
Success



NISHNAWBE ASKI

DEVELOPMENT FUND

2013 - 2014 Annual Report



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WHO WE ARE

SUPPORTING ABORIGINAL SUCCESS

Our Services

- Business support services
- Business plan guidance and advice
- Commercial financing and leasing
- Contribution financing
- Appraisal services
- Resource advisory services
- Micro-lending for women
- Enhanced services for Mining Development

Our Partners

- FedNor
- Indian and Northern Affairs Canada (INAC)
- National Aboriginal Capital Corporation (NACCA)

Our Clients

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

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

Our Location

Nishnawbe Aski Development Fund's Head Office is located on the Fort William First Nation, ON and two branch office are strategically located in the cities of Thunder Bay, ON and Timmins, ON.

About Us

Incorporated in 1984, Nishnawbe Aski Development Fund (NADF) is a non-profit wholly-owned Aboriginal organization supporting Aboriginal business and economic development in Northern Ontario.

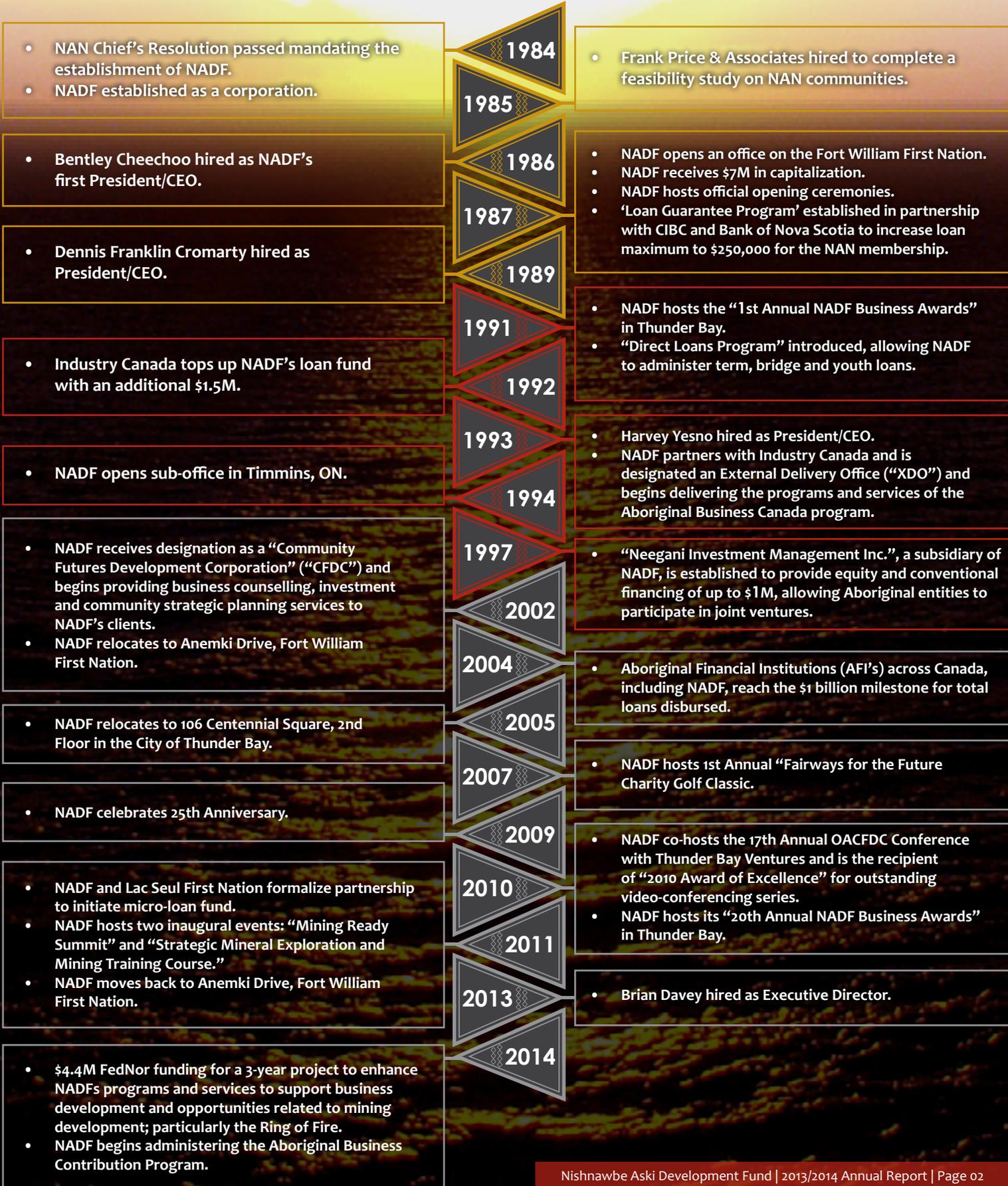
Our Vision

Aboriginal Prosperity

Our Mission

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

MILESTONES



BOARD & STAFF LISTING

(as of August 2014)

Board of Directors

Arlene Jung, Chairperson
Shawn Batisé, Vice Chairperson
Aaron Kakepetum, Secretary & Treasurer
Adam Fiddler
Derek Fox
Frank MacDiarmid
Gary Beardy
Jason Rasevych
Albalina Metatawabin

Wawakapewin First Nation
Matachewan First Nation
Keewaywin First Nation
Sandy Lake First Nation
Bearskin Lake First Nation
Thunder Bay, ON
Muskrat Dam First Nation
Ginoogaming First Nation
Fort Albany First Nation

Members

Russell Wesley
Lillian Suganaqueb
Travis Boissoneau

Cat Lake First Nation
Webequie First Nation
Garden River First Nation

Ex-Officio

Deputy Grand Chief Les Louttit
Heather Garlow-Saul

Nishnawbe Aski Nation
INAC/ABDP

NADF Staff

Executive

Brian Davey, Executive Director
Dawn Willoughby, Executive Assistant

Loans

Kimberley Bird, CPA, CMA, Loans Manager
Charlton Thompson, CPPA, Senior Account Manager
Abby Robinson, Business Development Consultant
Gail Anderson, Account Manager
Linda McGuire, Microloans Coordinator
Marlene Quequish, Loans Administrative Assistant

