



SIEF

SASKATCHEWAN INDIAN EQUITY FOUNDATION INC.



2020 - 2021 ANNUAL REPORT

Dreams to Reality



SASKATCHEWAN INDIAN EQUITY FOUNDATION INC.

Annual General Meeting

Friday, November 19, 2021
Meeting Time: 9:00 a.m.
Dakota Dunes Resort
Whitecap, Saskatchewan

In conjunction with

"Growing Together... Community"

A day of learning dedicated to economic development and entrepreneurial business for Saskatchewan First Nations.

Call 306.955.4550 for more information or visit our website at www.sief.sk.ca.

The day will include a focus on FIRST NATIONS entrepreneurial business. The day will feature a keynote address, information presentations and luncheon. The luncheon will feature the presentation and awarding of the 2021 Entrepreneurial Spirit Award.

Mark your calendar to attend!

“ Water is the lifeblood of the Earth and we as First Nations recognize water as a sacred gift that connects all life. ”

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Our Values

At Saskatchewan Indian Equity Foundation we conduct ourselves according to the highest standards.

Integrity

The quality of being honest and morally upright.

Honesty

Free of deceit, being truthful and sincere.

Trust

Firm belief in the reliability, truth, ability or strength of someone or something.

Respect

A feeling of admiration for someone because of their qualities or achievement.

Confidentiality

Entrusted with personal and private information.

Initiative

The ability to act independently with a fresh approach.

Accountability

Required or expected to justify actions or decisions.

Courage

To act upon one's beliefs despite danger or approval.



Dreams to Reality

by creating business success ... growing businesses,
communities and nations

Growing

the First Nation entrepreneurial and business spirit
by being leaders in providing innovative financial
products and services



Message from the **Chairperson**

Tansi Members:

On behalf of the Board of Directors of SIEF, I am pleased to present the 2020/2021 Annual Report. I thank the members for your support and confidence in building our Indigenous entrepreneurs for today and tomorrow.

2020 was a year like no other. I invite you to share in our pride, enthusiasm and accomplishments that SIEF achieved over the course of this tumultuous year.

Management and staff worked diligently through the pandemic to ensure that they provided a safe business environment for our clients. SIEF has remained diligent to ensure that SIEF clients received the support and financial resources to sustain their businesses.

I would like to extend my gratitude and appreciation for our General Manager and his staff for the exceptional work delivering the Indigenous Business Stabilization Program (IBSP) in addition to reaching annual targets.

SIEF will continue to provide innovative lending products, entrepreneur support as well as the Equity Contribution Program that provides continued opportunities for new entrepreneurs and gives existing entrepreneurs the opportunity to expand. There has been renewed focus on young people and women to ensure that they are able to make their dreams a reality!

The National Aboriginal Capital Corporations Association (NACCA) has worked hard to secure \$120 million in additional capital needed for the Indigenous Business Stabilization Program (IBSP) for Indigenous businesses across the country.

As we move through the trying times of the pandemic, we will continue to lobby government and secure the funding that is needed for our businesses to survive and thrive as we work together to re-build the economy.

COVID-19 has proven to be the most disruptive and the deadliest pandemic to afflict this country. We are resilient peoples, and we will endure and persevere through the challenges by continuing to build our strengths, our pride, and most importantly, our legacy as the original Peoples of this land.

In closing, I would like to thank my fellow directors for their guidance and leadership, to our Senator, Harry Cook, for his prayers, wisdom and for sharing his passion of business knowledge and expertise. We are forever grateful.

Ekosi! Megwetch!

Lucy Pelletier, Chairperson
SIEF Board of Directors



Message from the **General Manager**

I am very proud of the steps that we have taken over the past number of years to create one of Canada's strongest Aboriginal Financial Institutions, built on a solid capital base, fueled by our responsible principles. Further, I am amazed at how well our team continues to serve clients through these uncharted pandemic times. We will get through this pandemic together with our clients and arrive stronger because of it.

2020 was a year many would like to forget: financial struggles, job losses, business closures, not to mention health and safety concerns throughout the pandemic. Despite all of that, I would like to acknowledge how proud I am of SIEF in conquering the many challenges throughout this challenging year. Seeing our staff team come together to find innovative ways to help our clients was amazing. They looked at additional re-payment options for our loan clients and they helped our clients with government programs through the Indigenous Business Stabilization Program (IBSP) like the Emergency Loan Program and the Loan Interest Relief Program.

Thank you to this outstanding staff group for their resilience through all the changes this pandemic presented to them. Last, but certainly not least, I want to thank the Board of Directors for their support and dedication to SIEF. Our membership can be proud of this dedicated leadership group. During these unusual times, the commitment of the Board of Directors to SIEF, the clients and the members has remained strong.

2020 was a year like no other, but we got through it the only way we know how – together. We embraced the challenges, and along with our clients and members, we have come out even stronger and have many reasons to celebrate. We continue to strive to assist our clients in reaching their financial goals. SIEF staff have shown pride and are valued as they continue to be actively engaged with our clients. The staff truly allow SIEF to achieve our corporate vision.

On behalf of the board, management, and staff, thank you for your business. At SIEF, we want to be known for our unwavering commitment to providing exceptional client service at every opportunity. Our employees are encouraged to provide our clients with the kind of service that they themselves would want to experience. As we move forward, we look to be more responsive to client and community needs, anywhere and anytime.

We believe in the First Nation community. SIEF is passionate about serving First Nation Communities and economic development ventures to ensure they prosper. We are financially strong, maintain sound business practices and deliver efficient levels of service for long-term sustainability. SIEF is dedicated to adding value to the entrepreneurial venture. Thank you for your support and encouragement.

Thank you,
Terry K. Brodziak
General Manager

SIEF

Entrepreneurial Spirit Award

The Saskatchewan Indian Equity Foundation (SIEF) is pleased to provide the venue and sponsorship for the annual “SIEF Entrepreneurial Spirit Award”.

This award is given to a First Nation entity that is either a business, corporation, individual or First Nation community that exemplifies forward movement and involvement to create sustainable economic development for the First Nations of Saskatchewan.

SIEF presented the first Entrepreneurial Spirit Award in 2011. This marks the 10th year for the award.

On behalf of the Saskatchewan Indian Equity Foundation, we are pleased to present the 2020 SIEF Entrepreneurial Spirit Award to Alfred Crain of Muskoday Medical Taxi and A.C. First Nations Driving Academy.

Alfred is the owner and operator of Muskoday Medical Taxi (25 years) and of A.C. First Nations Driving Academy (16 years).

Alfred assumed control of Muskoday Medical Taxi three years ago from his father Jim Crain, who ran the business for 22 years. The medical taxi takes members to medical appointments, making it a valued service in the community.

Alfred has two full-time employees and several casual drivers, but he has also incubated four other community members to launch their own businesses as driving schools that are still operating today. Because of Alfred, Muskoday has access to five driver training schools to ensure First Nation individuals are able to get the necessary training to successfully obtain their licenses.

Alfred Crain is a true entrepreneur who has the determination, drive, and processes in place to achieve longstanding success. Alfred is motivated to go to work every day because of the fulfillment he achieves through helping others.

Thank you, Alfred. You are an excellent example of a First Nation business working to create sustainability. The work you have done to create success in this business is very important in furthering the First Nation business community. SIEF congratulates the 2020 winner of the SIEF Entrepreneurial Spirit Award, Alfred Crain.

