Financial statements of
National Indian Brotherhood Trust Fund

March 31, 2023

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Independent Auditor's Report

To the Trustees of
National Indian Brotherhood Trust Fund

Opinion

We have audited the financial statements of the National Indian Brotherhood Trust Fund (the "Trust Fund"), which comprise the statement of financial position as at March 31, 2023, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Other Information

Management is responsible for the other information. The other information comprises the information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do 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 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.

We obtained the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 Trust Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust Fund'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 Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
July 10, 2023

	Notes	2023 General Fund $	2023 Education Fund $	2023 Education Legacy Fund $	2023 Métis Fund $	2023 Other Funds $ (Note 9)	2023 Total $	2022 General Fund $	2022 Education Fund $	2022 Education Legacy Fund $	2022 Métis Fund $	2022 Other Funds $ (Note 9)	2022 Total $
Revenue													
Investment income	3	**49,182**	**3,399,075**	**2,266,049**	**28,281**	**—**	**5,742,587**	10,164	14,635,635	8,757,089	338,113	—	24,741,001
Donations	8	**449,729**	**—**	**—**	**—**	**—**	**449,729**	49,160	—	—	—	—	49,160
		498,911	**3,399,075**	**2,266,049**	**28,281**	**—**	**6,192,316**	59,324	14,635,635	9,757,089	338,113	—	24,790,161
Distributions to beneficiaries													
Payment to organizations	6	**—**	**6,232,858**	**—**	**220,283**	**23,079**	**6,476,220**	—	7,545,583	—	408,517	—	7,954,100
Payment to individuals	6	**—**	**3,614,942**	**—**	**868,250**	**—**	**4,483,192**	—	3,580,125	—	704,222	—	4,284,347
Payment to CTJ program	6	**—**	**684,999**	**—**	**—**	**—**	**684,999**	—	—	—	—	—	—
		—	**10,532,799**	**—**	**1,088,533**	**23,079**	**11,644,411**	—	11,125,708	—	1,112,739	—	12,238,447
Expenses													
Salaries and benefits		**900,244**	**—**	**—**	**—**	**—**	**900,244**	895,407	—	—	—	—	895,407
Professional services		**455,771**	**—**	**—**	**—**	**—**	**455,771**	213,651	—	—	—	—	213,651
Travel		**197,029**	**—**	**—**	**—**	**—**	**197,029**	94,665	—	—	—	—	94,665
Rent	5	**75,653**	**—**	**—**	**—**	**—**	**75,653**	65,624	—	—	—	—	65,624
Office expenses		**75,422**	**—**	**—**	**—**	**—**	**75,422**	72,644	—	—	—	—	72,644
Advertising, promotion and publications		**46,923**	**—**	**—**	**—**	**—**	**46,923**	12,425	—	—	—	—	12,425
Insurance		**17,391**	**—**	**—**	**—**	**—**	**17,391**	14,574	—	—	—	—	14,574
Administration and management fees	5	**653**	**—**	**—**	**—**	**—**	**653**	17,464	—	—	—	—	17,464
		1,769,086	**—**	**—**	**—**	**—**	**1,769,086**	1,386,454	—	—	—	—	1,386,454
		1,769,086	**10,532,799**	**—**	**1,088,533**	**23,079**	**13,413,497**	1,386,454	11,125,708	—	1,112,739	—	13,624,901
(Deficiency) excess of revenue over distributions and expenses		**(1,270,175)**	**(7,133,724)**	**2,266,049**	**(1,060,252)**	**(23,079)**	**(7,221,181)**	(1,327,130)	3,509,927	9,757,089	(774,626)	—	11,165,260
Fund balances, beginning of year		**—**	**106,160,540**	**139,442,140**	**2,801,613**	**53,942**	**248,458,235**	—	103,857,078	129,685,051	3,696,904	53,942	237,292,975
Interfund transfers	7	**1,495,040**	**(1,355,004)**	**—**	**(140,036)**	**—**	**—**	1,327,130	(1,206,465)	—	(120,665)	—	—
Fund balances, end of year	8	**224,865**	**97,671,812**	**141,708,189**	**1,601,325**	**30,863**	**241,237,054**	—	106,160,540	139,442,140	2,801,613	53,942	248,458,235

The accompanying notes are an integral part of the financial statements.