Aboriginal Business Contribution Program (ABCP)

Community Futures Development Program (CF)

Kimberley Bird, CMA, Loans Manager
Cory Robin, Business Development Officer (ABCP)
Shirley Degrechie, Finance Officer (ABCP)
Lorraine Whitehead, Business Development Officer (ABCP/Loans)
Sandra Williams, Business Support Officer (CF)
Elisa Sutherland, Administrative Assistant (ABCP)
Elaine Ishabid, Business Support Officer (ABC/INAC)
Staci Etherington, Business Projects Intern

Marketing and Communications

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

Nishnawbe Maajjikaywin

Colleen Martin, Senior Project Manager
Tracey Willoughby, BIO Project Coordinator
Leslie O’Nabigon, Business Development Officer
Isha Azandossessi, Business Development Officer
Darcy Kejick, Business Development Officer
Harry Kenequanash, Community Planner
Stephan Kudaka, Community Planner
Anna Deminski, Due Diligence Analyst
Wendy McKay, Youth Project Coordinator
John Gagnon, Youth Project Assistant Intern
Lucy Percy, Administrative Assistant
Ashlie Laframboise, Administrative Assistant

Resource Sector Advisory Services

Denise Hardy, Special Initiatives Advisor

Finance and Administration

Mari Bishop, CPA, CA, Finance Manager
Millie Carpenter, Human Resources Manager
Liesa Wynn, Finance Officer
Karen MacDougall, Finance Assistant
Samantha Anderson, Receptionist/Administrative Assistant
Kari Galea, Receptionist/Administrative Assistant

Message from the Chair

Arlene Jung, Board Chair



As Chair of Nishnawbe Aski Development Fund's Board of Directors, it gives me great pleasure to provide the introduction for the 2014 Annual Report.

Over the past fiscal year, I have had the privilege to serve the organization and our clients with a very

dedicated group of Directors. Since opening its doors for business in 1987, NADF has experienced a number of positive changes and growth. Over the past year, we've added new programming and services to support Aboriginal business and economic development in northern Ontario, welcomed new staff, our Timmins office has relocated, our Thunder Bay office has undergone extensive leasehold improvements, and we have been building and strengthening partnerships that will have a lasting and positive impact on the organization and with our clients. Yet, throughout all this change the one constant that has remained is our vision; supporting Aboriginal entrepreneurs and businesses to become prosperous and self-sufficient.

On March 17, 2014, Nishnawbe Aski Development Fund welcomed Travis Boissoneau as its newest member. Travis is a member of Garden River First Nation and resides with his family in Thunder Bay. A Certified Management Accountant (CMA) and a graduate of Ryerson University, Travis majored in Accounting and minored in Finance, and is currently the Vice President of Northern First Nations Health Centre Ltd. When the time comes for Travis to serve as a Director, his education and expertise will be a welcome addition. On behalf of the Board I would like to thank all those that applied for membership and encourage you to keep in touch as other opportunities may arise in the future.

The following reports will provide you with an overview of our activity and performance over the past year and I am quite pleased with our management and staff. The Board of Directors are well aware that having the right people to conduct your organization's business is the key to success, and we at NADF have been blessed to have a dedicated and knowledgeable team to work with.

Our commitment to you is to continue to support and nurture the aspirations and visions of Aboriginal entrepreneurs. We look forward to continuing this work in the coming year.

Kitchi Meegweetch!

Arlene Jung
Board Chair

Executive Director's Message

Brian Davey, Executive Director



Welcome to Nishnawbe Aski Development Fund's 2014 Annual Report. The reports contained herein will share the highlights from April 1, 2013 to March 31, 2014. I would like to make mention of some notable accomplishments that we at NADF have achieved over the past year.

Loans Activity

I am extremely pleased to report that at March 31, 2014, NADF's loan approvals for the past fiscal year totalled \$2,497,508, achieving our target of \$2.2M. Needless to say, our loans department was quite busy and performed superbly!

Nishnawbe Maajjikaywin

NADF was successful in obtaining \$4.4M from FedNor to establish Nishnawbe Maajjikaywin (Oji-Cree translation "Aboriginal Startup"). These funds will be used to build a culture of entrepreneurship and provide community planning and economic development support to our northern Ontario First Nations. There was a flurry of activity from July to October 2013 in preparation for the 3-year project, including staff recruitment and office renovations. The program is fully staffed and they are working diligently to achieve the programs targets and look forward to reporting on these in our next annual report.

Aboriginal Business Canada Program Renovation

On April 1, 2013, NADF became the administrator for Indian and Northern Affairs Canada's Aboriginal Business Canada program in northern Ontario, rebranding the program as the Aboriginal Business Contribution Program (ABCP). With over 20 years of experience in delivering the equity program

to Aboriginal entrepreneurs and businesses in northern Ontario, we welcome the opportunity to continue providing our clients with access to the valuable programs and services of Aboriginal Business Contribution Program. I am also pleased to report that Indian and Northern Affairs Canada has extended this agreement for an additional year, ending March 31, 2015. However, due to cuts in the funding agreement, we regretfully are not able to continue our partnerships with Rainy Lake Tribal Business and Financial Services Corporation and Wakenagun Community Futures Development Corporation in F2015. I would like to acknowledge their contributions over the past year in disbursing \$1,162,547 in equity contributions. Meegwetch!

Timmins Office Relocation

Our presence in Timmins has increased twofold and with that we began a search for new office space to accommodate our growth. The search ended in January 2014 and we invite you to visit us at our new office located at 273 Third Avenue, Suite 203. All other contact information remains the same.

In closing, I wish you good health and happiness.

Brian Davey
Executive Director

Loans & Community Futures

Kimberley Bird, CPA, CMA, Loans Manager



Nishnawbe Aski Development Fund (NADF) provides loans and business support services to eighty-nine (89) First Nations in northern Ontario, including Nishnawbe Aski Nation, Robinson-Superior 1850 and Treaty #3.