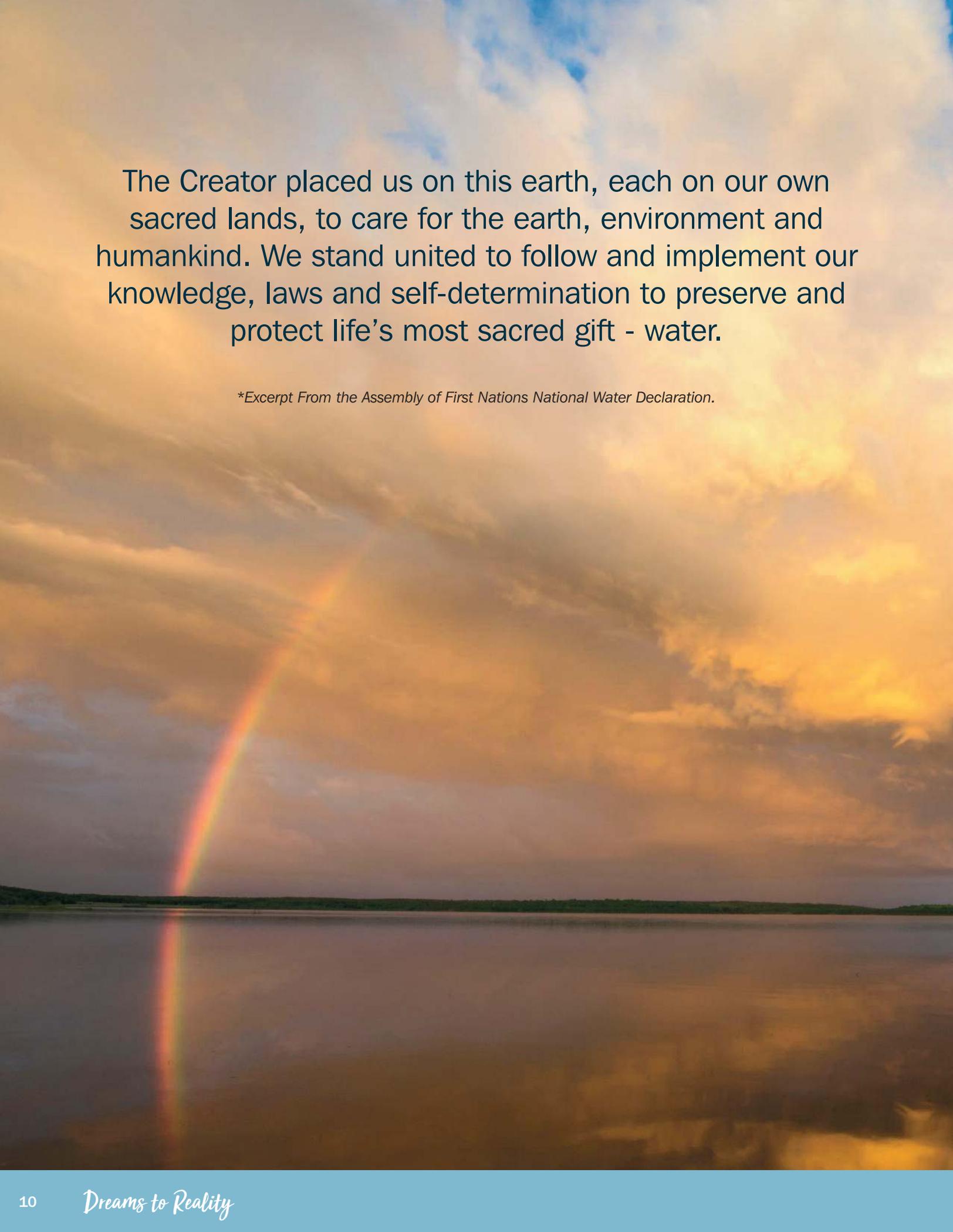




Alfred Crain

Muskoday Medical Taxi and
A.C. First Nations Driving Academy



The background of the page is a photograph of a sunset over a large body of water. The sky is filled with soft, golden clouds, and a bright rainbow arches across the left side of the frame. The rainbow's colors are clearly visible, and its reflection is mirrored in the calm water below. The horizon line is low, showing a dark strip of land or trees. The overall mood is peaceful and hopeful.

The Creator placed us on this earth, each on our own sacred lands, to care for the earth, environment and humankind. We stand united to follow and implement our knowledge, laws and self-determination to preserve and protect life's most sacred gift - water.

**Excerpt From the Assembly of First Nations National Water Declaration.*





Financial Statements of
Saskatchewan Indian Equity Foundation Inc.



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Independent Auditor's Report

To the Directors of
Saskatchewan Indian Equity Foundation Inc.

Opinion

We have audited the financial statements of Saskatchewan Indian Equity Foundation Inc. (the "Foundation"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets 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 Foundation as at March 31, 2021, 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 Foundation 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 audit opinion.

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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation'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 Foundation'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 Foundation'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 Foundation 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Foundation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Chartered Professional Accountants

June 25, 2021

Saskatoon, SK

Statement of Operations

Year ended March 31, 2021

	Notes	2021 \$	2020 \$
Revenues			
Emergency loan program - operating revenue	8	308,300	—
Emergency loan program - non-repayable grant	8	2,104,500	—
Investment income	6	65,354	96,789
Loan interest		555,629	674,547
Loan (expense) recoveries		(4,032)	23,868
Management fee		32,545	32,545
NACCA grants		35,299	22,255
NACCA grants - Aboriginal Developmental Lending Assistance		246,142	283,598
NACCA grants - Contingency Funding	12	115,000	—
NACCA grants - Interest Relief	12	372,479	—
NACCA grants - SIEF Contribution Program (schedule 1)		319,694	311,489
Other revenue		15,745	92,231
Rental revenue		85,456	92,549
		4,252,112	1,629,871
Expenses			
Administrative		25,000	25,000
Advertising		38,443	54,474
Amortization		54,764	53,579
Board of Directors		84,422	78,803
Conferences		630	5,999
Events		9,870	18,049
Insurance		9,975	5,957
Interest and bank charges		19,712	9,667
Interest on mortgage payable		2,402	4,462
Janitorial		12,000	13,172
Loan costs		4,635	4,553
Management fees		17,545	17,545
Membership fees		7,636	7,554
Miscellaneous		815	15
Office		58,179	44,393
Postage		4,268	3,531
Professional fees		34,326	73,013
Property taxes		27,477	26,385
Provision for loan losses	7	494,999	42,747
Rent		46,298	46,298
Repairs and maintenance		20,072	18,833
SIEF annual report		14,588	13,600
Salaries and benefits	5	802,658	700,755
Service contracts		34,261	29,518
Telephone		10,807	11,109
Training and education		17,165	15,766
Travel		30,128	39,516
Utilities		15,365	15,424
Emergency loan program - non-repayable grant	8	2,104,500	—
		4,002,938	1,379,717
Excess of revenue over expenses before items below		249,174	250,154
Other items			
Equity earnings from investment in subsidiary	6	26,140	15,040
Excess of revenue over expenses		275,314	265,194

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

Statement of financial position

As of March 31, 2021

	Notes	2021 \$	2020 \$
Assets			
Current assets			
Cash and cash equivalents		4,332,777	2,956,691
Accounts receivable		3,764	24,914
Grants receivable		581,625	34,282
Prepaid expenses		37,095	35,288
		<u>4,955,261</u>	<u>3,051,175</u>
Capital assets	4	368,859	340,746
Long-term investments	6	8,992,231	8,903,754
Loans receivable	7	6,179,769	6,658,095
Emergency loans receivable	8	4,933,500	—
		<u>25,429,620</u>	<u>18,953,770</u>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		156,581	81,833
Deferred contributions - current	10	758,335	51,374
Current portion of mortgage payable	11	27,459	44,814
		<u>942,375</u>	<u>178,021</u>
Due to NACCA - emergency loans	8	4,933,500	—
Deferred contributions	10	342,541	—
Mortgage payable	11	—	27,291
		<u>6,218,416</u>	<u>205,312</u>
Commitment	14		
Net assets			
Operating fund	13	4,495,772	4,220,458
SIEF Contribution Program	1	833,853	646,421
Contributed equity		13,881,579	13,881,579
		<u>19,211,204</u>	<u>18,748,458</u>
		<u>25,429,620</u>	<u>18,953,770</u>

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

Approved by the Board



, Director



, Director

Statement of changes in net assets

Year ended March 31, 2021

	Contributed Equity \$	SIEF Contribution Program \$	Operating Funds \$	2021 \$	2020 \$
Net assets, beginning of year	13,881,579	646,421	4,220,458	18,748,458	20,138,774
Excess of revenue over expenses	—	—	275,314	275,314	265,194
Capital contributions	—	1,904,986	—	1,904,986	916,789
Funding granted by SIEF Contribution Program	—	(1,717,554)	—	(1,717,554)	(2,572,299)
Net assets, end of year	13,881,579	833,853	4,495,772	19,211,204	18,748,458

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

Statement of cash flows

Year ended March 31, 2021

	2021 \$	2020 \$
Operating activities		
Excess of revenue over expenses	275,314	265,194
Non-cash items		
Amortization	54,764	53,579
Provision for loan losses	494,999	42,747
Equity earnings from investment in subsidiary	(26,140)	(15,040)
	798,937	346,480
Changes in non-cash operating working capital items		
Accounts receivable	21,150	(20,224)
Grants receivable	(547,343)	10,631
Prepaid expenses	(1,807)	(27,380)
Accounts payable and accrued liabilities	74,748	(17,193)
Due to NACCCA - emergency loans	4,933,500	—
Emergency loan receivable	(4,933,500)	—
Deferred contributions	1,049,502	(62,698)
	1,395,187	229,616
Financing activities		
Repayment of mortgage payable	(44,646)	(42,594)
Net change in capital contributions and funding by SIEF Contribution Program	187,432	(1,655,510)
	142,786	(1,698,104)
Investing activities		
Cash dividends received reinvested	(62,337)	(59,306)
Purchase of capital assets	(82,877)	(9,400)
Net change in loans receivable	(16,673)	(455,696)
	(161,887)	(524,402)
Increase (decrease) in cash during the year	1,376,086	(1,992,890)
Cash and cash equivalents, beginning of year	2,956,691	4,949,581
Cash and cash equivalents, end of year	4,332,777	2,956,691

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

1. Description of business

Saskatchewan Indian Equity Foundation Inc. (“SIEF” or the “Foundation”) is incorporated under the Saskatchewan NonProfit Corporations Act. SIEF is restricted to providing financial services to Status Indian entrepreneurs. By its Articles of Incorporation, membership in SIEF is restricted to First Nations of Saskatchewan.

SIEF was one of the first Aboriginal institutions in Canada to offer developmental lending to First Nations businesses in Saskatchewan. SIEF is owned by the 74 First Nations of Saskatchewan and affiliated with the Federation of Sovereign Indigenous Nations, Inc. (“FSIN”). SIEF offers commercial and agricultural lending and business consulting services through their location in Saskatoon on the Asimakaniseekan Askiy Reserve. SIEF provides business lending solutions and business consulting services and administers lending programs and services. SIEF is committed to developing a strong economic base among First Nations in Saskatchewan. The goal of SIEF is to continue to assist in the creation of jobs and to foster economic growth for First Nations People. SIEF is a tax-exempt organization under Section 149(1)(1) of the *Income Tax Act*.

SIEF Contribution Program

The SIEF Contribution Program began public offerings as of April 1, 2013. Using an equity fund, this program will provide non-repayable contributions to eligible Aboriginal businesses and entrepreneurs that have viable business activities in the province of Saskatchewan. National Aboriginal Capital Corporations Association (“NACCA”) has agreed to supply the funding for this program. Details of these contributions are included in the statement of changes in net assets. The balance as at March 31, 2021 is required to be disbursed by September 30, 2021.

Schedule 1 of the financial statements provides details on the revenues and expenses associated with this program. These amounts are included in the statement of operations.

2. Significant accounting policies

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

Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with original maturities of three months or less. Cash equivalents include money market funds earning interest between 0.20% - 0.25% (0.25% in 2020).

