

NEW RELATIONSHIP TRUST

Investing in First Nations in BC

2012-13 Annual Report



THE NEW RELATIONSHIP TRUST (NRT) IS A
NON-PROFIT ORGANIZATION DEDICATED TO
STRENGTHENING BC FIRST NATIONS TO BECOME
HEALTHY, PROSPEROUS AND SELF-SUFFICIENT.

New Relationship Trust
2012-13 Annual Report
Making a Difference

Our Mission

Investing in First Nations in British Columbia to assist them in building their own capacity as envisioned by the New Relationship.

Our Vision

A British Columbia where First Nations have efficient and effective governments, vibrant cultures and languages, social justice, and economic prosperity.

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Message from the Chair & CEO

Kathryn Teneese and Cliff Fregin



In 2006, the New Relationship Trust was created with the momentous mandate of assisting First Nations in British Columbia to build capacity. That same year, we put the question to our First Nations leaders and community members: in what areas do you most need capacity support? The resounding response was clear and unified; First Nations had five top areas of priority: education, governance capacity, economic development,

language & culture and youth & Elders. These became NRT's strategic priorities and have remained so, based on ongoing consultation with First Nations communities over the past six years.

With more than half a decade of program support behind us, we decided to explore the important question "how are we making a difference?" in NRT's 2012-13 Annual Report. To this end, we have looked at the impact that our funding has had, both in 2012 and

cumulatively, with a focus on some of the initiatives.

Some of the evidence is in the numbers. For example, in just three years we have been able to help BC First Nations entrepreneurs and communities leverage \$35.2 million to start or grow their business ventures. In 2012, for each dollar NRT contributed, we leveraged 27 – an impressive figure. And the scholarship and bursary initiative, one of our most successful, has already

supported 926 students in their pursuit of a post secondary education. By the end of fiscal year 2013-14, we'll have provided well over 1,000 education awards.

But the numbers alone don't tell the whole story. For each grant we give out, we ask each grant recipient, be they individuals, communities or organizations, to report back to us telling us how the money was used, and if their project was successful. In the reporting, we see the tangible

impacts that NRT support has had on both individuals and entire communities. Some of the scholarship and bursary recipients, for example, tell us they would not have been able to consider post secondary schooling were it not for the financial support from NRT. Elders and youth write about the impact that a grant has had in their communities. And First Nations have reported to us about the ways that Direct Support funding has enhanced their governance

structures, or addressed capacity issues where they most needed it. In this year's report, we share just a few of these stories.

Each year, we distribute approximately \$6 million in funding. About 85% of that goes straight to communities. That said, when you take into consideration that there are 203 First Nations communities in BC, and further that we are working to support five distinct priority areas, that money quickly can get

stretched thin. That's why it's important that we continually monitor progress to see where our support is having the most impact. As our initiatives mature, we are then able to make strategic choices to scale back or eliminate initiatives that are less impactful so we can build on our successes and find new ways to ensure that we are truly making a positive difference.

To this end, we encourage you to continue to provide your feedback about NRT priorities.

And, for those of you who have accessed NRT support, we hope to hear from you about how NRT has made a difference in your community.