The last fiscal

year was a strong performance year for NADF, with thirty (30) loan approvals, totalling \$2.5M, a 3.67% increase from F2013. Of this, \$2.3M was disbursed in F2014. The growth in activity is attributed to a combination of factors, including an upswing in the forestry and mining industries, an increased interest in business development in our remote communities, and a dedicated and hardworking team at NADF.

Leasing Program

There was no leasing activity in F2014.

Enhanced Access Program

Through the federal government's access to capital initiative, NADF delivers the Enhanced Access program (EA) to Aboriginal entrepreneurs and businesses operating in regions that are not being serviced by an Aboriginal Capital Corporation or Community Futures Development Corporation. The EA program provides access to commercial loans, to a maximum of \$250,000 per applicant, for eligible projects. Funds are approved and administered by the National Aboriginal Capital Corporation (NACCA).

We reviewed four potential applications totalling \$410,000 from the Robinson Superior-1850 and Treaty 3 territories. All EA loan applications were related to the forestry sector, serving as another indication that the forestry industry in northern Ontario is slowly recovering.

F2014 Loan Activity

Loan Activity			
	F2014	F2013	Variance
Number of Loans Approved	30	8	+22
Total Loans Approved	\$2,497,508	\$588,077	+1,909,431
Loans Disbursed			
QTR 1 (Apr 1-Jun 30)	\$676,747	\$110,884	+\$565,863
QTR 2 (Jul 1-Sep 30)	\$393,563	\$255,061	+\$138,502
QTR 3 (Oct 1-Dec 31)	\$753,190	\$181,747	+\$571,443
QTR 4 (Jan 1 – Mar 31)	\$462,004	\$35,375	+\$426,629
Total Loans Disbursements	\$2,285,504	\$583,067	+\$1,702,437
Jobs Stats			
Created	18	7	+11
Maintained	37	27	+10
Total Jobs	55	34	+21

F2014 has set the bar high, but we have great expectations for F2015 and have established the following loan targets for the coming year:

F2015 Loan Targets

Regular Loan Fund	\$1,064,158
Enhanced Access - NACCA	\$877,183
Youth Loans	\$45,000
Community Future Loans	\$1,310,000
Total Loan Target	\$3,296,341

We look forward to sharing our successes with you in our F2015 Annual Report.

Community Futures

Kimberley Bird, CPA, CMA, Loans Manager

Community Futures (CF) Development Corporation

Designated as a Community Futures Development Corporation (CFDC) by FedNor in July 2002, Nishnawbe Aski Development Fund (NADF) has supported Aboriginal companies and organizations in northern Ontario for over 11 years. As a CFDC, NADF services thirty-three (33) First Nations, providing financing for new business start-ups and expansions, business services and referrals, and supporting economic development projects in NADF's CFDC catchment area.

In F2014, eight (8) CFDC loans were approved, totalling \$710,288. The CFDC loans disbursed were for motel expansions, fuel inventory and heavy equipment acquisitions.

Community Futures Renewal

NADF submits a business plan to FedNor every three years for program renewal, with the most recent plan ending March 31, 2014. In anticipation of the agreement expiry date, NADF submitted a 3-year renewal business plan to FedNor in December 2013 for the 3-year period beginning April 1, 2014 and ending March 31, 2017.

In addition to a \$320,000 annual operating budget, the business plan focuses on three areas:

1. Community-based economic development
2. Business advisory services
3. Investment fund

It is expected that the agreement will be renewed for an additional 3 years.

Local Initiative Contributions (LIC)

F2014 was the final year of Nishnawbe Aski Development Fund's (NADF) 3-year Local Initiative Contribution (LIC) agreement with FedNor. The agreement began on September 1, 2011 and concluded on March 31, 2014. Under this agreement, funding was available to non-profit Aboriginal organizations in Nishnawbe Aski Development Fund's CFDC catchment area, to support community-based economic development projects.

The 3-year LIC agreement provided an overall budget of \$225,000 available for funding purposes, with \$75,000 allocated annually. Over the life of the LIC agreement, NADF approved forty-four (44) small community-based economic development projects, totalling \$234,844 however, some projects did not proceed, and actual disbursements for the 3-year program was \$193,314. The majority of applications were approved at the maximum level (\$5,000). Applicants were required to contribute 10% and submit a final report. Projects funded in F2014 included a forestry summit, board governance capacity training, community plans, entrepreneurship workshops, trapper's workshops, fur handling training and options in selling furs, retail capacity building, sawmill acquisition, mining forums, tourism training, and a youth aviation camp.

The LIC funding has provided much needed support to small economic development projects, creating a positive impact on the communities by providing the additional resources to undertake projects that may have otherwise not been possible.

*The LIC program was discontinued by FedNor.

F2014 Targets and Results for CFDC Loans

	Target	Q1	Q2	Q3	Q4	Total
General Inquiries	260	32	41	17	95	185
In-Depth Interviews	70	14	6	8	14	42
Business Start-Ups	7	0	0	0	0	0
Maintained	9	1	1	1	1	4
Business Expansions	2	1	1	2	0	4
Jobs Created	8	3	0	5	0	8
Jobs Maintained	20	5	4	5	4	18
Total Funds Leveraged*	\$150,000	\$109,423	\$286,144	\$430,250	\$310,903	\$1,136,720

* Owner & 3rd Party

Aboriginal Business Contribution Program

Kimberley Bird, CPA, CMA, Loans Manager

Aboriginal Business Canada Program Renovation

As part of Indian and Northern Affairs Canada (INAC) program renovation 2013 was the final year for administering the Aboriginal Business Canada program by Indian and Northern Affairs Canada. INAC issued a call for proposals for their “Partner Delivery Program” (PDP) to AFIs across Canada, and after delivering the Aboriginal Business Canada (ABC) program for more than 20 years, Nishnawbe Aski Development Fund (NADF) was successful in its bid to administer the equity program in northern Ontario. In total, INAC issued fourteen (14) Partner Delivery Program (PDP) agreements across Canada.