Capital assets

Capital assets are recorded at cost. Amortization is provided using the declining balance or straight-line method at rates intended to amortize the cost of assets over their estimated useful lives.

	Method	Rate
Building	straight-line	20 years
Office Equipment	declining balance	20-100%
Leasehold improvements	straight-line	5 years

Long-term investments

Long-term investments are share investments in First Nations Bank and are recorded at fair value. They have been classified as long-term assets in concurrence with the nature of the investment.

Investment in subsidiary entity

The Foundation's investment in its wholly owned subsidiary, SIEF Investments Inc., is accounted for using the equity method and is included in long-term investments. Accordingly, the investment is recorded at acquisition cost and is increased for the proportionate share of earnings and decreased by losses and distributions received.

All transactions with the subsidiary are disclosed as related party transactions.

SIEF Financial Inc. is a wholly owned subsidiary of SIEF Investments Inc. SIEF Financial Inc. is accounted for using the equity method of accounting by SIEF Investments Inc.

Loans receivable

Loans are initially recorded at fair value and subsequently measured at their amortized cost less impairment. Amortized cost is calculated as the loans' principal amount plus unamortized loan administration fees, less any allowance for anticipated losses, plus accrued interest. Interest revenue is recorded on the accrual basis using the straight-line method. Loan administration fees are amortized over the term of the loan using the straight-line method.

Interest income on loans is recorded on the accrual basis until such time as the loan is classified as impaired.

Loans are classified as impaired, and a provision for loss is established, when there is no longer reasonable assurance of the timely collection of the full amount of principal or interest. Whenever a payment is 30 days past due, loans are classified as impaired unless they are fully secured or collection efforts are reasonably expected to result in repayment of the debt.

In such cases, a specific provision is established to write down the loan to the estimated future net cash flows from the loan discounted at the rate inherent in the loan when impairment was recognized. In cases where it is impractical to estimate the future cash flows, the carrying amount of the loan is reduced to its estimated realizable value. At this time, accrual of interest is discontinued and any previously accrued but unpaid interest on the loan is charged to provision for loan losses.

Allowance for loan impairment

Allowance for loan impairment represents specific provisions established as a result of reviews of individual loans. A specific allowance for loan losses is determined on a regular basis by review of those loans where payments are overdue. The allowance is based on a review of the payment history and security held.

Restructured loans are not considered impaired where reasonable assurance exists that the borrower will meet the terms of the modified debt agreement.

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

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Grants are recognized as revenue in the year received or receivable if the amount can be reasonably estimated and collection is reasonably assured. All other revenue is recognized when performance is achieved and reasonable assurance regarding measurement and collectability of the consideration exists.

Employee future benefits

The Foundation's employee future benefit program consists of a defined contribution pension plan.

Financial instruments

The Foundation recognizes its financial instruments when the Foundation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CPA Canada Section 3840 Related Party Transactions (refer to Note 13).

At initial recognition, the Foundation may irrevocably elect to subsequently measure any financial instrument at fair value. The equity investment in First Nations Bank of Canada, shown as a long-term investment on the statement of financial position, has been designated to be subsequently measured at its fair value.

The Foundation subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those designated in a qualifying hedging relationship or that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by third party evaluations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost less impairment unless otherwise elected. With the exception of financial liabilities indexed to a measure of the Foundation's performance or value of its equity and those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenue over expenses for the current period.

Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at amortized cost or cost.

Financial asset impairment

The Foundation assesses impairment of all of its financial assets measured at cost or amortized cost. The Foundation groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. When there is an indication of impairment, the Foundation determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Foundation reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenue over expenses.

The Foundation reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in the excess of revenue over expenses in the year the reversal occurs.

Long-lived assets

Long-lived assets consist of capital assets with finite useful lives. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

When the Foundation determines that a long-lived asset no longer has any long-term service potential to the Foundation, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations. Write-downs are not reversed.

Long-lived assets are classified as held for sale when all of the following criteria are met:

- Management, having the authority to approve the action, commits the Foundation to a plan to sell the asset;
- The asset is available for immediate sale in its present condition;
- The Foundation has initiated an active program to locate a buyer;
- The sale is probable, and is expected to qualify for recognition as a completed sale within one year;
- The asset is being actively marketed for sale at a reasonable price relative to its fair value; and;
- It is unlikely that the plan to sell the asset will be withdrawn or that significant changes will be made to the plan.

Long lived assets classified as held for sale are initially measured at the lower of their carrying amount and fair value less costs to sell and are not amortized. Subsequent increases in fair value not in excess of the cumulative loss previously recorded are recognized as gains.

Measurement uncertainty

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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Management estimates the provision for anticipated loan losses after evaluation as to the loans collectability and estimates the valuation of loan security on loans. Amortization is based on the estimated useful lives of capital assets. The Foundation has estimated the fair value of the long-term investments based on available information at year end. Actual results could differ from those estimations.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in excess of revenue over expenses in the periods in which they become to add.

Lease

The Foundation leases rental space in the building owned by the Foundation. These leases are classified as operating leases. Assets have a cost of \$181,850 (\$181,850 in 2020) and accumulated amortization of \$129,203 (\$120,111 in 2020).

3. New accounting standards

The Foundation has not yet adopted certain new standards, amendments, and interpretations to existing standards, which have been published but are only effective for accounting periods beginning on or after January 1, 2021 or later periods. The following future standards relevant to the Foundation are as noted:

ASNPO Section 4460 – Related party transactions

The Foundation does not have any plans to early adopt this new standard. The potential impact on the financial statements has not been evaluated.

4. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
	\$	\$	\$	\$
Building	909,251	646,015	263,236	308,698
Office equipment	399,512	378,529	20,983	26,228
Leasehold improvements	182,569	97,929	84,640	5,820
	<u>1,491,332</u>	<u>1,122,473</u>	<u>368,859</u>	<u>340,746</u>

5. Pension expense

The Foundation has a defined contribution pension plan in place for the benefit of its employees. During the year, the Foundation expensed pension contributions of \$53,056 (\$47,442 in 2020).

6. Long-term investments

	2021 \$	2020 \$
Investment in SIEF Investments Inc.	<u>1,449,475</u>	1,423,335
First Nations Bank of Canada	<u>7,542,756</u>	7,480,419
	<u>8,992,231</u>	<u>8,903,754</u>

The Foundation owns 16.61% (16.5% in 2020) of the outstanding shares in First Nations Bank of Canada which was determined not to result in significant influence.

During the year, dividends in the amount of \$62,337 (\$59,306 in 2020) were received from First Nations Bank of Canada and reinvested.

SIEF Investments Inc. is a wholly owned subsidiary of the Foundation. SIEF Investments Inc. is an investing company operating in the province of Saskatchewan.

During the year, the Foundation recorded equity earnings in relation to SIEF Investments Inc. of \$26,140 (\$15,040 in 2020).

The Foundation's 100% share of its investment in SIEF Investments Inc. is as follows as at and for the year ended:

	2021 \$	2020 \$
Assets	1,745,079	1,718,653
Liabilities	—	—
Equity	1,745,079	1,718,653
Revenue	43,175	32,256
Expenses	17,035	17,216
Net income	26,140	15,040
Cash flow from operations	16,765	15,040
Cash flow used in investing	(22,455)	(32,256)

7. Loans receivable

	2021 \$	2020 \$
Capital and working capital	6,491,530	6,872,282
Accrued interest	258,848	271,157
	6,750,378	7,143,439
Allowances for loan impairment		
Specific allowances for losses	(570,609)	(485,344)
Total loans receivable	6,179,769	6,658,095
Allowance for loan impairment results from the following		
Allowance for loan losses, beginning of year	485,344	599,052
Provisions for loan losses	494,999	42,747
Write-offs	(409,734)	(156,455)
	570,609	485,344

Total principal balance of impaired loans at March 31, 2021 is \$1,151,980 (\$771,128 in 2020). These loans receivable carry an average interest rate of 12.07% (12.04% in 2020).

8. Emergency Loan Program ("ELP")

The Foundation entered into an agreement with National Aboriginal Capital Corporations Association ("NACCA"), for which NACCA provides contributions to the Foundation comprised of:

- a repayable contribution to be used by the Foundation to provide emergency loans (\$5,333,500),
- a non-repayable contribution to be used by the Foundation to provide non-repayable contributions (\$2,304,500), and
- a non-repayable contribution to be used by the Foundation to cover operating expenses incurred in connection with delivering and administering the ELP (\$1,541,478).

The Foundation will disburse each emergency loan to a maximum amount of \$60,000 and shall be comprised of an interest free portion and a non-repayable contribution, being the non-repayable contribution in 2) above. The interest free portion is recorded as emergency loans receivable when disbursed with an offsetting amount recorded to Due to NACCA - emergency loans. When payments are received on the emergency loans, the loan receivable balance decreases with an offsetting decrease to Due to NACCA - emergency loans, when the contribution is remitted back to NACCA.

For the year ending March 31, 2021, the Foundation disbursed emergency loans in the amount of \$7,038,000, of which \$4,933,500 relates to the repayable contribution which is recorded as emergency loans receivable and Due to NACCA - emergency loans, on the statement of financial position and \$2,104,500 relates to the non-repayable contributions. The \$2,104,500 is recorded as revenue and expense on the statement of operations. The Foundation received \$240,000 of funding in excess of the amounts recognized in revenue. This funding is recorded in deferred contributions (note 10).

In addition, the Foundation received \$959,142 in funds to cover expenses related to delivering and administering the program. The Foundation has incurred \$308,300 of expenses in 2021 which has been recorded as revenue and expenses on the statement of operations. The remaining funds received of \$650,842 are held by the Foundation in deferred contributions (note 10) for future years expenses.