Respectfully,

Kathryn Teneese
Chair

Cliff Fregin
CEO

The Year in Highlights

In 2012-13, NRT provided

\$5.5 million in project support

81.04%
went directly to
communities

Supported

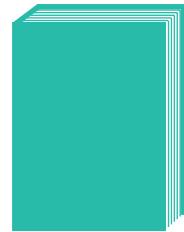
194



post secondary
students

Just 1.18%
of our total
portfolio went to
operating costs

Raised **\$277,451**
for post secondary
scholarships and bursaries



Helped First Nations
businesses leverage
\$17.4 million

Hosted regional engagement
sessions in
11 communities
in BC



Worked with **10**
partners, including
2  
new ones

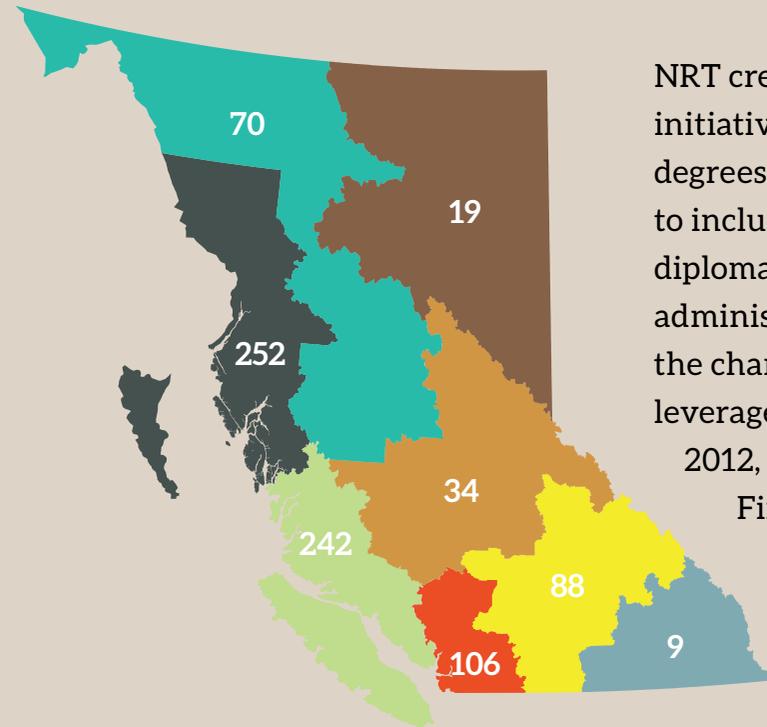
Leveraged
\$1.6 million
in language support

Funded **62**
communities to build
governance capacity

Supported **82** 
language and cultural
revitalization projects

We Are Making a Difference

BY SUPPORTING EDUCATION ASPIRATIONS



NRT created the post secondary Education Scholarship initiative in 2007 to support students pursuing university degrees. The following year, the initiative expanded to include a Bursary category for students pursuing diplomas, certificates and trades. In 2011, we transferred administration over to the newly created NRT Foundation, the charitable arm of NRT, in order to attract partners and leverage additional funds for scholarships and bursaries. In 2012, we were able to do just that. We partnered with the First Nations Health Authority and the Provincial Health Services Authority, attracting \$277,451 in support, which in turn allowed us to fund an additional 48 students, for a total of 194 in 2012.

Through both NRTF and the Chief Joe Mathias Aboriginal Scholarship Fund, we have awarded 926 scholarships and bursaries to First Nations people around the province to date.

BY SUPPORTING FIRST NATIONS students to pursue a post secondary education, we are making a difference in the lives of hundreds of people in all regions of the province. These exceptional scholars will in turn be able to positively impact their own families and communities.

Ellie Parton, a young single mother from Kwakwaka'wakw Nation, received a scholarship for each of her four undergraduate years studying microbiology at UVic. She is commencing a doctoral program.

“Six years ago I didn't believe I would graduate high school. Having my daughter, Telesa, at a young age gave me the motivation to grow and believe in myself. I was able to attend university and be accepted to medical school in large part thanks to NRT. I see the disparities between the health of my people and the rest of Canada. As a First Nations physician, I will have the skills to create a nurturing culture of respect and understanding to build a tradition of preventative medicine to improve health and well being.”



We Are Making a Difference

BY HELPING OUR COMMUNITIES BUILD CAPACITY

Direct Support grants in 2012: 62

Grants since 2008: 213

Our Direct Support initiative provides grants to both individual First Nations and collectives of three or more First Nations so they can build capacity where they need it most. Funds support such diverse initiatives as land use planning, mapping, governance terms of reference, economic development strategies, financial policies, impact/benefit analyses and community engagement initiatives. Three quarters of BC First Nations have accessed a Direct Support grant since the program was initiated in 2008.

With the **\$25,000** provided by NRT, Kwiakah was able to leverage an additional **\$40,000** to complete their project.

Last year, we began to contact the communities that have not applied for Direct Support funding and to assist them through the process. In 2012, we reached out to Kwiakah First Nation. A small band with a tiny land base, Kwiakah felt they had already explored their limited options. We helped them to identify a project that could benefit their community and prepare the application. The resulting project was a tourism feasibility study that examined the potential of provincial lots designated as treaty lands.