Partner Delivery Program (PDP)

On April 1, 2013, NADF began administering the equity program, rebranding it as the Aboriginal Business Contribution Program (ABCP). The PDP Agreement was for a one-year period, ending March 31, 2014, with a possibility of a renewal/extension. The PDP applies the same criteria and guidelines as those used by Aboriginal Business Canada, however for Métis applications, a decision was made by NADF to only accept applications from Métis Nation of Ontario card holders as this is the only national database that is recognized by the federal government.

PDP Partners

Following INAC’s direction, NADF entered into an agreement with Rainy Lake Business and Financial Services Corporation (Rainy Lake), located in Fort Frances, Ontario, to deliver the equity program to the Treaty #3 territory. NADF also entered into a partnership with Wakenagun Community Futures Development Corporation, located in Moose Factory, Ontario, to deliver the equity program in northeastern Ontario. Developing and implementing the partnership agreements was a learning curve for all parties and there were definitely growing pains. Rainy Lake completed the contract, disbursing \$148,724 in ABCP funds and assisting five (5) businesses in the Treaty #3 Territory. Unfortunately, there was little activity in the northeast region and the agreement with Wakenagun CDFC was cancelled in December 2013.

NADF was provided with a PDP budget of \$2M for ABCP equity contributions. In addition, the agreement also included operating budgets for NADF (\$420,349) and Rainy Lake Business and Financial Services Corporation (\$112,200). Wakenagun CFDC operating budget was included in NADF’s operating budget.

ABCP Performance and Activity

Figure 1: ABCP F2014 Performance

	Target	Q1	Q2	Q3	Q4	Actual
Capital	48	7	3	3	3	16
Marketing	6	3	0	0	0	3
Business Plan	12	2	0	0	7	9
Business Support	6	0	1	1	2	4
Stand Alone Marketing	20	2	1	0	1	4
Inquiries	233	106	61	102	60	329
Applications Received	80	12	8	16	17	53
Site Visits	10	2	4	3	2	11

Figure 1 compares the ABCP quarterly activity to the targets that were established by NADF and INAC in F2013.

Overall, the ABCP program supported the creation of fifty-two (52) new jobs and maintained twenty-seven (27) jobs in northern Ontario. Job creation through entrepreneurship has a significant impact on communities with no tax base to support community programs and services and reduces the number of people who rely on social assistance.

Aboriginal Business Contribution Program

PDP Going Forward

In January 2014, INAC informed NADF that there was a \$10M budget cut across Canada and the impact on NADF's budget for F2015 was significant. The equity program was reduced to \$1,298,860 and NADF's operating budget to \$297,362. As a result of cuts to the operating budget, NADF was not in a position to renew the PDP partnership agreement with Rainy Lake Business and Financial Services Corporation. NADF informed them of this decision in February 2014. As mentioned earlier, the agreement with Wakenagun CFDC was cancelled previously.

In addition to the ABCP budget cuts, funding for the Business Support Officer also ended March 31, 2014. The Business Support Officer was an integral position on the ABCP team and the loss of this team member will impact the workloads of the ABCP Business Development Officers.

There were a number of challenges to overcome in the first year of administering the equity program, including the learning curve associated with administering the equity program developing partnerships, staff turnover, training new recruits, and de-commitments resulting from projects not proceeding. As a result of these challenges, NADF did not achieve the F2014 ABCP targets however processes have been implemented, rebranding finalized, staff hired and trained, and we are confident that we will achieve F2015 targets.

ABCP F2014 Activity

	Q1	Q2	Q3	Q4	Total	Target
Program Inquiries	106	61	102	60	329	233
Applications Received	12	8	16	17	53	80
Screened Eligible	8	6	11	18	43	65
ABCP \$ Committed	\$359,921	\$361,757	\$143,793	\$297,076	\$1,162,547	\$2,000,000
ABCP \$ Disbursed	\$64,006	\$18,899	\$316,020	\$762,622	\$1,162,547	\$2,000,000

ABCP F2014 Leveraging

	ABCP Contributions	Equity Leveraged	Financing Leveraged	Total \$ Leveraged	Jobs Maintained	Jobs Created
F2012	\$1,350,449	\$1,666,671	\$4,554,965	\$6,221,636	9	74
F2013	\$366,326	\$155,411	\$456,835	\$612,246	12	17
F2014	\$1,162,547	\$584,967	\$1,954,092	\$2,539,059	27	52

Other Services and Programs

Kimberley Bird, CPA, CMA, Loans Manager

Micro Lending

Nishnawbe Aski Development Fund (NADF) received funding from the Ontario Women's Directorate to establish a women's micro lending program. This is a two year program ending January 2015. The goal is to reach out to Aboriginal women living in remote First Nation communities in northern Ontario and provide access to micro loans. NADF has built-in an Aboriginal aspect, by adapting the clan system as a guide to form relationships and consensus among the women who want to build a business together.

Under this program, Aboriginal women may apply for micro loans, ranging from \$500 to \$5,000 to establish "micro" businesses. NADF recognizes that there are challenges to living and doing business in remote communities and has tailored the program to be more accessible to women. The primary purposes for establishing a women's micro loan program was to develop business skills through workshops and allow women to supplement their income, gain business experience, and build a credit history. When assessing applications NADF does not consider "Collateral and Credit Scores" and offers a fixed rate of 8% on approved micro loans.

Micro Loan Application Stages

Stage	Loan	Term/Time Period
First Application	\$500 - \$1,000	12 months
Second Application	\$2,000	18 months
Third Application	\$3,000	24 months
Fourth Application	\$5,000	30 months

Youth Entrepreneurship Program

For the third consecutive year, NADF has partnered with various organizations to deliver the Youth Entrepreneurship Program (YEP) to Aboriginal entrepreneurs in the Timmins area. Our partners included Mushkegowuk Employment & Training Services, Wabun Tribal Council, Timmins Native Friendship Centre, Métis Nation of Ontario, The Venture Centre, Timmins Economic Development Corporation, Nordaski Community Futures, DeBeers Canada, Xstrata, and Goldcorp.