9. Line of credit

The Foundation has an operating line of credit with First Nations Bank of Canada with an approved borrowing limit up to \$2,000,000 (\$2,000,000 in 2020) and bearing interest at prime plus 1.5%. The line of credit is secured by a general security agreement representing a first charge on all assets of the Foundation. At March 31, 2021, the Foundation has nil (nil in 2020) drawn on the line of credit.

10. Deferred contributions

Deferred contributions consist of unspent contributions received from NACCA as well as other organizations. Recognition of these amounts as revenue is deferred to periods when the specified expenditures are made.

	2021	2020
	\$	\$
Balance, beginning of year	51,374	114,072
Amount received during the year	3,725,792	204,796
Less: Amount recognized as revenue during the year	(2,676,290)	(267,494)
	1,100,876	51,374
Less: current portion	(758,335)	(51,374)
	342,541	—

Deferred contributions are comprised of the following amounts:

	2021	2020
	\$	\$
NACCA Emergency Loan Program - operations	650,842	—
NACCA Emergency Loan Program	240,000	—
NACCA - Aboriginal Developmental Lending Assistance	146,330	51,374
Investment Readiness Program	61,904	—
First Nation Power Authority	1,800	—
	1,100,876	51,374

11. Mortgage payable

	2021	2020
	\$	\$
Due to First Nations Bank of Canada, bears interest at the rate of 4.67% and is repayable by monthly principal and interest payments of \$3,953, matures in November 2021	27,459	72,105
Less: current portion	27,459	44,814
	—	27,291

The Foundation has pledged their building as collateral against mortgage payable amounts, with a carrying amount of \$263,236 (\$308,698 in 2020).

Mortgage payable is subject to certain financial covenants with respect to the debt service coverage ratio. As at March 31, 2021, the Foundation was in compliance with all such covenants.

12. Grants receivable

	2021	2020
	\$	\$
Contingency Funding	115,000	—
Interest Relief	372,479	—
Aboriginal Developmental Lending Assistance	94,146	34,282
	581,625	34,282

The Foundation entered into an agreement with NACCA under the Portfolio Stabilization Program (Contingency Funding) to have \$115,000 of the Foundation's provision for loan receivables, directly attributable to COVID, to be guaranteed by the Federal Government to reduce possible loan losses that will impact the normal operations of the Foundation. Claims for payment were submitted for eligible loan losses up to March 31, 2021. The grant is recorded as revenue on the statement of operations and grant receivable at March 31, 2021. Subsequent to year end, \$103,500 has been received by the Foundation with the remaining \$11,500 to be received upon submission of audited financial statements as at March 31, 2021.

The Foundation entered into an agreement with NACCA under the Portfolio Stabilization Program (Interest Relief) to have \$372,479 of the Foundation's accrued interest receivables, specifically relating to payment difficulties directly attributable to COVID, to be guaranteed by the Federal Government Claims for eligible accrued interest up to March 31, 2021. The grant is recorded as revenue on the statement of operations and grant receivable at March 31, 2021. Subsequent to year end, the full amount has been received by the Foundation.

13. Operating fund

The operating fund balance consists of the following:

	2021	2020
	\$	\$
Unrestricted net assets	341,868	139,313
Investment in capital assets	341,400	268,641
Accumulated unrealized gain	3,812,504	3,812,504
Operating fund, end of year	<u>4,495,772</u>	<u>4,220,458</u>

The accumulated unrealized gain is in relation to adjustments of long-term investments to fair value. In the current year this resulted in an unrealized gain of nil (nil in 2020).

14. Commitment

At year-end, the Foundation has approved loans in the amount of \$81,978 (\$35,581 in 2020) that have not yet been disbursed.

The Foundation has entered into an equipment lease agreement with estimated minimum annual payments as follows:

	\$
2022	<u>6,751</u>
2023	<u>6,751</u>

15. Financial instruments

The Foundation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Foundation is not exposed to significant interest, currency, liquidity, or credit risks arising from these financial instruments except as otherwise disclosed.

Credit concentration

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist primarily of loans receivable. The loans receivable balance is 43.7% (35% in 2020) of the Foundation's total asset balance. No loan has an outstanding balance greater than 10% of the total loan balance at the end of the year (no loans in 2020). The Foundation believes that there is minimal risk associated with the collection of these amounts, as the balance of loans receivable is widely distributed. Although the Foundation's loan portfolio is diversified, a substantial portion of its borrowers' ability to honor the terms of their loans is dependent on business and economic conditions in Saskatchewan. The Foundation manages its credit risk by performing regular credit assessments of its customers and provides allowances for potentially uncollectible loans receivable. The Foundation holds collateral such as mortgages, personal property registrations and personal guarantees as security over loans receivable.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk.

The Foundation is exposed to interest rate price risk with respect to loans receivable and mortgage payable. Interest rates on all loans are fixed at the time of approval, with the Board of Directors reserving the right to change the rate to a floating rate on specific loans when reassessing payment record, risk and security positions. The mortgage payable has limited exposure to interest rate risk due to the current fixed rate being similar to current market rates.

Liquidity risk

Liquidity risk is the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. The Foundation manages the liquidity risk by implementing policies that address limits on the sources, quality and amount of the assets to meet normal operational and regulatory requirements. The Foundation follows a policy for loan disbursement to mitigate risks of collections and create a timely inflow of cash.

The Board of Directors is ultimately responsible for the liquidity risk management policy. Management reports to the Board on a regular basis.

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 foreign 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 Foundation's investment in First Nations Bank of Canada exposes the Foundation to price risk as these investments are subject to price changes due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

16. COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The COVID-19 pandemic has created uncertainty and dramatically disrupted economic operations worldwide. As of March 31, 2021, the Foundation had experienced no operational shutdowns, however the Foundation cannot accurately predict the impact COVID-19 will have on its future operations and financial results as the current situation is rapidly evolving and highly uncertain. The Foundation is proactively monitoring the COVID-19 pandemic situation and the possible impact on collectability of loans receivable.

Saskatchewan Indian Equity Foundation Inc.

Independent Auditor's Report

Year ended March 31, 2021

Schedule 1 – Schedule of SIEF Contribution Program

	2021	2020
	\$	\$
Revenue		
Grant revenue	319,694	311,489
Expenses		
Administration	25,000	25,000
Advertising	2,495	21,248
Board of Directors	27,932	26,614
Conferences	630	1,225
Insurance	2,000	2,000
Management fees	17,545	17,545
Membership fees	480	320
Office	5,378	5,974
Postage	1,420	970
Professional	10,000	10,000
Rent	33,000	33,000
SIEF annual report	7,294	6,950
Salaries and benefits	172,135	143,835
Service contracts	2,650	1,816
Telephone	2,414	2,237
Training and education	2,200	3,750
Travel	2,468	9,005
Computer expenses	4,653	—
	319,694	311,489
Excess of revenue over expenses	—	—

A wide-angle landscape photograph showing rolling hills in the foreground and middle ground, leading to a large, calm lake in the distance. The sky is filled with soft, wispy clouds, transitioning from a deep blue at the top to a warm orange and yellow near the horizon, suggesting a sunset or sunrise. The foreground is dominated by dense, low-lying shrubs with autumn-colored leaves in shades of yellow, orange, and brown. The hills are covered in sparse, dry-looking vegetation. The lake reflects the light from the sky, creating a shimmering effect. The overall mood is serene and natural.

From the First peoples to call the Prairies home and the many generations thereafter, the importance of water has become ingrained in who we are, our way of life and our livelihood.

SIEF Highlights 2020 - 2021

SIEF Operating

SIEF's revenues over expenses for the fiscal year 2020/2021 were \$275,314.00 which is slightly more than \$265,194.00 reported last year.

The loan portfolio decreased by \$478,326.00, after consideration of \$494,999.00 for the allowance for loan losses. The loan portfolio is now at \$6,179,769.00 compared to \$6,658,095.00 reported last year at the same time. Loan interest revenues were down by \$555,629.00 which is lower than the \$674,547.00 reported last year. The decline in loan interest is due to the downturn in the number of loans being granted this year due to COVID-19.

Aboriginal Developmental Lending Assistance (ADLA) revenues were \$246,142.00 compared to \$283,598.00 over last year. SIEF is compensated by the National Aboriginal Capital Corporation Association (NACCA) for all new loan disbursements at a rate of 13 per cent of the value of the loan.

The Aboriginal Business Financing Program (ABFP) or the SIEF Equity Contribution Program is also funded by

NACCA. All grant contributions and grant operating expenses are 100 per cent reimbursed by NACCA. ABFP operating expenses were \$319,694.00 which is slightly more than the amount reported last year of \$311,489.00. The SIEF Equity Contribution Program had \$1,717,554.00 disbursed to First Nation entrepreneurs and First Nation communities for the year.

SIEF received new funding through NACCA from Indigenous Services Canada (ISC) through the Indigenous Business Stabilization Program (IBSP) to provide emergency loans and interest relief to qualified clients due to the COVID-19 global pandemic. Two hundred and seventeen loans were disbursed at a value of \$4,933,500.00. In addition, \$2,104,500.00 in non-repayable grants were provided to qualified businesses. SIEF received \$308,300.00 to operate IBSP.

SIEF clients received \$372,479.00 for interest relief payments from Indigenous Services Canada through NACCA. SIEF was able to access \$115,500.00 in contingency funding to off-set the current year's provision for loan losses.

SIEF Lending – Commercial Portfolio

The fiscal year 2020/2021 was the most challenging year SIEF has had since its operations began 35 years ago. The COVID-19 pandemic created an upheaval to our world as we knew it and adjustments needed to be made in all aspects of our personal lives as well as professionally.