National Indian Brotherhood Trust Fund

Statement of financial position

As at March 31, 2023

	Notes	2023 General Fund $	2023 Education Fund $	2023 Education Legacy Fund $	2023 Métis Fund $	2023 Other Funds $ (Note 9)	2023 Total $	2022 General Fund $	2022 Education Fund $	2022 Education Legacy Fund $	2022 Métis Fund $	2022 Other Funds $ (Note 9)	2022 Total $
Assets													
Current assets													
Cash		**394,242**	**(699,634)**	**1,647,766**	**71,706**	**30,863**	**1,444,943**	42,249	(1,468,681)	1,618,436	481,814	53,942	727,760
Accounts receivable		**—**	**102,813**	**—**	**—**	**—**	**102,813**	—	68,667	—	—	—	68,667
Sales taxes recoverable		**92,905**	**—**	**—**	**—**	**—**	**92,905**	42,553	—	—	—	—	42,553
Prepaid expenses		**59,475**	**—**	**—**	**—**	**—**	**59,475**	40,834	—	—	—	—	40,834
Short-term investments	3	**—**	**13,500,000**	**—**	**1,000,000**	**—**	**14,500,000**	—	13,500,000	—	1,000,000	—	14,500,000
Interfund receivable (payable)		**—**	**1,275,771**	**(1,275,771)**	**—**	**—**	**—**	—	3,759,601	(3,759,601)	—	—	—
		546,622	**14,178,950**	**371,995**	**1,071,706**	**30,863**	**16,200,136**	125,636	15,859,587	(2,141,165)	1,481,814	53,942	15,379,814
Capital assets	4	**67,722**	**—**	**—**	**—**	**—**	**67,722**	37,417	—	—	—	—	37,417
Investments	3	**—**	**85,496,474**	**141,593,612**	**778,850**	**—**	**227,868,936**	—	91,591,746	141,741,235	1,403,677	—	234,736,658
		614,344	**99,675,424**	**141,965,607**	**1,850,556**	**30,863**	**244,136,794**	163,053	107,451,333	13,600,070	2,885,491	53,942	250,153,889
Liabilities													
Current liabilities													
Accounts payable and accrued liabilities		**389,479**	**2,003,612**	**257,418**	**249,231**	**—**	**2,899,740**	131,183	1,290,793	157,930	83,878	—	1,663,784
Balance due to National Indian Brotherhood	5	**—**	**—**	**—**	**—**	**—**	**—**	31,870	—	—	—	—	31,870
		389,479	**2,003,612**	**257,418**	**249,231**	**—**	**2,899,740**	163,053	1,290,793	157,930	83,878	—	1,695,654
Fund balances		**224,865**	**97,671,812**	**141,708,189**	**1,601,325**	**30,863**	**241,237,054**	—	106,160,540	139,442,140	2,801,613	53,942	248,458,235
		614,344	**99,675,424**	**141,965,607**	**1,850,556**	**30,863**	**244,136,794**	163,053	107,451,333	13,600,070	2,885,491	53,942	250,153,889

The accompanying notes are an integral part of the financial statements

On behalf of the Trustees

Keith Martell, Chair of the Board of Trustees

Roy Fox, Trustee

National Indian Brotherhood Trust Fund
Statement of cash flows
Year ended March 31, 2023

	2023	2022
	$	$
Operating activities		
(Deficiency) excess of revenue over distributions and expenses	**(7,221,181)**	11,165,260
Amortization of capital assets	**17,351**	16,675
Realized gain on investments	**(1,373,554)**	(1,069,308)
Change in unrealized gain on investments	**12,500,979**	(10,300,914)
Changes in non-cash operating working capital items		
Accounts receivable	**(34,146)**	(64,242)
Prepaid expenses	**(18,641)**	(110)
Sales taxes recoverable	**(50,352)**	22,083
Accounts payable and accrued liabilities	**1,235,956**	329,135
	5,056,412	98,579
Investing activities		
Purchase of investments	**(25,585,234)**	(18,687,330)
Disposal of investments	**21,325,531**	18,391,005
Purchase of capital assets	**(47,656)**	(34,946)
(Decrease) increase in the balance due to National Indian Brotherhood	**(31,870)**	31,870
	(4,339,229)	(299,401)
Net (decrease) increase in cash	**717,183**	(200,822)
Cash, beginning of year	**727,760**	928,582
Cash, end of year	**1,444,943**	727,760

The accompanying notes are an integral part of the financial statements.

1. Purpose of the organization

The National Indian Brotherhood Trust Fund (the "Trust Fund") was established on November 1, 1975, as a registered charity under paragraph 149(l)(f) of the *Income Tax Act*.