The 8-week program ran from September to November 2013 with 15 participants. Over the 8 weeks, participants learned about entrepreneurship and the various components

Key Performance Indicators

Over the course of the two-year program, it is expected that NADF will have delivered training to thirty-two (32) women, established four (4) micro lending circles, and provided micro loans to ten (10) women.

Over the past year, NADF has provided training to twenty-four (24) women, disbursed two (2) micro loans, and established one Micro Clan Circle - Biidaaban 'A New Rising Circle' - in Frenchmen Head Lac Seul First Nation.



Women Moving Together Circle
Fort William
First Nation, ON



A New Rising Circle
Frenchmen Head Lac
Seul First Nation, ON

Our Partners

NADF has partnered with Contact North, Sioux Hudson Literacy Group, Nishnawbe Aski Nation Women's Group, Equay-wuk (Women's Group), and PARO Centre for Women's Enterprise to deliver workshops.

of a business plan. The goal of the program was to assist entrepreneurs to develop their business idea into a business plan. The 2013 YEP was not as successful as in previous years, and we are reconsidering offering the program in 2014.



Nishnawbe Maajjikaywin

Colleen Martin, Senior Project Manager



NISHNAWBE MAAJIIKAYWIN

COMING TOGETHER.. INSPIRING GENERATIONS..

NISHNAWBE MAAJIIKAYWIN

Nishnawbe Aski Development Fund (NADF) submitted a proposal to FedNor's Northern Ontario Development Program (NODP) based on needs identified by First Nation communities and individuals residing in close proximity to the Ring of Fire. The proposal was approved by FedNor in July 2013, receiving \$4.4M in project funding over 3 years. The funding will provide much needed human and financial resources to enhance NADF's ability to support business development activity in the north.

Twelve (12) new positions were included in the project proposal: Senior Project Manager, Business Development Officers (3), Due Diligence Analyst, Business Information Officer Coordinator, Administrative Assistant, Community Planners (2), Youth Program Coordinator, Web/Graphic Designer and Special Initiatives Advisor.

A team was formed and a logo developed to depict activities under four pillars: Business Development, First Nation Capacity, Youth and Community Planning. The program was branded as Nishnawbe Maajjikaywin, which translates to "Aboriginal Startup" in Oji-Cree.

Contact has been made with all the First Nations in the Matawa First Nations Management service area to

promote the program services. Although the primary focus of Nishnawbe Maajjikaywin is on the Matawa service area, promotion of strategic planning and facilitation of visioning exercises is available to surrounding areas. This work is completed in partnership with Business Development Officers under other NADF programs.

Regional Planning Session

Follow up discussions with Webequie, Eabametoong and Nibinamik First Nations have resulted in an agreement to pursue local and regional tourism strategies for remote First Nations with similar goals and challenges. Meetings with MNDM to pursue potential funding were arranged and proposals are in development for a regional planning session which will allow First Nations to share their priorities and progress so that processes with common goals can be merged or new partners added where further opportunity is identified.

Business Information Officers (BIO)

The Business Information Officer (BIO) project is another component of the FedNor project that is intended to support the development of a culture of entrepreneurship at the community level. Through the placement of one Business Information Officer (BIO) in each of the nine Matawa First Nations and one additional First Nation, these community members will have access to training, job shadowing, and mentoring to develop business skills and knowledge and prepare individuals to take advantage of business opportunities that may arise in the community. The BIO is selected by the First Nation and is a member residing in the community who is unemployed and eligible for Employment Insurance (EI). Opportunities for capacity building will be offered to other community members whenever possible.

At March 31, 2014, the communities of Eabametoong, Nibinamik, Aroland and Constance Lake First Nations each have a BIO available to assist their community members. An offer was made and accepted by Whitesand First Nation to participate in the BIO project. The offer to Whitesand



EDOS, Business Information Officers and program staff joined together for facilitation training March 2014

First Nation was made based on the level of economic development activity the First Nation is engaged in. The First Nation is currently involved in the planning and development of several major projects, exploring potential business opportunities and partnerships with nearby First Nations, and there is high interest from community members for business development. Overall, the project has been well received by the First Nations and it is hoped this program will expand to other First Nations in the fall of 2014.

Retail Operations

A number of community-owned stores in the north require operational assistance, staff training and replacement of existing building(s) and/or equipment. NADF's Business Development Officer is leading a project to develop a system to assist retail operations in the remote north. The goal is to improve operating results and plan for communities to assume operation of retail stores currently operated by third parties from outside of the community.

Youth Entrepreneurship Program (YEP)

The Youth Entrepreneurship Program (YEP) training for volunteers and program delivery was held at the Landmark Inn on February 2014 in Thunder Bay, ON. Seven First Nations from the Matawa service area participated, including fourteen adults and fourteen children from grades 3 -6. The adults were trained on YEP program delivery and the children participated in various activities, including "Create a Logo" and "Marketing Your Thoughts" programs. Everyone involved was excited by the opportunity and the potential for the programs in First Nations. The first community-based YEP program is scheduled to be delivered in Aroland First Nation on May 24-25 and June 7-8, 2014. This came about as a result of one participant from the February YEP training who took the initiative and approached his school principal to request the YEP programs be bought to the community. This same

youth now has an idea to start an ice cream business for the summer using his bicycle.

A number of schools in the Nishnawbe Aski Nation have expressed an interest and are requesting that the YEP program to be delivered to their students. It is hoped that additional funds will be leveraged through the Ontario Trillium Fund to introduce the YEP programs to the north and to host summer camps that would incorporate cultural and traditional teachings, promote innovative business thinking, and raise self-esteem levels of our youth. We strongly believe that there is great potential for the program's future success and look forward to bringing it to the communities.

Community Planning

The Nishnawbe Maa'ijikaywin team looks to build and strengthen community relationships that will last for years to come and provide communities with an understanding of the community planning process, its concept and benefits, and how it contributes to successful economic and business development models. Some communities already embrace community planning process; others have never experienced or heard of the concept. Our commitment is to bring the choice to all communities by ensuring knowledge and capacity.