The Saskatchewan Indian Equity Foundation Inc. (SIEF) worked diligently throughout the year with all their clients ensuring each and every one received the support and assistance that was needed for their business to remain open and in operation. There was continuous contact with the National Aboriginal Capital Corporations Association (NACCA) in the creation and implementation of new policies and

Loan Activity

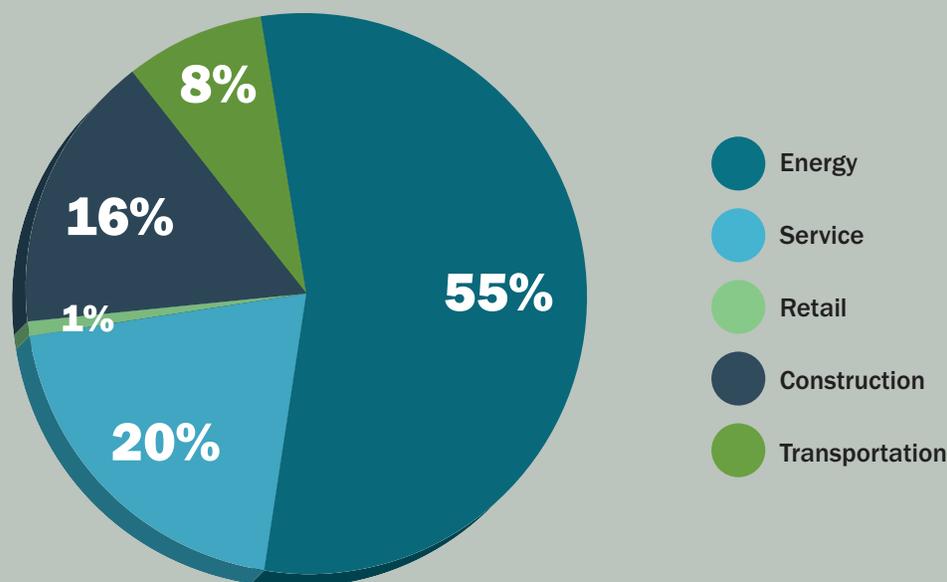
	2020	2019	2018
Number of Loans Approved	37	53	49
Applications Received	48	62	70
Loans			
Approved (\$)	\$3,812,680.18	\$4,386,863.89	\$3,668,085.83
Loans Dispersed			
Total Loans Disbursement	\$1,143,640.06	\$1,639,350.59	\$1,087,730.67
Job Stats			
Created	22	31	33
Maintained	45	52	49
Total Jobs	67	83	82

procedures as well as providing clients with financial assistance and other forms of support. Two of the main forms of support were the Emergency Loan Program and the Interest Relief Program.

In fiscal year 2020/2021, there were a total of 91 loans in the Commercial Loan Portfolio in the amount of \$3,812,680.18, showing a decrease from the 2019/2020 fiscal year of \$574,183.00. The existing client base remained constant, but due to the COVID-19 pandemic, the number of new applications received were down. The economy was hit hard by the pandemic and the provincial and federal restrictions were definitely deterring individuals from wanting to become entrepreneurs. Those individuals who were able to start up and expand their own businesses were able to capitalize on the services and support offered by SIEF to combat the many areas affected by the COVID-19 pandemic.

As per the chart below, the commercial loan portfolio is comprised of five (5) different sectors. The energy sector remains the largest sector at 55 per cent of the total portfolio.

The loan delinquency for the commercial loan portfolio was monitored very closely during the fiscal year. It was a very difficult year for our clients, but with their hard work, creativity and determination, they were able to continue their operations. Each business had to be looked at on an individual basis to determine which of the newly established programs offered through SIEF would best suit their business needs. We were very pleased to see the majority of our clients being able to maintain their repayment schedule on their SIEF loan(s). Through continuous follow-up with the commercial loan clients and diligent monitoring, we were able to see the total delinquency amount decrease.



For the fiscal year 2020/2021, the total provision for allowance is \$494,998.83 compared to \$42,747.00 in fiscal year 2019/2020. Of this amount, there is \$299,873.90 for loan provisions in the commercial loan portfolio. The increase in the loan provisions from the previous year were due to the negative impact the COVID-19 pandemic had on some of the commercial businesses. Some businesses were forced to either close their doors or reduce their hours of operation for a period of time when the pandemic first hit in March of 2020. With the various programs offered by SIEF in support of its clients, we are happy to advise that the additional support provided to our clients has given them the opportunity to remain in business. We expect the loan provision allowance to decrease in the next fiscal year as adjustments and altering of business operations will have already been implemented by business owners and operators to address the COVID-19 pandemic. A loan provision is considered on a loan when in all likelihood the outstanding principal and interest on a loan will not be repaid in a timely manner. However, payments may and have continued to be made on loans with a set provision resulting in a reduction on the provision allowance. In the commercial loan portfolio, there are a number of loans with a set provision with payments being made reducing the outstanding amount owing. Each loan file continues to be monitored with a sound rapport being maintained with the clients.

We will continue to be faced with ongoing challenges pertaining the COVID-19 pandemic, but SIEF will be readily available to assist our clients with any issues they may encounter. With the restrictions being lifted in the province of Saskatchewan in mid-2021, SIEF is hoping to connect with our clients in person and begin our program presentations and workshops and information sessions with individual entrepreneurs and First Nation communities. We look forward to assisting our existing and potential new clients in their business ventures and their goal in becoming successful entrepreneurs.

SIEF Lending - Agriculture Portfolio

The Agriculture Department at SIEF specializes in assisting First Nation entrepreneurs to attain their goals of developing a financially successful agricultural operation. SIEF provides financial assistance to operations of all sizes, from small family-owned businesses to larger operations that provide full-time employment in the agriculture industry.

Farming can be unpredictable, especially when the success of the individual operator is dependent on the forces of nature. Droughts have been a consistent concern for operators as hay stores and the longevity of pasturing cattle are dependent on rain as dry conditions adversely affect yearly feed stores and animal health. The 2020 year has realized unique challenges with the unexpected COVID-19 pandemic affecting the daily lives and livelihoods of all Saskatchewan people. In the peak calf-selling season in the autumn of 2020, operators realized lower than anticipated revenues from the sale of their animals, all due to factors that were out of their control. Cattle prices dropped to low levels, and it became a buyer's market, which in turn negatively impacted the selling price and reduced profitability. With that said, the agriculture clients have proven to be resilient and have chosen to power through with SIEF offering support and much needed flexibility.

The 2020-2021 fiscal year saw a variety of loan requests. There were 38 agricultural loans approved during the 2020/2021 fiscal year for a total amount of \$1,056,873.22. The majority of loan requests in the past year were for cattle due to the aforementioned lower than usual cattle market prices. Many operators purchased yearlings to add to their herds with an equal number of producers purchasing replacement heifers as well as replacement bulls. There were an average number of requests for operating expenses, including purchasing supplemental feed, equipment and machinery repairs as well as maintenance.



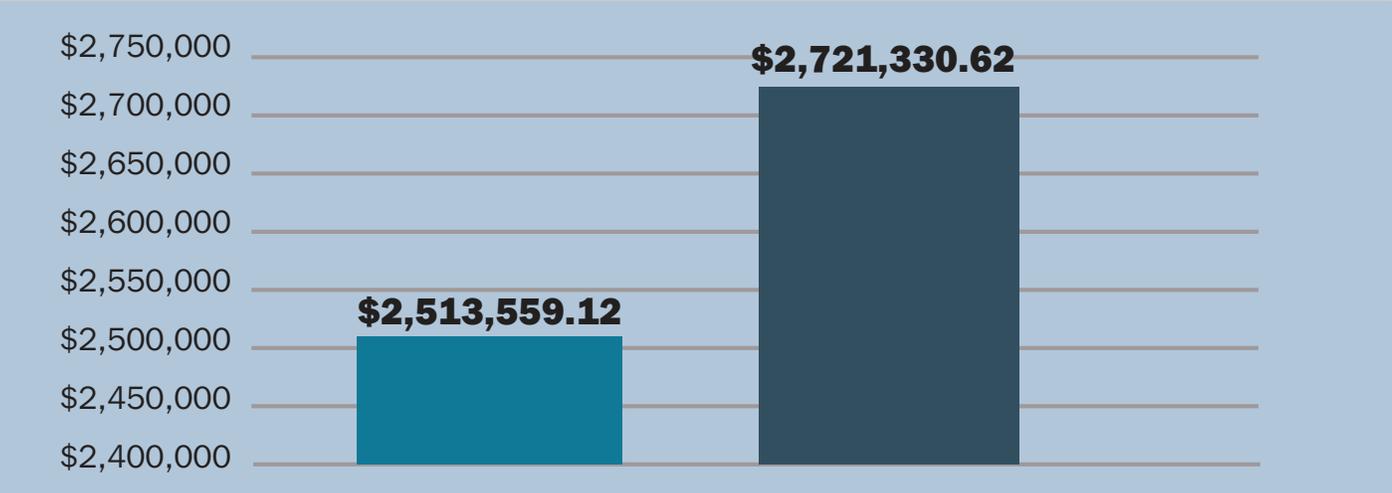
Highlights 2020 - 2021

Operating loans play a pivotal part in supporting the client's whole business as it is important to SIEF that the producer have healthy cattle as the health of the herd ultimately assists the producers in making their payments without undue hardship.

The nature of running small-to modest-sized farming

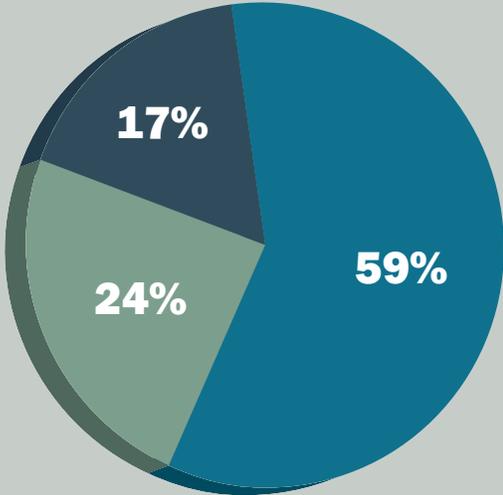
operations often means that operators have outside employment in addition to tending to the demands of farming. This demonstrates the hard work and long hours that SIEF clients are willing to put in to maintaining their dream of operating a farm in today's economy.