**NOOAITCH BAND:
ECONOMIC DEVELOPMENT
STRATEGY**
“This document provides direction to develop a better future through which our Nooaitch people will lead productive lives in a healthy environment that is inclusive of the traditions and culture, while engaging in viable and sustainable economic opportunities.”

**TAKLA LAKE FIRST NATION:
FORESTRY VISION AND
STRATEGY**
“Developing the Forestry Vision and Strategy with our elected officials, hereditary chiefs and community members has allowed the TLFN to proceed with internal forest development plans and discussions with forestry companies to secure employment opportunities.”

**TLA-O-QUI-AHT FIRST
NATION: MAPPING AND
LAND USE PLAN**
“Previous to this project the TFN relied entirely on outside mappers and planners to generate maps. This was a cumbersome and inefficient way to create maps for our advisors and elders. The NRT project has allowed TFN to complete training so that staff and resource workers can quickly create maps catered to the dialogue at hand.”

**NORTHERN SHUSWAP
TRIBAL COUNCIL:
INTRODUCTION TO
GOVERNANCE TOOLKIT**
“The toolkit [is] designed to lead Band Council members and those considering running in Band elections through the roles and responsibilities and provide the key governance skills and tools needed. We are now in a position to move forward creating standards to facilitate Band Council changeovers.”

We Are Making a Difference

BY LEVERAGING CAPITAL FOR OUR BUSINESSES

If we are to build strong First Nations, we need to grow local economies and support First Nations people and communities to become self-sufficient. To this end, in 2010, NRT entered into contribution agreements with a number of BC Aboriginal Capital Corporations (ACCs). These unique partnerships allow us to help First Nations entrepreneurs and communities that are considered 'high risk' by traditional lenders to access capital in the form of matching funds so they can start new businesses or expand existing ones.

The Entrepreneur Equity Matching Initiative (EEMI) was launched in 2010 and the Community Equity Matching Initiative (CEMI) was introduced the following year. Both initiatives have been enormously successful. **In 2012-13, we supported 72 businesses and leveraged \$17.4 million.**

\$35.2 M Leveraged to Date

27:1 Leveraging Ratio

268 Businesses Supported

355 Jobs Created

NRT COMMUNITY EQUITY MATCHING INITIATIVE

YEAR	FNEMI AMOUNT	CLIENT EQUITY	LOAN AMOUNT	OTHER FUNDING	TOTAL PROJECT
2011-12	\$200,000	\$532,738	\$2,226,360	\$398,000	\$3,357,098
2012-13	\$75,000	\$1,780,000	\$2,214,625	\$7,832,644	\$11,902,269
JOBS MAINTAINED	JOBS CREATED	NEW BUSINESS	EXIST BUSINESS	ON RESERVE	OFF RESERVE
44	30	3	5	7	1
10	10	1	2	1	2

NRT EQUITY MATCHING INITIATIVE

YEAR	FNEMI AMOUNT	CLIENT EQUITY	LOAN AMOUNT	OTHER FUNDING	TOTAL PROJECT
2010-11	\$431,200	\$1,299,795	\$3,904,442	\$1,563,419	\$7,198,856
2011-12	\$326,582	\$2,007,769	\$4,714,716	\$1,116,673	\$8,165,740
2012-13	\$277,395	\$1,092,956	\$2,663,593	\$1,849,420	\$5,883,364
JOBS MAINTAINED	JOBS CREATED	NEW BUSINESS	EXIST BUSINESS	ON RESERVE	OFF RESERVE
204	133	36	66	61	41
199	105	35	51	46	40
118	77	28	41	40	29

We Are Making a Difference

BY PROTECTING AND REVITALIZING OUR LANGUAGES

BC is considered by the world's leading linguists as a global 'hotspot' for language diversity. No less than 34 languages – 60% of all languages in Canada – originate here. At least two are isolates – not related to any other language group. The importance of our languages can't be underestimated; they reflect the richness of our culture, they tie us to our heritage and beliefs, and they contain invaluable knowledge about our lands and resources.

NRT's language support flows through the First Peoples' Cultural Council (FPCC), a BC First Nations-run organization that has been working to protect and revive Indigenous languages for more than 20 years. By partnering with FPCC, we ensure that this important work is overseen by trusted language experts and avoid duplicating

administrative costs; in turn, NRT support goes directly to community projects..