Developing Partnerships

More than thirty organizations and individuals have offered collaboration on the Nishnawbe Maa'ijikaywin project. Collaboration may mean provision of services at a reduced cost; collaboration with programs offered by other not-for-profits; financial contributions; or other opportunities where we can learn and grow together in assisting First Nations, and we look forward to working with our partners and developing new partnerships to ensure our clients and communities have access to the best possible resources to ensure their success.



Young Vinnie from Aroland embraces the entrepreneurial culture dressing for the occasion.



Team Building Exercise: Zoey Taylor, Ginoogaming FN; Keris Waboose, Longlake 58 and Tanner Sofea, Webequie FN.

Special Initiatives

Denise Hardy, Special Initiatives Advisor



Mining Ready Summit

Nishnawbe Aski Development Fund hosted its 3rd Annual Mining Ready Summit in Timmins, Ontario, October 16-17, 2013.

The Mining Ready Summit (MRS) creates awareness for First Nation communities,

companies and businesses on opportunities associated with mineral exploration, mining and mining supply. The event is also an opportunity for First Nations to network with industry leaders, aboriginal businesses and other companies to build partnerships between them. The MRS alternates between Thunder Bay and Timmins and is funded through sponsorships and delegate registration fees.

The 2013 MRS included industry leaders, contractors, mining related service providers, First Nation communities and Aboriginal Business owners who shared their knowledge and experiences in resource development. This year's event included a variety of speakers from all sectors of the mining industry, including Jason Batise, Wabun Tribal Council; Mark Podlasly, Harvard Kennedy School; Chris Hodgson, Ontario Mining Association; Frank Smeenk and Moe Lavigne, KWG; Leonard Rickard, Detour Gold; Derek Fox, law student; Derek Chum, Moose Cree First Nation and Kaitlyn Ferris, Noront Resources.

Overall, the Summit was a great success and we are pleased to announce the 4th Annual Mining Ready Summit will be held in Thunder Bay, ON on October 28-29, 2014 at the Valhalla Inn. Please visit www.miningready.com for updates and we hope to see you there.

Thank you to our sponsors for their support and we look forward to building upon our relationship in 2014.

Independent Power Authorities

Nishnawbe Aski Development Fund and MNP LLP created a Financial Standardization, Operating Systems and Training Strategy for the ten (10) Independent Power Authorities (IPA). This ongoing project is intended to assist the IPA's with their financial reporting process. With a standardized process the IPA's reports will capture the data that the Ontario Energy Board requires in order for the IPA to access the Remote Rates Program. Some of the IPAs have received training on the software and we are working on getting the remaining communities trained. In addition, we are working on getting the trained communities to implement the reporting system to enable them to receive the subsidies.

Support to First Nations in Resource Development and Partnership Development

NADF has been approached by non-Aboriginal businesses looking to partner with First Nations communities or Aboriginal business on joint venture projects, partnerships, and business acquisitions. In most cases, these businesses owners are looking to retire or are working over capacity. NADF is currently working on developing guidelines and processes that will protect the interests of NADF and our clients.

The SIA is available and has been called upon to support and assist Nishnawbe Aski Nation communities with activities related to mining, mining exploration, mining suppliers and other resource developers. Assistance has also been provided in facilitating relationships with resource developers, and in training development with mining companies.

Human Resources

Millie Carpenter, Human Resources Manager



It is with pleasure I share our first HR annual report; a snapshot of the human resources' activities from fiscal year 2014. It has been an interesting, exciting and challenging time in human resources management. This past year, the organization had increased staffing by 100%

growth. Recruitment was the main project, the employment process entailed advertising, interviewing, testing, background checks, selection and orientation.

Listed are summaries for the following:

Recruitment, Staffing and Staff Training.

Recruitment Summary for April 2013 – March 2014		
Number of Postings	25	
Number of Positions to be filled	37	
Total New EE's Hired	26	
Internal EE's New position	7	Internal Status EE' =5 Internal Status Non Status = 2
Total New EE's: Status Hired:	22	
Total Non-Status EE's Hired	4	
% of Status Recruitment:	84.62	
Number of Resignations	6	

Staffing Summary April 2013 – March 2014	
Total Number of Employee:	34
Status Employees	29
Non-status Employees	5
Percentage	
Status Employees	85%
Non-status Employees	15%

Years of Service	
# of EE's > 5 years service	25
# of EE's 5+ to 10 years service	0
# of EE's > 10-15 years service	7
# of EE's > 10-15 years service	2

Total Number of Employees by Gender	
Female	25
Male	9

Status Employees Affiliated with	
IFNA	6
Keewaytinook Okimakanak	1
Matawa	5
Mushkegowuk	7
Nokiiwin	3
Windigo	6
Unaffiliated	1

Number of Employees in each office	
Fort William First Nation	3
Thunder Bay	26
Timmins	5

Number of Employees in each department	
Administrative/Finance	9
Aboriginal Business Contribution Program	4
Loans	7
Northern Ontario Development Program	14

NADF offered a variety of training and development opportunities this year. A total of 24 workshops – conferences were attended by the staff this year. Some of the training programs offered this year and attended by employees were:

- Management Training
- Building Respect in the Workplace
- Alternative Dispute Resolution
- Dealing with Conflict in the Workplace
- The Exceptional Assistant 10 (TEA)

NADF in the Community

Dawn Willoughby, Executive Assistant



'Fairways for the Future' Charity Golf Classic Thunder Bay, ON - August 16, 2013

For the seventh consecutive year, Nishnawbe Aski Development Fund hosted the annual 'Fairways for the Future' Charity Golf Classic at the Fort William Country Club in Thunder Bay, Ontario on Friday, August 16, 2013. This year we had 90 golfers who were

playing for the coveted NADF Trophy, with Team Matawa coming out in the lead to claim this year's championship title. Many thanks to our Master of Ceremonies Patrick Cheechoo, Matawa First Nations, who graciously agreed to assist us by

taking on this role and he did an excellent job entertaining our guests by including bits from his comedy show. Thank you!