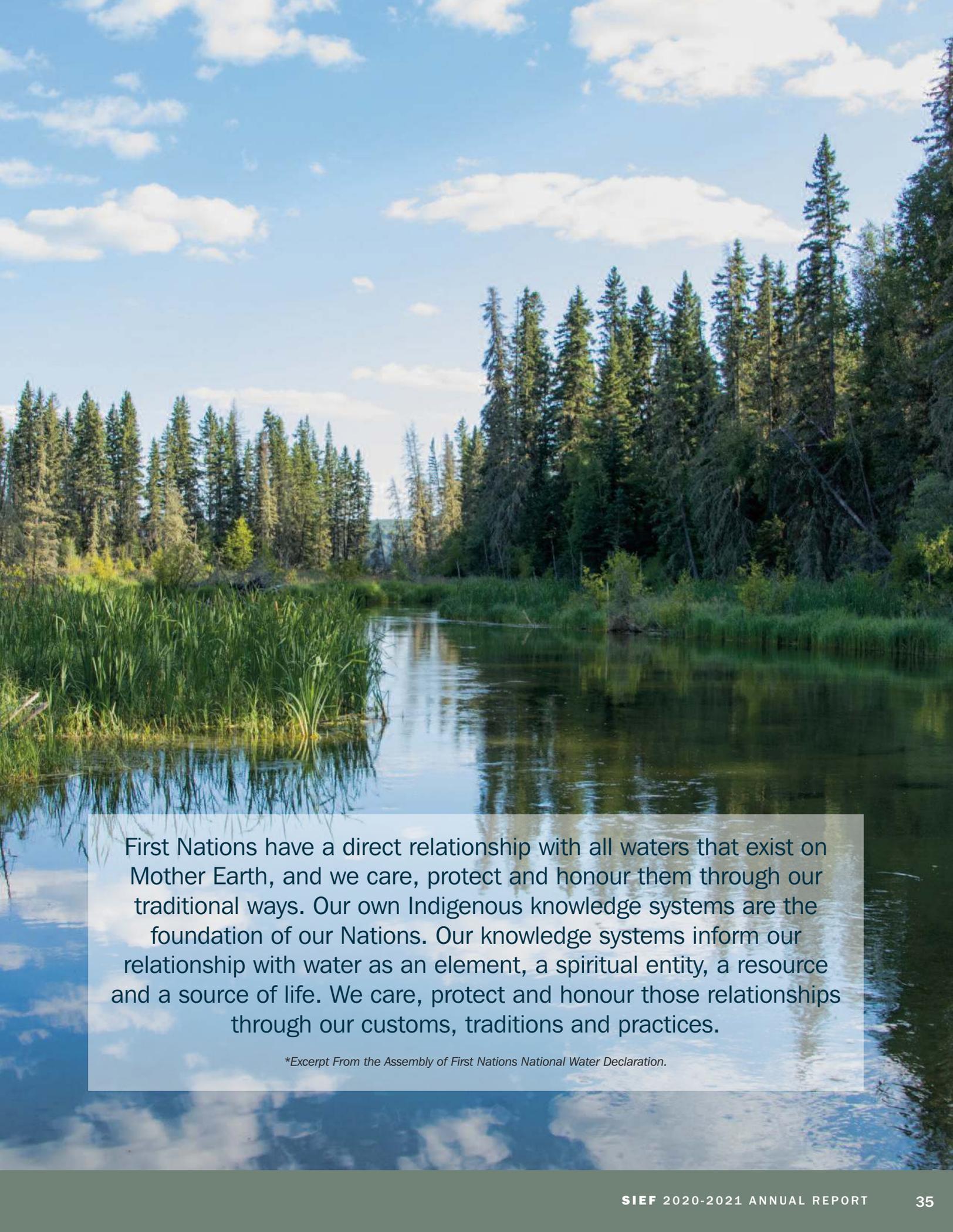
As of the fiscal year ending March 31, 2021, the agriculture portfolio consisted of 132 loans with a principal dollar value of \$2,721,330.62 which represents an 8.27 per cent increase since March 31, 2020.



**Loans Disbursed
2020 - 2021**

- Equipment
- Operating
- Cattle





First Nations have a direct relationship with all waters that exist on Mother Earth, and we care, protect and honour them through our traditional ways. Our own Indigenous knowledge systems are the foundation of our Nations. Our knowledge systems inform our relationship with water as an element, a spiritual entity, a resource and a source of life. We care, protect and honour those relationships through our customs, traditions and practices.

**Excerpt From the Assembly of First Nations National Water Declaration.*



SIEF provides Equity Contributions through the

SIEF Equity Contribution Program

The SIEF Equity Contribution Program is a needs-based program with a mandate to create jobs and to increase the economic well-being of First Nations people. The program is designed to support: business start-ups, business acquisitions, or expansions to existing businesses.

Funding for projects is completed in a two-stage process. Stage one is completing the application form to determine eligibility. Stage two requires submitting a comprehensive business plan for further consideration; one that demonstrates the long-term viability of the proposal and the ability to create jobs.

The SIEF Equity Contribution Program is in the form of a non-repayable financial contribution up to a maximum of \$99,999.00 of total project costs for individual applications and up to a maximum of \$250,000.00 of total project costs for community or band-owned enterprise applications.

To be eligible for the program, clients must be located in Saskatchewan and a registered Status Indian, a majority-owned First Nations business/financial organization, or a development corporation.

All applications require a minimum 10 per cent equity contribution from the client. The SIEF Equity Contribution Program will assist with support for business development, capital and operating, marketing, and on-going business support costs. The combined equity of the applicant and SIEF Contribution Program, for a capital project normally cannot exceed 50 per cent of total eligible project costs.

To be eligible for individual application support, the applicant must be involved full-time with the proposed business in a management capacity.

The following business activities are ineligible for support:

- Direct alcohol production, marketing, distribution, or sales
- Tobacco production, marketing, distribution, or sales
- Games of chance operations, casinos, bingo halls, small scale gaming operations, etc.
- Sexually exploitive materials, services, products, marketing, distribution and sales, including any web-based activities
- Pawn shops, cheque cashers, finance companies and others, making small, short-term, high interest rate loans that go by a variety of names: payday loans, cash advance loans, cheque advance loans, post-dated cheque loans or deferred deposit cheque loans, and
- Passive investments (real estate) or any other activity where the applicant is not fully involved.
- The manufacturing, assembly and/or enhancements of firearms.

For specific questions concerning complete eligibility requirements and program criteria, please contact a SIEF Business Development Officer.



SIEF Equity Contribution Program

The SIEF Equity Contribution Program Department is proud to announce another successful year in administering the National Aboriginal Capital Corporations Association (NACCA) Aboriginal Business Financing Program (ABFP). This completes eight years of SIEF operating the conditional grant program.

Some key highlights from the past year are:

167 **Inquiries Regarding the Program**



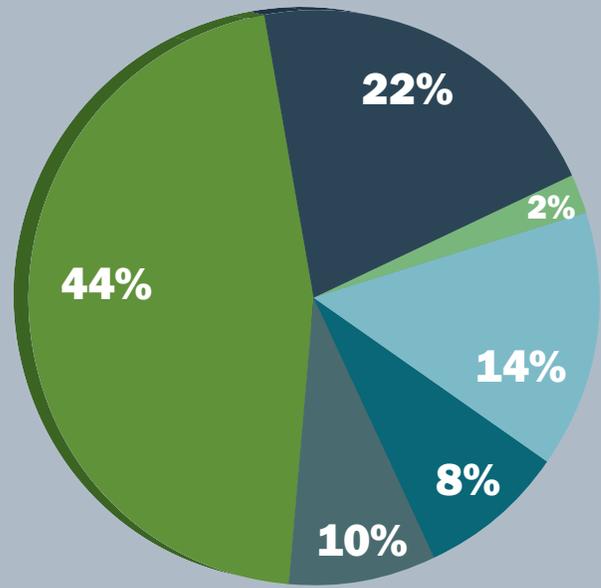
\$ 1,731,269.82
Allocated to Approved Projects

43 **Total Grant Approvals**



19
Business Plan / Business Development Grants

22
Commercial Venture Grants



-  Agriculture
-  Retail
-  Construction
-  Service
-  Forestry
-  Energy



129
Indigenous Employment Created/Maintained

69 Created **60** Maintained

SIEF Equity Contribution Program

FY2021 Approved Grant Contribution Amounts by Sector

SECTOR	TYPE OF BUSINESS
Agriculture	Grain Farming, Livestock
Construction	Welding, Heavy Machinery, Concrete, Roofing
Forestry	Logging
Retail	General Stores, Gas Bars, Convenience Stores, On-line Shops Cleaning Supplies
Service	Salons, Law Office, Restaurants, Mechanical/Auto Shops, Vac Truck Services, Human Resources, Landscaping, Electrician, Consulting, Tire Shop
Energy	Fluid Haulers, Oilfield Services

TRIBAL COUNCIL	APPLICATIONS APPROVED	GRANT CONTRIBUTION AMOUNT	MALE	FEMALE	BAND	ON RESERVE	OFF RESERVE
ACTC	0	\$ 0.00	0	0	0	0	0
BATC	4	\$ 51,027.00	3	0	1	1	3
BTC	5	\$ 339,469.00	3	1	1	4	1
FHQTC	5	\$ 32,385.05	2	3	0	1	4
MLTC	5	\$ 77,576.00	5	1	2	3	53
PAGC	3	\$ 80,662.00	2	2	0	4	0
STC	2	\$ 103,562.00	1	1	0	0	2
SET4TC	2	\$ 103,374.00	2	0	0	0	2
TATC	2	\$ 73,300.00	3	0	1	1	3
YTC	5	\$ 219,602.51	4	0	1	2	3
IND	7	\$ 493,394.26	5	3	1	8	1
OTHER	3	\$ 156,918.00	3	0	0	0	3
TOTAL	43	\$ 1,731,269.82	33	11	7	24	27