In 2012, we supported a total of 82 language and cultural initiatives:

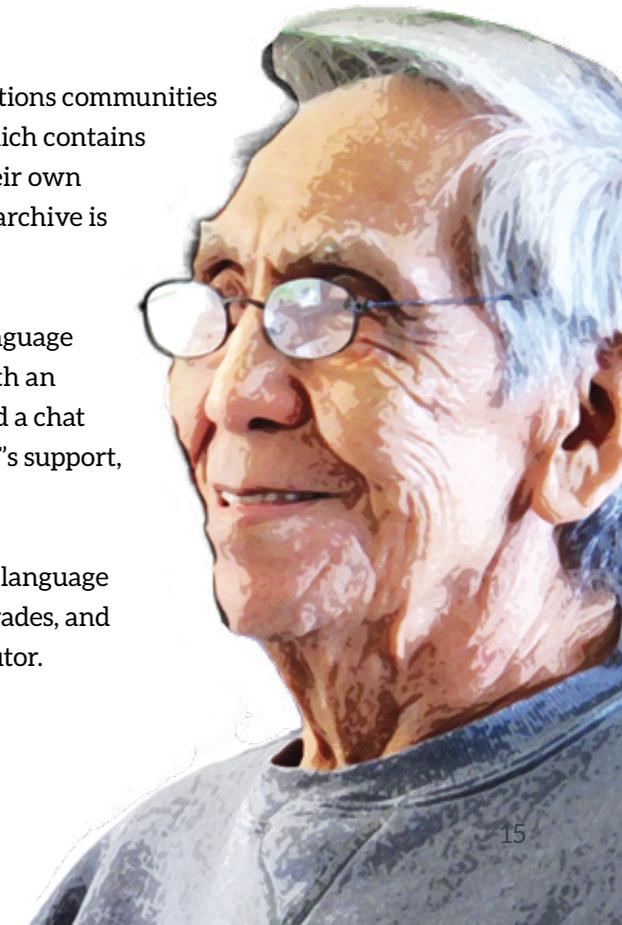
- 15 Master Apprentice teams
- 11 collaborative language plans, involving 100 communities
- 13 community-based initiatives, such as immersion programs and development of curriculum materials
- 25 FirstVoices initiatives
- 17 Arts initiatives
- 1 newly launched BC First Nations arts map

There are **34** First Nations languages in BC.
22 are included in the FirstVoices archive.

FirstVoices is a groundbreaking initiative that uses the latest technologies to support First Nations communities in their language revitalization efforts. The foundation of FirstVoices is an online archive, which contains thousands of text entries enhanced with sounds, pictures and videos. Communities create their own archives, often pairing youth with Elders to record words and phrases in language. Once the archive is populated, language learning is supported with interactive games, activities and mobile apps.

Most recently, the FirstVoices team has been working on ways to engage youth in language learning. There are now 12 dictionary/phrase apps available for free on iTunes, with an additional five currently under development. In June 2012, FirstVoices launched a chat app that allows First Nations people to text in their own languages. With NRT's support, in 2012 community teams updated eight FirstVoices archives.

NRT support also funded the development of eight language dictionary apps as well as training, software upgrades, and lesson modules for the FirstVoices Language Tutor.



We Are Making a Difference

BY ENCOURAGING OUR YOUTH . . .

By supporting Elders and youth, we foster leadership – both in the traditional role that Elders play as our advisors and teachers, and in looking forward to the role that youth will assume as our community leaders in the near future.

New in 2012, we supported two regional forums of the BC Assembly of First Nations Youth Council—one for Vancouver Island and the other for the Lower Mainland / Fraser region. The purpose of the forums was to network and to ensure that First Nations leadership is provided an opportunity to hear the youth voice and perspective. The theme for the youth forums was Empowerment through Inheritance and within that context participants discussed the top social and economic issues facing First Nations youth today. They worked to develop

youth-led solutions and to prepare a summary report that included priorities and calls-to-action for the BC AFN Chiefs in Assembly.

NRT contributed travel and accommodation support so that one representative for each First Nation within each region could attend. The Vancouver Island and Lower Mainland events were attended by 44 and 67 young people respectively.