The objects of the Trust Fund are as follows:

(a) To study in conjunction with First Nations representatives from the various parts of Canada the problems confronting First Nations in today's society;

(b) To do research into the economic, social, and scientific problems of First Nations communities with a view to proposing solutions to these problems;

(c) To do research into the historical and cultural aspects of First Nations communities with a view to assisting in retaining First Nations culture and values;

(d) In order to further carry out the foregoing objects, to obtain and disseminate information to First Nations groups and others concerned with the quality of First Nations life;

(e) To provide educational programs and related services and initiatives that provide assistance to First Nations peoples including the provision of financial assistance to attend education institutions at all levels; and,

(f) To provide healing and reconciliation programs, services and initiatives for First Nations peoples as required as a result of the intergenerational impacts of the IRS system.

In carrying out these objects, the Trust Fund administers the Education Fund, Education Legacy Fund, Metis Fund, General Fund, Language and Literacy Fund, the Youth Healing Fund, the Research Sponsor Fund and the Heroes of Our Time Fund.

The General Fund administers all the other funds and other activities and donations of all general charitable activities of the NIB Trust Fund. Unrestricted donations to the NIB Trust Fund are being administered by the General Fund for disbursements to programs and operations that support the objects of the NIB Trust Fund.

In 2009, the Trust Fund applied to the court to amend its objects to include the ability to fund education programs and reconciliation initiatives to address the legacy of Indian Residential Schools (IRS).

Pursuant to the Indian Residential Schools Settlement Agreement (IRSSA), the federal government, in 2006, established a Designated Amount Fund (DAF) to compensate former students of IRS. Both the Common Experience Payment and Personal Credits were paid out of the DAF. The IRSSA stipulated that any surplus funds from the DAF were to be transferred to the Trust Fund. The courts supervising the implementation of the IRSSA issued an order in July 2015 endorsing the transfer of funds, including a transfer of $300,000 for startup costs of the Trust Fund's operations.

Under the court-approved terms and conditions, the Trust Fund is to administer the residual funds from the DAF for the benefit of First Nations and Métis, with the initial contributions of funds from the Government of Canada divided as follows:

- First Nations: 97.3%
- Métis: 2.7%

The terms and conditions require that at least 50% of the initial funds received from the DAF on behalf of the First Nations should be invested in a reserve fund for a period of 20 years from the date of transfer of the initial funds in 2015 until 2035. The Métis Fund is not subject to the restrictions.

The terms and conditions also set a limit on the administrative expenses related to the funds received from the DAF. The court approved a permanent 15% administration expenses cap for these expenses. The administrative expenses for the IRSSA funds are managed under the General Fund.

1. Purpose of the organization (continued)

As a consequence of the IRSSA, the Trust Fund established three funds in 2016:

(1) The Education Fund to support educational programs for the purpose of healing, reconciliation, and knowledge advancement for First Nations organizations and individuals;

(2) The Métis Fund to provide assistance to Métis organizations and individuals for the purpose of healing and reconciliation programs; and

(3) The Education Legacy Fund to invest in a reserve fund for 20 years for First Nations organizations and individuals for future generations.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Fund accounting

In accordance with the principles of fund accounting, the Trust Fund maintains its accounting records to ensure that limitations and restrictions placed on the use of available resources are observed. Under this method, all resources are classified for accounting and reporting purposes into funds that are in accordance with specific activities and objectives. Accordingly, separate accounts are maintained for the following funds: General Fund, Education Fund, Métis Fund, Education Legacy Fund, Language and Literacy Fund, Youth Healing Fund, Research Sponsor Fund and Heroes of Our Time Fund.

The General Fund accounts are for the Trust Fund's operating activities, including charitable and fundraising activities. The unrestricted donations are recognized in the General Fund for fundraising, distributions to beneficiaries and administrative costs. The remaining funds are externally restricted and are to be used only in the manner set out in Note 1.

Revenue recognition

The Trust Fund follows the restricted method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the year in which the contributions are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted and endowment contributions are recognized as revenue in the year in which the contributions are received. Restricted contributions, for which the Trust Fund has no corresponding restricted fund, are deferred and recognized as revenue in the General Fund in the year in which the related expenses are incurred.

Investment income

In compliance with the court-approved administration plan for the funds received pursuant to the IRSSA under the section of the investment of capital, investment income is recognized as it is earned. Investment income earned in the Education Legacy Fund and the Education Fund is allocated to the appropriate fund as follows:

- Education Fund: 60% of the investment income; and
- Education Legacy Fund: 40% of the investment income.