SIEF Equity Contribution Program

OWNERSHIP STRUCTURE	APPLICATIONS APPROVED	GRANT AMOUNT
Sole Proprietor	33	\$ 1,075,871.32
Partnership	5	\$ 118,727.00
Bands/Corporations	5	\$ 536,671.50
TOTAL	43	\$1,731,269.82

TYPE OF BUSINESS	APPLICATIONS APPROVED	GRANT CONTRIBUTION AMOUNT
Start Up	21	\$ 659,202.77
Expansion	18	\$ 862,754.05
Acquisition	4	\$ 209,313.00
TOTAL	43	\$ 1,731,269.82

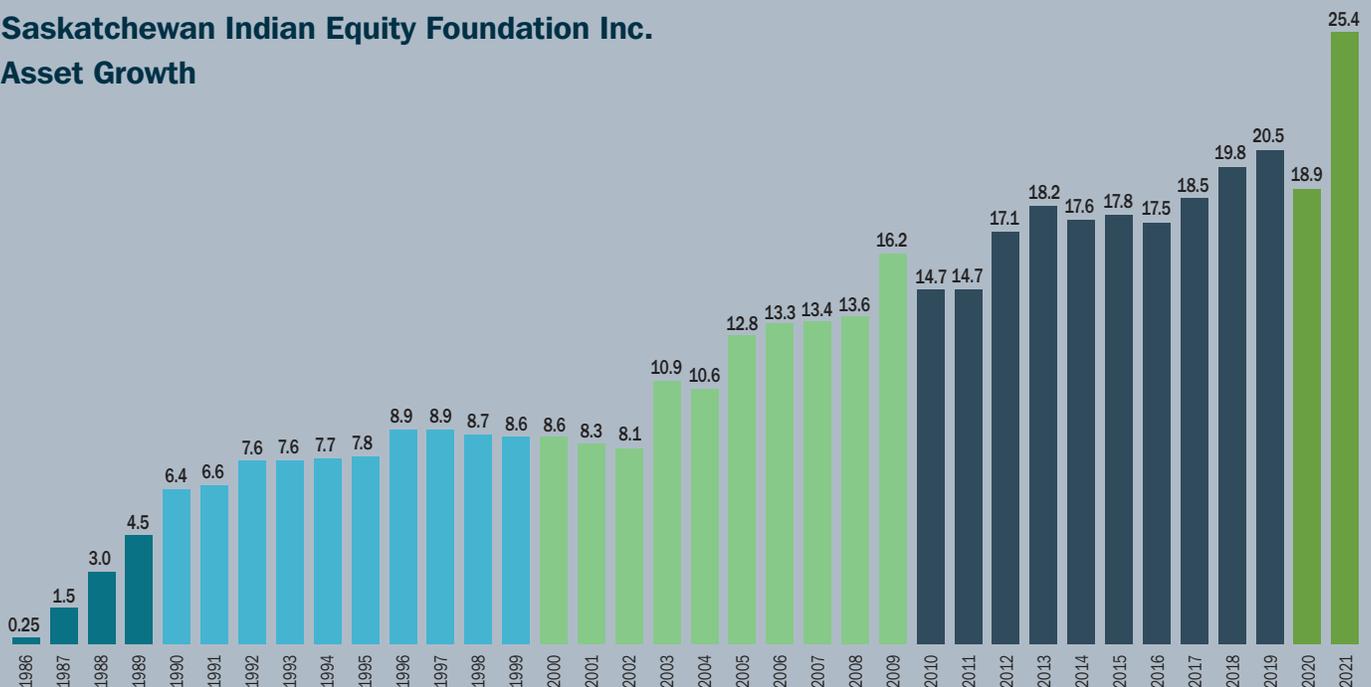
Demand for the SIEF Equity Contribution Program continues to increase. We had many inquiries from individuals wanting to start their own business due to the loss of their employment because of COVID-19.

Due to COVID-19, we were not able to visit communities to make presentations on the SIEF Equity Contribution Program, but we presented many online workshops and information sessions. If your community is interested in having a presentation on our program, please contact one of the Business

Development Officers at the SIEF office for more information. We also continue to frequent as many economic development-related conferences and events as possible to market the program.

We look forward to growing and strengthening our relationships with First Nation entrepreneurs and First Nation communities and organizations so that we can mutually fulfill the goal of supporting viable business opportunities for the betterment of Saskatchewan First Nations.

Saskatchewan Indian Equity Foundation Inc. Asset Growth





SIEF Board of Directors

The Saskatchewan Indian Equity Foundation Inc. (SIEF) Board of Directors exercises the powers of the organization directly or indirectly through management of the organization.

The Board of Directors directs the management of the business and affairs of the corporation. The Board of Directors is active in the overall planning and monitoring of the corporate goals. The directors are chosen according to the corporate bylaws and elected by resolution of the members of the corporation at the Annual General Meeting. Each board member shall act honestly and in good faith with a view to the best interests of SIEF and exercise the care, diligence and skill a reasonably

prudent person would exercise in comparable circumstances. The directors must comply and cause the corporation to comply with legislation pertaining to the mandate of SIEF. The Board of Directors for SIEF is ultimately responsible for ensuring that SIEF is managed and operated in a sound and prudent manner.

SIEF is governed by a board of directors that consist of nine (9) members.



Lucy Pelletier
Chair of the Board



Trevor Acoose
Vice Chair of the Board



Audrey Ahenakew



Terry Kremeniuk



Dana Soonias



Crystal Fafard



Melvina Aubichon



Amanda Louison



Senator Harry Cook

SIEF Board of Directors

Board Remuneration

The SIEF Board of Directors believe and uphold the philosophy that good governance is simply good business. The board strives to ensure that SIEF is a model of governance and accountability for all First Nation organizations, businesses, and communities that we serve. SIEF strongly believes in being open and accountable to all stakeholders and the public. Specifically, the Board of Directors believe that being open, accountable, and transparent to its members, leaders and the public is paramount to today's First Nations business. As a demonstration of this commitment of accountability, the SIEF Board of Directors submits to the 74 member First Nations and the public, the annual remuneration and expenditures of the members of the Board of Directors. During the 2020/2021 fiscal year, per

diem remuneration to all directors and committee members was \$60,916.67; This is showing an increase over last year for Board and Committee members (2019/2020 - \$50,050.00); (2018/2019 - \$65,500.00); (2017/2018 - \$87,233.32); (2016/2017 - \$58,925.00). A portion of these costs are fully recovered through program administration costs from NACCA (National Aboriginal Capital Corporations Association). Travel costs associated with the responsibilities of fulfilling their obligation to be an effective director and committee member in the 2020/2021 fiscal year were \$23,505.07. This amount has decreased from the previous fiscal year (2019/2020 - \$28,753.00); (2018/2019 - \$33,183.33); (2017/2018 - \$50,957.07); (2016/2017 - \$32,717.20). These costs also included hotel accommodations for attending board/committee meetings away from home.

SIEF Inc. 2020/2021 Board of Directors Expenses

#	POSITION	NAME	PER DIEM	TRAVEL	TOTAL
1	Board Chair	Lucy Pelletier	\$ 10,750.00	\$ 7,458.25	\$18,208.25
2	Vice-Chair	Trevor Acoose	\$ 8,250.00	\$ 4,725.19	\$12,975.19
3	Director	Amanda Louison	\$ 2,166.67	\$ 1,609.53	\$ 3,776.20
4	Director	Audrey Ahenakew	\$ 8,000.00	\$ 585.60	\$ 8,585.60
5	Director	Crystal Fafard	\$ 5,375.00	\$ 427.37	\$ 5,802.37
6	Director	Dana Soonias	\$ 4,250.00	\$ 0.00	\$ 4,250.00
7	Director	Melvina Aubichon	\$ 5,875.00	\$ 1,697.34	\$ 7,572.34
8	Director	Terry Kremeniuk	\$ 5,375.00	\$ 1,355.48	\$ 6,730.48
9	Committee Member	Patty Shaw	\$ 3,375.00	\$ 2,686.85	\$ 6,061.85
10	Committee Member	Rick LaBrash	\$ 2,625.00	\$ 0.00	\$ 2,625.00
11	Committee Member	Sheldon Wuttunee	\$ 2,250.00	\$ 0.00	\$ 2,250.00
12	Senator	Harry Cook	\$ 2,625.00	\$ 862.08	\$ 3,487.08
13	Other Board Costs			\$ 2,097.38	\$ 2,097.38
		Total	\$ 60,916.67	\$23,505.07	\$ 84,421.74



SIEF Investments Inc. 2020/2021 Board of Directors Expenses

#	POSITION	NAME	PER DIEM	TRAVEL	TOTAL
1	Board Chair	Crystal Fafard	\$ 250.00	\$ 0.00	\$ 250.00
2	Vice-Chair	Melvina Aubichon	\$ 250.00	\$ 0.00	\$ 250.00
3	Director	Amanda Louison	\$ 250.00	\$ 0.00	\$ 250.00
4	Director	Audrey Ahenakew	\$ 250.00	\$ 0.00	\$ 250.00
5	Director	Dana Soonias	\$ 0.00	\$ 0.00	\$ 0.00
6	Director	Lucy Pelletier	\$ 250.00	\$ 0.00	\$ 250.00
7	Director	Terry Kremeniuk	\$ 250.00	\$ 0.00	\$ 250.00
8	Director	Trevor Acoose	\$ 250.00	\$ 0.00	\$ 250.00
		Total	\$1,750.00	\$ 0.00	\$ 1,750.00