“In order to determine the contribution of young people in Nation building and re-building, the BCAFN Youth Reps, with the support of BC Chiefs, will seek to create spaces for young people to gather and share information to collaboratively highlight a shared path forward.”
—BCAFN

. . . AND HONOURING OUR ELDERS

2012 marked the 36th annual BC First Nations Elders Gathering. The event is an opportunity for our Elders to come together to socialize, share their accomplishments and also to take their rightful role as leaders, providing advice and guidance to our communities. Hosted by Sto:lo and Tsawwassen First Nations, the 2012 event brought together approximately 2,500 Elders and as many younger people last July for three days of feasting, dances, speakers and socializing. The theme was “Let’s emot” – One Heart, One Mind, One Family. 2012 was the fifth consecutive year that NRT has supported the BC Elders Gathering. In addition, each year we support a number of Elders from around BC to travel to attend this and other Elders events.

“The benefits for the senior Elders cannot be underestimated. The trip refreshed them and energized them in a way that was evident. Upon return, the Elders immediately committed to working together as often as possible, and have done so for the benefit of the community.”
—Esquimalt Nation Elders



Our Initiatives

Our program funding is dedicated primarily through five strategic areas.

LANGUAGE & CULTURE \$750,000

First Voices
\$200,000
Master Apprentice
\$100,000
Language Authority
\$100,000
Language Initiative
\$200,000
Art Internships
\$70,000
Art Transmissions
\$70,000
Cultural Protocols and the Arts
\$10,000

ELDERS & YOUTH \$488,600

Elders Grants
\$202,000
Elders Gathering
\$50,000
Youth Grants
\$236,600

GOVERNANCE CAPACITY \$2,247,119

Direct Support
\$1,489,962
Policy Development
\$500,073
Web Portal
\$150,000
Regional Engagements
\$94,485
Other Initiatives
\$12,600

ECONOMIC DEVELOPMENT \$695,631

Entrepreneurs Equity Matching
Initiative
\$380,000
Community Equity Matching Initiative
\$75,000
Other Initiatives
\$240,631

EDUCATION \$1,189,964

Scholarships and Bursaries
\$689,964
K-12 Initiative
\$500,000

SPECIAL PROJECTS \$142,246

NRTF Charity Golf Tournament
\$19,000
Young Entrepreneurs Symposium
\$123,246



Measuring Our Progress

Based on NRT Strategic Plan Performance Measures

GOVERNANCE

TARGET	2012-13	SINCE INCEPTION	NOTES
Develop and implement 5 Best Practice toolkits and facilitate training sessions to introduce them to BC First Nations Develop and deliver 3-5 regional training sessions per year	<ul style="list-style-type: none"> 5 regional training sessions given 1 presentation provided 	<ul style="list-style-type: none"> 5 Best Practice toolkits completed 5 training workshops completed 	Goal met since performance measure was implemented
In partnership with First Nations organizations, create and/or support the development of governance capacity tools for First Nations	<ul style="list-style-type: none"> NRT approved and provided funding to BCAFN to pilot its Governance toolkit and the Governance Self-Assessment toolkit BCAFN completed and released the toolkit 	18 First Nations toolkits/guides have been funded to date by NRT	Goal met since implemented
Fund up to 8 First Nations community projects per year	62 Direct Support projects were approved for funding	213 Direct Support projects were approved for funding	Goal met each year
Fund up to 5 policy development projects per year for provincially mandated BC First Nations organizations	7 Policy Development projects were approved for funding	<ul style="list-style-type: none"> 31 Policy Development projects have been funded to date Total funded to date: \$1,281,573 	Goal met each year
Fund 1 or more policy development initiatives annually for First Nations Leadership Council	1 Policy Coordination project was funded	2011-12 was the first year of the Policy Coordination funding	Goal met each year
Secure up to 75% of the administrative and maintenance costs associated with the First Nations in BC web portal	An ongoing process	<ul style="list-style-type: none"> NRT funded the development and creation of the BC First Nations resource web portal 	Goal met to date