Proceeds from the annual tournament are directed to the NADF Sponsorship Fund. To date over \$30,000 has been raised to support causes that promote Aboriginal culture, healthy living and the overall well-being of our Aboriginal People and First Nation communities in northern Ontario.

Celebrating Aboriginal Business Success Timmins, ON - October 17, 2013

Nishnawbe Aski Development Fund hosted the annual business awards to celebrate Aboriginal business in northern Ontario. Eight award recipients were recognized for their achievements and contributions to local and regional economies at a gala dinner at the Days Inn & Conference Centre in Timmins, ON. Our Master of Ceremonies, Brent Edwards, Mooselegs2, did an exemplary job as the Master of Ceremonies, entertaining and interacting with our guests. Thank you Brent! The event was broadcasted live on the Wawatay Radio Network, allowing family and friends of our award winners and guests to tune in and share in the celebrations.



Tournament Champions: Team Matawa: Murray Waboose, Saverio Rizz, Wes Bova and Patrick Cheechoo



Master of Ceremonies: Brent Edwards

Celebrating its 23rd year, the non-profit event is a fundraiser for two funds: the Dennis Franklin Cromarty Memorial Fund: a bursary fund for post-secondary students seeking academic achievement; and the NADF Sponsorship Fund: a fund established to support causes that promote culture, healthy living and the overall well-being of our Aboriginal People and First Nation communities in northern Ontario.



23rd Annual NADF Business Award Recipients: Lucie Edwards, Nolan Tozer, ¹Nellie Mitchell, ²Dave Mackett, Wade Quachegan, and Dan Bannon Missing: Jason Blakely and Wally Bannon



We would also like to acknowledge the generous support of our sponsors and donors who make this event possible. Without your support the NADF Sponsorship Fund would not exist. Thank you!

For a full list of our event sponsors or for more information on these and other events, please visit www.nadf.org.

This year’s award recipients are:

- Executive:* Lucie Edwards, Five Nations Energy
- Business Woman:* Dr. Doris Mitchell, Private Practice
- Business Man:* Dan Bannon, Bannon Contracting
- Partnership:* Bannon Family Council, J&W Confectionary
- Youth:* Nolan Tozer, Moose River Tours
- New Business:* Jason Blakely, Blakely Trucking
- Corporation:* Sagatay Economic Development Corp Building, Whitesand First Nation
- Communities:* Wade Quachegan, WQ Carpentry

1. *Accepting for Dr. Doris Mitchel*
2. *Accepting for Sagatay Economic Development Corporation*



NADF Radio

Hosted by Brittany Millard and Tracey Willoughby, NADF’s bi-weekly radio show aired on the Wawatay Radio Network (WRN) from 2-3pm ET (1-2PM CT) on Monday’s, or Tuesday’s when regularly scheduled day was pre-empted due to stat holiday or office closure. Our radio hosts interviewed guest speakers on topics related to entrepreneurship, business and economic development in northern Ontario and informed listeners about NADF programs, services and upcoming events.

We invite you to tune us in on the Wawatay Radio Network on 89.9FM in Sioux Lookout and 106.7FM in Timmins area. You can also catch us online at www.wawataynews.ca or on Bell TV (Channel 962).

Tune in!

Finance and Administration

Mari Bishop, CPA, CA, Finance Manager



From a financial perspective the strategic goal that supports NADF's vision of Aboriginal prosperity is sustainable operations. NADF incurred a consolidated deficit of \$63,000 for the year ended March 31, 2014, on total revenues of \$4.5M. This includes surpluses in

the CFDC Investment Fund (\$85,000) and the Neegani Fund (\$39,000), offset by a deficit of \$187,000 in the General Fund. This doubles NADF's cumulative deficit, which now sits at close to \$130,000. However, this is a significant improvement over historical results.

NADF embarked on a fresh start for financial reporting at March 31, 2011. The consolidated deficit at that time, \$3.4M, was eliminated by a charge against contributed surplus. This action was taken as NADF commenced a review of its business operations, with the intent to improve operations going forward to ensure that NADF continued to meet its mission of advancing the well-being of Aboriginal people in northern Ontario through business and economic development. NADF's average annual deficit has since been reduced, from \$154,000 to \$22,000. We expect to continue to improve operations, as we finalize and implement a formal Business Improvement Plan, to ensure that NADF is financially positioned to continue providing business loans to Aboriginal entrepreneurs in Northern Ontario, and related business and economic development services, for many years to come. Strong assets in loans, cash, and investments, support this intent.

Loans disbursed during the year exceeded historical averages. Total loans interest, at \$253,000, also exceeds the ten-year average. Loans have always been the primary

vehicle by which NADF met its service objectives: to promote, encourage and assist business and economic development in Nishnawbe Aski Nation; and to provide business advice and technical assistance to Aboriginal businesses and enterprises. Additional complementary programs and projects contribute towards NADF's ability to realize these objects as stated in NADF's vision: Aboriginal Prosperity.

The market value of NADF's ancillary investments varies from month to month, with an overall annual increase of 8%. Long term investments in NADF's General Fund are valued at \$2.5M. Cash and investment resources support NADF's operations, and loan disbursements. We expect to take a closer look at long term projections in the coming months and years, to set more formal targets for cash and investment holdings.

The core strength of NADF's loan operations continues to be a strong personnel base. Our employees are committed to providing the best possible services for the clients we serve, and therefore the cost of salaries and benefits is a primary key performance indicator (KPI). Salaries, along with additional financial expenditure KPIs – travel, marketing, and training – comprise 70% of total expenses excluding capital payments and flow through funding.

NADF's Management is responsible for the preparation and presentation of the financial statements. As required under its incorporating by-laws and various funding agreements, the financial statements are audited each year by an external public accounting firm. As in each year since inception the auditors have concluded that in their opinion the consolidated financial statements for Nishnawbe Aski Development Fund present fairly, in all material respects, the financial position of NADF as at March 31, 2014 and the results of its operations and cash flow for the year then ended, in accordance with Canadian generally accepted accounting principles. This is known as a 'clean' audit opinion. This clean audit report provides assurance regarding the fair presentation of NADF's operations in the financial statements. In addition to the financial statement audit, additional special audit reports are provided to funders according to the requirements of individual funding agreements. The following excerpts from the consolidated financial statements for the fiscal year ending March 31, 2014 present the results of operations for the year, and the financial position at the year end. The complete audited financial statements are available at our head office.