SIEF Financial Inc. 2020/2021 Board of Directors Expenses

#	POSITION	NAME	PER DIEM	TRAVEL	TOTAL
1	Board Chair	Lucy Pelletier	\$10,750.00	\$ 7,458.25	\$18,208.25
2	Vice-Chair	Trevor Acoose	\$ 8,250.00	\$ 4,725.19	\$12,975.19
3	Director	Amanda Louison	\$ 2,166.67	\$ 1,609.53	\$ 3,776.20
4	Director	Audrey Ahenakew	\$ 8,000.00	\$ 585.60	\$ 8,585.60
5	Director	Crystal Fafard	\$ 5,375.00	\$ 427.37	\$ 5,802.37
6	Director	Dana Soonias	\$ 4,250.00	\$ 0.00	\$ 4,250.00
7	Director	Melvina Aubichon	\$ 5,875.00	\$ 1,697.34	\$ 7,572.34
8	Director	Terry Kremeniuk	\$ 5,375.00	\$ 1,355.48	\$ 6,730.48
9	Committee Member	Patty Shaw	\$ 3,375.00	\$ 2,686.85	\$ 6,061.85
10	Committee Member	Rick LaBrash	\$ 2,625.00	\$ 0.00	\$ 2,625.00
11	Committee Member	Sheldon Wuttunee	\$ 2,250.00	\$ 0.00	\$ 2,250.00
12	Senator	Harry Cook	\$ 2,625.00	\$ 862.08	\$ 3,487.08
13	Other Board Costs			\$ 2,097.38	\$ 2,097.38
		Total	\$ 60,916.67	\$ 23,505.07	\$84,421.74



Committees

The philosophy of the Board of Directors at SIEF is to continuously uphold governance and accountability standards that meet and/or exceed acceptable industry standards. Each committee is responsible for a specific area of the organization’s operation.

Finance and Audit Committee

The Finance and Audit Committee consists of four (4) directors whose purpose is to oversee the financial reporting process, review financial statements, liaise with external auditors and review internal control procedures.

This committee also focuses on the area of accountability to the membership, including the legal and ethical aspects of the organization. This committee is responsible for the overall financial performance of the corporation.

The Board of Directors determines the skills and abilities needed on the committee and chooses its members accordingly.

Members of the Finance and Audit Committee include:



Terry Kremeniuk
Committee Chairperson



Audrey Ahenakew



Audrey Ahenakew
Committee Chairperson



Crystal Fafard



Trevor Acoose



Dana Soonias



Trevor Acoose



Melvina Aubichon

Human Resource Committee

The Human Resource Committee works with management on developing and maintaining effective personnel management policies and regulations.

This committee also provides the staff members of SIEF with a professional, productive, rewarding and safe environment to work in.

During the 2020/2021 fiscal year, the Human Resource Committee implemented several initiatives that involved the staff transitioning to work remotely during COVID-19 and the implementation of job descriptions and reclassifications.

Members of the Human Resource Committee include:



Committees

Governance and Nominating Committee

The Governance Committee consisted of four (4) directors with the purpose of providing oversight in relation to the corporate governance of the corporation.

This oversight is in respect to relevant matters relating to the composition and operation of the board. The committee establishes and maintains effective governance guidelines, ensures the performance and succession of senior leadership and is responsible for the development and adherence to the governance policies, bylaws and procedures of the board and the organization.

It is the position of the SIEF Board of Directors that our organization is a model of governance for all First Nation organizations, businesses, and communities. The Governance Committee is committed to ensuring that SIEF meets or exceeds the industry standard for corporate governance.

The committee oversees the nomination and election processes for election of SIEF Board of Directors.

Committee members include:



Crystal Fafard
Committee Chairperson



Dana Soonias



Amanda Louison



Melvina Aubichon

Loan Committee

The primary focus of SIEF is lending to First Nation individuals, organizations, and First Nation communities in Saskatchewan.

The loan committee is responsible for reviewing, monitoring and implementing the loan policy and procedure manual. Recommendations are made to the Board of Directors with any updates and/or changes to the loan policy and procedures.

This committee is responsible for the approval of loans that are above the authority and limits of management. During the fiscal year ending March 31, 2021, the Loan Committee met seven times and approved eight loans, totaling \$1,067,657.81.

The Loan Committee provided direction on delinquent accounts along with approval for loan loss provisions and write-offs on accounts deemed uncollectable.

Committee members include:



Terry Kremeniuk
Committee Chairperson



Melvina Aubichon



Amanda Louison



Dana Soonias



Crystal Fafard



Committees

SIEF Equity Contribution Program Committee

The SIEF Equity Contribution Program committee of the Board of Directors has the mandate to approve contribution requests and recommend to the Board of Directors for approval, program policy and procedures to ensure the efficient operation of the SIEF Equity Contribution Program.

The members of the SIEF Equity Contribution Program committee are selected and approved by the Board of Directors.

The following duties and responsibilities are performed by the SIEF Equity Contribution Program committee:

- program policy and procedure
- risk rating
- contribution program approvals within policy parameters

During the fiscal year 2020/2021, the committee met six times and approved 43 applications for a total of \$120,754.00 for business plan development and \$1,610,515.82 in business equity funding.

There was one application declined and 13 applications deferred or cancelled. The program had 167 enquiries with regards to funding for First Nation businesses.

Committee members include:



Trevor Acoose
Committee Chairperson



Lucy Pelletier



Rick LaBrash



Audrey Ahenakew



Sheldon Wuttunee



Patty Shaw

Water is the lifeblood of the Earth and we as First Nations recognize water as a sacred gift that connects all life. All First Nations place a high importance on water, and practice sacred ceremonies to ensure waters are respected and that these water ceremonies are passed on to future generations. We continue to honour our spiritual ancestors and the spirits of the water through our traditional ways and ceremonies. We have the right to maintain and strengthen our spiritual relationship with our traditionally occupied lands, waters and coastal seas. We continue to exercise these rights to fulfill our responsibilities and obligations given to us by the Creator.

**Excerpt From the Assembly of First Nations National Water Declaration.*







In a time like no other, the COVID-19 pandemic continues to produce uncertainty, stress, and trauma in our communities. Despite these challenging times, the Saskatchewan Indian Equity Foundation Inc. (SIEF) continues to focus on providing business lending and services to First Nation entrepreneurs.

Our staff has worked diligently to provide programs and services to assist First Nations entrepreneurs with the challenges emerging from this new reality. We are immensely proud of the resilience, flexibility and professionalism of our employees, who have remained focused on delivering these programs and services to our customers and partners.

The safety and protection of the SIEF staff will always be our priority. Therefore, during this new reality, we had staff work remotely from home whenever possible, reduced our office hours and, upon return to our offices, we limited public access in the office. Communication between staff, clients and partners has been done via telephone and conference calls, meetings using digital platforms such as Zoom and Microsoft Teams as well as email correspondence. Interoffice interactions were also met with added safety practices, such as additional cleaning and hygiene protocols throughout our building. As per Saskatchewan Health Authority guidelines, other safety precautions included mandatory mask use in public areas, social distancing whenever possible

along with daily screening and temperature checks to protect our employees.

SIEF management continues to encourage and support the employees' desiring to develop, train and sharpen their skills by way of attending conferences and workshops or attending evening classes at a recognized educational institution. However, with face-to-face interactions and meetings unavailable, staff have adapted to virtual and online training to participate in their educational courses to broaden their knowledge and skill development.

The Saskatchewan Indian Equity Foundation Inc. would like to take this time to recognize and thank the following staff members for their continued service and dedication to the company and our clients: Cree Cheechoo (five years) and Ray Jones (five years). As we forge ahead, our continued emphasis is on keeping our membership safe and maintaining our business continuity. Please visit our website at www.sief.sk.ca and see where we may assist you with your endeavours.

Thank you for your trust and partnership.



SIEF Staff



Terry Brodziak
General Manager



Jennifer Sutherland
Agriculture Account
Officer



Barb Tawpisin
Office/Human
Resource Manager



Diane Peepeetch
Business
Development Officer



Judy Clouthier
Commercial Account
Officer



April Sanderson
Administrative
Assistant

SIEF Staff – Years of Service



Cree Cheechoo
Business
Development Officer

Cree Cheechoo is a member of the Moose Cree First Nation in Ontario. She was raised in Saskatchewan as her father is from the James Smith Cree Nation. Cree began her career at SIEF in March 2016 as an Administrative Assistant. She has diligently worked her way to become a Business Development Officer.

Her education history involves Indigenous Social Work, Office Administration and Professional Community and Economic Development. Cree represents SIEF on the Matchstick Program through Women Entrepreneurs of Saskatchewan as well as being on the working group for Indigenous Commercial Fisheries of Saskatchewan. Cree is also involved with coordinating the Indigenous Women's Entrepreneur Workshop program. Congratulations Cree on your five years of service with SIEF.



Ray Jones
Accountant

Ray Jones was born in Uranium City and is a member of Fond du Lac Denesuline First Nation. He joined SIEF in 2015 accepting the accountant position in the organization. He received his Bachelor of Arts degree in Economics from the University of Saskatchewan.

He has a Certified Aboriginal Financial Manager (CAFM) designation from the Aboriginal Financial Officers Association (AFOA) and a Certified Payroll Manager (CPM) certification from the Canadian Payroll Association. Ray has garnered vast experience in the accounting field while working for various Indigenous not-for-profit organizations. Ray held positions at the Aboriginal Healing Foundation (AHF) in Ottawa as well as the National Aboriginal Capital Corporation Association (NACCA). Aside from work, Ray's work-life balance consists of practicing Taekwondo and enjoying competitive curling in his free time. Thank you and congratulations Ray on your five years of service with SIEF.



SIEF

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