EDUCATION

TARGET	2012-13	SINCE INCEPTION	NOTES
Create and distribute an annual brochure that showcases NRT scholarship and bursary recipients.	Annual recipient brochure created and distributed	3 brochures have been created and used to attract additional donors	Goals met each year
Assist up to 40 First Nations students per year with funding toward completion of post-secondary degrees, and up to 60 First Nations students per year toward completion of diploma, certificate and/or trades programs.	194 Scholarships and bursaries were fully allocated	<ul style="list-style-type: none"> 926 scholarships and bursary awards have been granted Total amount of awards: \$4,430,000 	Goals met each year
Support the NRTF to attract an additional \$500,000 for scholarships and bursaries for FN in BC through partnerships and leveraging.	NRT is working with the NRT Foundation to attract additional scholarship and bursary funds.	Since launched, \$524,903 has been raised.	3 year goal was exceeded in first 2 years.
Establish a database of past NRT scholarship recipients to be used in conjunction with the NRT Foundation to promote the hiring of First Nations graduates	All Scholarship and Bursary recipients added into database to be used to offer potential employee-matching services to corporations.		

LANGUAGE AND CULTURE

TARGET	2012-13	NOTES
Leverage an additional \$1 million in capital for First Nations language and culture initiatives from public and private sources.	FPCC has confirmed \$1.624 million in funds leveraged as a result of NRT support in 2012-13.	Ongoing
In partnership, support the digital archiving of up to 10 BC First Nation language dialects.	Reporting requirements have been discussed with FPCC to track this information from the projects they fund.	Ongoing

YOUTH AND ELDERS

TARGET	2012-13	SINCE INCEPTION	NOTES
Provide funding for up to 50 Youth projects per year.	<ul style="list-style-type: none"> \$162,000 was allocated to 81 projects \$45,000 allocated to Youth conferences: \$25,000 to BCAFN, \$10,000 to Aboriginal Youth Initiative in Northwest BC, and \$10,000 to Gathering Our Voices Current surplus remaining for second call \$43,000 	Total Youth Groups support: <ul style="list-style-type: none"> 389 youth groups \$897,698 	Goal met each year
Provide funding for up to 80 Elders projects per year.	<ul style="list-style-type: none"> \$172,000 allocated to 86 projects 46 of the projects involved attending the Elder's Gathering Current surplus remaining for second call: \$28,000 	<ul style="list-style-type: none"> 414 Elders Groups Total Elders Groups support \$1,567,236.68 	Goal met each year
Provide financial support to the annual Elders Gathering.	Funding was allocated for the Elder's Gathering in the amount of \$50,000.	<ul style="list-style-type: none"> 6 Elders Gatherings \$274,764.31 	Goal met each year
Support an annual gathering or initiative that builds capacity for BC First Nations Youth.	<ul style="list-style-type: none"> \$50,000 was provided to the Elders Gathering \$50,000 was provided for Youth governance conferences 	2 Youth Conferences	Goal met each year

ECONOMIC DEVELOPMENT

TARGET	2012-13	NOTES
In partnership with the BC Aboriginal Capital Corporations, support up to 50 First Nations entrepreneurs and 5 First Nation communities in BC each year by matching equity for business start-ups and/or expansion of businesses within BC.	Protocol and Contribution Agreements were signed with the 5 BC Aboriginal Capital Corporation and 1 Community Futures that deliver the funds to qualified applicants.	
Provide equity participation loans for up to 5 projects through the BC First Nations Equity Fund.	<ul style="list-style-type: none"> The Equity Fund was launched in April 2010. One project approved from the Fund to date. 	Ongoing

INVESTMENTS

TARGET	2012-13	SINCE INCEPTION	NOTES
Leverage new project funding at a goal of 2:1.	Ongoing		Ongoing
Maintain the investment fund at \$60 million by March 31, 2016.	Ongoing		Ongoing
Limit annual administrative costs to less than 2% of the investment portfolio.	NRT admin costs were 1.18% in 2012-13.	NRT has kept annual administration costs below 2% of investment portfolio	Goal met to date

PARTNERSHIPS

TARGET	2012-2013	NOTES
Develop and maintain at least 6 partnerships / protocols with other First Nations organizations to promote collaboration and prevent duplication of products and services.	Currently NRT has protocol agreements with 8 organizations	Goal met to date and ongoing



Our Partners

Working with partner organizations that have a parallel mandate and proven track record allows NRT to make the most effective use of our support funding. It also contributes to strong, collaborative relationships within the First Nations community in BC.