Management Responsibilities

Management's Responsibility

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

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

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

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

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

June 27, 2014



Executive Director

Auditor's Report

Independent Auditors' Report

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

We have audited the accompanying consolidated financial statements of Nishnawbe Aski Development Fund which comprise the consolidated statement of financial position as at March 31, 2014 and the consolidated statements of operations and surplus (deficit) and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Nishnawbe Aski Development Fund as at March 31, 2014 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Other matter

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

Thunder Bay, Ontario

June 27, 2014



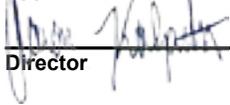
Chartered Professional Accountants

Licensed Public Accountants

Consolidated Statement of Financial Position

	General Fund	Sponsorship Fund	ASD Fund
ASSETS			
Current			
Cash	481,969	-	-
Marketable securities (Note 2)	28,950	-	-
Accrued interest receivable (Note 3)	106,909	-	-
Accounts receivable (Note 4)	672,081	-	1,827,778
Due from other funds	405,314	21,228	-
Prepaid expenses	7,551	-	-
	1,702,774	21,228	1,827,778
Long-term investments (Note 5)	2,497,604	-	-
Loans receivable (Note 6)	2,274,437	-	-
Capital assets (Note 7)	195,775	-	11,896
	6,670,590	21,228	1,839,674
LIABILITIES			
Current			
Accounts payable and accrued liabilities (Note 8)	385,028	-	1,407,289
Deferred revenue (Note 9)	163,995	21,228	4,364
Current portion of notes payable (Note 10)	138,055	-	-
Due to other funds	-	-	415,140
	687,078	21,228	1,826,793
Deferred revenue (Note 9)	114,841	-	12,881
Notes payable (Note 10)	112,032	-	-
	913,951	21,228	1,839,674
SURPLUS			
Contributed surplus (Note 11)	6,278,592	-	-
Surplus (deficit)	(521,953)	-	-
	5,756,639	-	-
	6,670,590	21,228	1,839,674

Approved on behalf of the Board


Director

The accompanying notes are an integral part of these financial statements

Nishnawbe Aski Development Fund Consolidated Statement of Financial Position

As at March 31, 2014

Neegani Fund	CFDC Operating Fund	CFDC Investment Fund	2014	2013
739,681	-	1,511,863	2,733,513	3,444,238
-	-	-	28,950	28,607
-	-	14,908	121,817	100,929
-	143,249	-	2,643,108	1,825,397
-	-	121,263	547,805	269,313
4,320	-	-	11,871	16,317
744,001	143,249	1,648,034	6,087,064	5,684,801
639,743	-	-	3,137,347	3,839,134
-	-	1,023,457	3,297,894	2,619,235
272	20,346	-	228,289	101,942
1,384,016	163,595	2,671,491	12,750,594	12,245,112
2,828	35,259	1,297	1,831,701	516,496
35	5,164	-	194,786	1,252,228
-	-	-	138,055	133,369
20,779	111,886	-	547,805	269,313
23,642	152,309	1,297	2,712,347	2,171,406
141	14,035	-	102,106	22,721
-	-	-	112,032	205,801
23,783	166,344	1,297	2,926,485	2,399,928
1,303,552	-	2,331,800	9,913,944	9,911,937
56,681	(2,749)	338,394	(129,627)	(66,753)
1,360,233	(2,749)	2,670,194	9,784,317	9,845,184
1,384,016	163,595	2,671,491	12,710,802	12,245,112



 Director

Consolidated Statement of Operations

Schedule	Surplus (Deficit) Beginning of Year
General Fund	
1 Loan Operations	(318,484)
2 National Aboriginal Capital Corporation Association Services	-
3 Nishnawbe Aski Development Fund Business Awards	-
4 Indian and Northern Affairs Canada (INAC) Programs	(6,593)
5 Mining Projects	34,249
6 Business Support Officer	(47,396)
7 Special Initiatives Advisor	-
8 Youth Entrepreneurship Program	(264)
9 Nishnawbe Majjikaywin	-
10 Other Projects	3,840
	(334,648)
Sponsorship Fund	
11 Sponsorship Fund	-
ASD Fund	
12 ABC / Business Development - ASD	-
Neegani Fund	
13 Neegani Investment Management Inc.	17,199
Community Futures Development Corporation Operating Fund	
14 Community Futures Development Corporation Operating Fund	(2,236)
Community Futures Development Corporation Investment Fund	
15 Community Futures Development Corporation Investment Fund	252,932
	(66,753)

The accompanying notes are an integral part of these financial statements

Nishnawbe Aski Development Fund
Consolidated Statement of Operations and Surplus (Deficit)

For the year ended March 31, 2014

Revenue for the Year	Expenditures for the Year	Surplus (Deficit) for the Year	Interfund Transfers	Surplus (Deficit) End of Year
563,025	668,100	(105,075)	(123,347)	(546,906)
41,483	41,483	-	-	-
66,964	66,964	-	-	-
473,934	473,934	-	-	-
95,510	89,732	5,778	-	40,027
54,318	72,423	(18,105)	65,501	-
-	-	-	-	-
40,214	45,724	(5,510)	5,510	(264)
639,947	679,277	(39,330)	39,330	-
487,588	512,651	(25,063)	13,006	(8,217)
2,462,983	2,650,288	(187,305)	-	(521,953)
35,560	35,560	-	-	-
1,570,062	1,570,062	-	-	-
62,761	23,279	39,482	-	56,681
304,126	304,639	(513)	-	(2,749)
90,504	5,042	85,462	-	338,394
4,525,996	4,588,870	(62,874)	-	(129,627)

Office Locations



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