Investment income earned in the Métis Fund remains in the Métis Fund and is exempt from the Education and Education Legacy Fund's restrictions.

2. Significant accounting policies (continued)

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Trust Fund becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Trust Fund is in the capacity of management, are initially recognized at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. The cost of financial instruments with repayment terms is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. The cost of financial instruments without repayment terms is determined using the consideration transferred or received by the Trust Fund in the transaction.

Subsequent measurement

All financial instruments are subsequently measured at amortized cost with the exception of cash and investments which are recorded at fair value.

Interest earned on investments, unrealized gains and losses on listed shares, and realized gains and losses on sales of investments are included in Investment income in the statement of operations.

Capital assets

Capital assets are recorded at cost.

Depreciation is provided on the straight-line basis over the estimated useful lives of the assets. Leasehold improvements are depreciated over their lease term.

Computer equipment	3 years
Leasehold improvements	10 years
Furniture and equipment	10 years

Transaction costs

Transaction costs related to financial instruments subsequently measured at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

Impairment

With respect to financial assets measured at cost or amortized cost, the Trust Fund recognizes an impairment loss, if any, in net earnings when there are indicators of impairment, and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.

2. Significant accounting policies (continued)

Contributed materials and services

Contributed materials and services which are used in the normal course of the Trust Fund's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution if the fair value can be reasonably estimated.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates in the current financial statements include the collectability of accounts receivable, the valuation of investments and the amount of accrued liabilities. Actual results could differ from these estimates.

3. Investments

The fair values and costs of investments as at March 31, 2023, are as follows:

	Education Fund		Education legacy Fund		Métis Fund		Total	2023
	Fair value $	Cost $	Fair value $	Cost $	Fair value $	Cost $	Fair value $	Cost $
Cash and Cash Equivalent	**61,935**	**61,925**	**88,585**	**88,571**	**1,113**	**1,113**	**151,633**	**151,609**
GMO QUALITY FD III	**42,671,777**	**40,778,939**	**61,032,992**	**58,325,686**	**766,761**	**732,749**	**104,471,530**	**99,837,374**
CRESTPOINT INS REAL ES FD 1150	**17,965,367**	**15,251,936**	**25,695,674**	**21,814,683**	**322,816**	**274,059**	**43,983,857**	**37,340,678**
LEITH WHEELER CORE ACTIVE BOND	**18,972,964**	**21,581,024**	**27,136,831**	**30,867,111**	**340,922**	**387,785**	**46,450,717**	**52,835,920**
BEUTEL GOODMAN CDN EQ CL I 200	**19,324,431**	**17,731,988**	**27,639,530**	**25,361,876**	**347,238**	**318,624**	**47,311,199**	**43,412,488**
	98,996,474	**95,405,812**	**141,593,612**	**136,457,927**	**1,778,850**	**1,714,330**	**242,368,936**	**233,578,069**
Short-term investments	**13,500,000**	**13,500,000**	**—**	**—**	**1,000,000**	**1,000,000**	**14,500,000**	**14,500,000**
Long-term investments	**85,496,474**	**81,905,812**	**141,593,612**	**136,457,927**	**778,850**	**714,330**	**227,868,936**	**219,078,069**

It is the Trust Fund's intent to hold investments on a long-term basis. The amounts reflected under short-term investments represent the estimated budget to be distributed in the next twelve months to individuals, organizations and administration for the year ended March 31, 2023.

The fair values and costs of investments as at March 31, 2022, are as follows:

	Education Fund		Education legacy Fund		Métis Fund		Total	2022
	Fair value $	Cost $	Fair value $	Cost $	Fair value $	Cost $	Fair value $	Cost $
Cash and Cash Equivalent	10,800	10,916	14,565	14,723	247	250	25,612	25,889
GMO QUALITY FD III	42,976,240	39,206,487	57,963,690	52,879,281	982,960	896,737	101,922,890	92,982,505
CRESTPOINT INS REAL ES FD 1150	14,520,738	11,975,660	19,584,671	16,152,028	332,121	273,909	34,437,530	28,401,597
LEITH WHEELER CORE ACTIVE BOND	20,960,178	22,908,201	28,269,790	30,897,163	479,405	523,960	49,709,373	54,329,324
BEUTEL GOODMAN CDN EQ CL I 200	26,623,790	22,012,680	35,908,519	29,689,339	608,944	503,478	63,141,253	52,205,497
	105,091,746	96,113,944	141,741,235	129,632,534	2,403,677	2,198,334	249,236,658	227,944,812
Short-term investments	13,500,000	13,500,000	—	—	1,000,000	1,000,000	14,500,000	14,500,000
Long-term investments	91,591,746	82,613,944	141,741,235	129,632,534	1,403,677	1,198,334	234,736,658	213,444,812

It is the Trust Fund's intent to hold investments on a long-term basis. The amounts reflected under short-term investments represent the estimated budget to be distributed in the next twelve months to individuals, organizations and administration for the year ended March 31, 2023.

3. Investments (continued)

Investment income

In compliance with the court-approved administration plan, the total investment income earned in the Education Legacy Fund and Education Fund is allocated to the appropriate funds as follows:

- Education Fund: 60% of the investment income; and
- Education Legacy: 40% of the investment income.

Investment income earned in the Métis Fund remains in the Métis Fund and is exempt from the Education and Education Legacy Fund's restrictions.

	2023	2022
	$	$
Investment income earned by the Education Legacy Fund	**3,541,820**	13,516,690
Allocation to the Education Fund	**(1,275,771)**	(3,759,601)
Investment income - Education Legacy Fund	**2,266,049**	9,757,089
Investment income earned by the Education Fund	**2,123,304**	10,876,034
Allocation to the Education Legacy Fund	**1,275,771**	3,759,601
Investment income - Education Fund	**3,399,075**	14,635,635
Investment income earned by the Métis Fund	**28,281**	338,113
Investment income earned by the General Fund	**49,182**	10,164
	5,742,587	24,741,001

The Trust Fund presents its investment income net of investment expenses of $807,321 ($769,937 in 2022).

Determination of fair values

The fair value of investments approximates the value at which these instruments could be exchanged in a transaction between knowledgeable and willing parties. Information supplied by the Trust Fund's custodian is used to reflect fair value, which may differ from that which could eventually be realized. Pooled fund units are valued at prices based on the fair value of the underlying securities held by the pooled funds.

As at March 31, 2023, the investments are held by four investment managers: GMO LLC. holds $104,473,028 (43%), Leith Wheeler Investment Counsel Ltd. holds $46,453,521 (19%), Goodman & Company Ltd. holds $47,311,198 (19%) and Crestpoint Real Estate Investment Ltd. holds $44,131,188(19%). The Trust has committed to invest $40,000,000 with Crestpoint Real Estate Investment Ltd. of which $37,705,197 has been called and $2,294,803 remains to be called.

3. Investments (continued)

Investment risk

Investment in financial instruments renders the Trust Fund subject to investment risks. These include the risks arising from changes in interest rates, in rates of exchange for foreign currency, and in equity markets both domestic and foreign. They also include the risks arising from the failure of a counterparty to a financial instrument to discharge an obligation when it is due.

The Trust Fund's investments consist of units held in pooled funds. The Trust Fund has adopted investment policies, standards and procedures to control the amount of risk to which it is exposed. The investment practices of the Trust Fund are designed to avoid undue risk of loss and impairment of assets and to provide a reasonable expectation of fair return given the nature of the investments. The maximum investment risk to the Trust Fund is represented by the market value of the investments.

Concentration risk

Concentration risk exists when a significant proportion of the portfolio is invested in securities with similar characteristics or subject to similar economic, political or other conditions. Management believes there is no concentration that represents excessive risk.

Foreign currency risk

Foreign currency exposure arises from the Trust Fund's holdings of non-Canadian denominated investments, which as at March 31, 2023, totaled $104,473,028 ($101,921,497 in 2022) of the total portfolio. The balance comprises of -$1,577 of cash and $104,471,531 invested in GMO Quality Fund III, all of which are denominated in US dollars.

The Trust Fund does not enter into financial hedges for managing foreign currency risks.

4. Capital assets

	Cost	**Accumulated depreciation**	**2023 Net book value**	2022 Net book value
	$	**$**	**$**	$
Furniture and equipment	**37,950**	**660**	**37,290**	—
Leasehold improvements	**4,049**	**60**	**3,989**	3,413
Computer equipment	**69,329**	**42,886**	**26,443**	34,004
	111,328	**43,606**	**67,722**	37,417

5. Balance due to National Indian Brotherhood

Since National Indian Brotherhood (NIB), which acts as the secretariat of the AFN, appoints the Trustees of the Trust Fund, the NIB is deemed to control the Trust Fund and thus the NIB is a related party.

As at March 31, 2023, the balance due to the NIB was nil ($31,870 in 2022).

For the year ended March 31, 2023, the Trust Fund paid the NIB $653 ($17,464 in 2022) for services relating to the administration and management of the Trust Fund and $48,110 for the rental of office space ($65,624 in 2022). The Trust Fund had terminated its office rent agreement with the NIB in November 2022 and moved to a new office as at December 1, 2022 (Note 10). In addition, the Trust Fund continued to share office space with the NIB in Akwesasne at an annual cost of $13,081.

5. Balance due to National Indian Brotherhood (continued)

The transactions with the AFN have been recorded at their exchange amount which is the amount in accordance with the agreements signed between the parties.

6. Distributions to beneficiaries

In fiscal year 2022-2023, the Trust Fund approved distributions to 1205 individuals and to 69 organizations across Canada aimed at healing, reconciliation and knowledge advancement. In addition, it approved distributions to 10 organizations across Canada under its new Continuing Their Journey (the "CTJ") Program. It also continued to fund the organizations approved in prior years. The Trust Fund distributed $4,483,192 to the approved individuals and $6,476,220 to the approved organizations, and $684,999 to the approved CTJ program.

In fiscal year 2021-2022, the Trust Fund approved distributions to 1349 individuals and to 90 organizations across Canada aimed at healing, reconciliation and knowledge advancement. It also continued to fund the organizations approved in prior years. The Trust Fund distributed $4,284,347 to the approved individuals, $7,954,100 to the approved organizations.

7. Interfund transfers

In accordance with the limits set for administrative expenses as described in Note 1, the administrative expenses charged to the IRSSA funds for the year ended March 31, 2023, were $1,495,040 ($1,327,130 in 2022), representing 12.86% (10.84% in 2022) of the amount paid to beneficiaries.

For the year ended March 31, 2023, the total administrative expense was $1,769,086, including the expenses allocated to the IRSSA funds and expenses related to the other charitable and fundraising activities in fiscal year 2022-2023.

8. Beyond Reconciliation Campaign

In fiscal year 2022-2023, the Trust Fund received cash donations of $449,729, under its Beyond Reconciliation Campaign.

The General Fund balance, $224,865 was the net amount, less applicable expenses, for donation activities for the year ended March 31, 2023.

9. Other Funds

The other funds include the Language and Literacy Fund, the Youth Healing Fund, the Research Sponsor Fund and the Heroes of Our Time Fund. The Language and Literacy Fund, $23,079 was distributed to a group beneficiary in 2023. The total fund balance is $30,863 ($53,942 in 2022).

The Language and Literacy Fund was established in 1975 to promote education of First Nations citizens by way of scholarship awards and to promote research, seminars and conferences of an academic nature into First Nations' rights, histories and cultures among First Nations peoples as well as the Canadian public.

The Youth Healing Fund was established in 1996 to support efforts to improve the self-esteem and profile of First Nations youth in Canada. Funding was provided to organize events that brought together First Nations youth with political leaders and elders for spiritual and leadership training. Funding was also provided to support youth representation of their nations at conferences and gatherings in Canada and internationally.

9. Other Funds (continued)

The Research Sponsor Fund was established in 2001 to enable research into the economic, social and scientific problems of First Nations communities with a view to proposing solutions to these problems.

The Heroes of Our Time Fund was established in 2001 with the purpose of providing scholarship awards. The awards are made available to applicants who are able to demonstrate a proven record of intellectual and academic ability, integrity of character, interest and respect for fellow human beings, ability to lead, and the initiative to use their talents to the fullest. The awards are named in memory of the following figures in First Nations history: Jake Fire (criminology), Tommy Prince (native studies), Walter Dieter (social work), Omar Peters (political science), Robert Smallboy (medicine), and James Gosnell (law). The awards are generally presented each year at the Assembly of First Nations (AFN) annual general assembly.

	2023 Fund balance $	2022 Fund balance $
Language and Literacy Fund	**—**	23,079
Youth Healing Fund	**3,607**	3,607
Research Sponsor Fund	**16,325**	16,325
Heroes of Our Time Fund	**10,931**	10,931
	30,863	53,942

10. Commitments

The Trust Fund is committed to future minimum lease payments under operating leases for office space maturing in 2032, for which minimum annual payments for the next five year and thereafter are as follows:

	$
2024	37,620
2025	38,317
2026	39,710
2027	40,407
2028	41,800
2029 to 2032	203,427
	401,281