Our 2012-13 partners are:

First Peoples' Cultural Council (FPCC)

FPCC assists BC First Nations in their efforts to revitalize their languages, arts and cultures. During the past 20 years, FPCC has successfully distributed over \$20 million to British Columbia's First Nations communities for language, arts and culture projects.

First Nations Technology Council (FNTC)

FNTC was created by a First Nations' Summit resolution to support First Nations communities in BC with the full integration of technologies. FNTC addresses its mandate by ensuring that First Nations have access to: high-speed Internet services; affordable, qualified technical support; and the skills required to access beneficial technologies.

All Nations Trust Company (ANTCO)

ANTCO is an Aboriginal-owned trust company that originated in 1984 to provide financial services to Aboriginal entrepreneurs. Since its inception,

ANTCO has expanded its services to meet the financial needs of the greater Aboriginal community. ANTCO promotes self-sufficiency through marketing, financial resources and advisory services.

Nuu-chah-nulth Economic Development Corporation (NEDC)

NEDC was incorporated in 1984 to assist the Nuu-chah-nulth to achieve economic and social independence through the contribution of financial assistance and advisory services to individual and tribal business development initiatives. NEDC has since expanded its mandate, now operating as an Aboriginal Capital Corporation as well as a Community Futures Corporation.

Tale'awtxw Aboriginal Capital

Corporation (TACC) TACC is an Aboriginal Financial Institution committed to supporting the success of Aboriginal Businesses within the Coast Salish Traditional Territories with

business financing and support services. TACC aims to provide inspiration, tools, resources and information that Aboriginal businesses may use towards building, conceptualizing or expanding operations.

Tribal Resources Investment Corporation (TRICORP)

TRICORP provides a range of financial services to First Nations entrepreneurs in Northern BC. Established in 1990 as an Aboriginal Capital Corporation, TRICORP's mandate is to provide financing for business activities that increase the number of permanent jobs, reduce unemployment and facilitate business ownership among First Nations people.

First Nations Agricultural Lending Association (FNALA)

FNALA provides financing for Aboriginal agricultural and agri-food producers. In addition to financing operations, FNALA is also involved in the following activities designed to increase the impact of

the financing operation: increasing association lending activities by general promotion to Aboriginal people about agriculture and its economic and social opportunities; and fostering and encouraging the overall economic and social well-being of Aboriginal agriculture.

Community Futures Development Corporation of Central Interior First Nations (CFDCCIFN) CFDCCIFN promotes and provides economic development support services to First Nations people in central interior BC. Programs include an Entrepreneurial Certificate program and a Self-Employment Benefits program. Services include conferences, trade shows, community workshops and a Native artisans catalogue, trade show and sale.

Native Fishing Association (NFA) The principal objective of the NFA is to stabilize, support, and increase Native participation in the BC commercial

fishing industry. In addition, the NFA administers a revolving loan fund that has served Aboriginal commercial fishermen in British Columbia since 1985.

Provincial Health Services Authority (PHSA) PHSA is one of six BC health authorities; PHSA serves all of BC, whereas the other five serve specific geographic regions of the province. PHSA's primary role is to ensure that BC residents have access to a coordinated network of high-quality specialized health care services. PHSA operates provincial agencies including BC Children's Hospital, BC Transplant, and BC Cancer Agency. It is also responsible for specialized provincial health services.

First Nations Health Authority (FNHA) FNHA is a health service delivery organization, created and mandated to support and elevate BC First Nations health outcomes through the creation

of an effective health care system. With their vision of healthy, self-determining and vibrant communities, FNHA have chosen to partner with NRTF to encourage First Nations people to explore exciting career opportunities in the health field.

BC Treaty Commission (BCTC) BCTC is the independent body responsible for facilitating treaty negotiations amongst the governments of Canada, BC and First Nations in BC. BCTC does not negotiate treaties – that is done by the three parties at each negotiation table. BCTC's primary role is to oversee the negotiation process to ensure that the parties are being effective and making progress in negotiations. In carrying out the recommendations of the BC Claims Task Force, BCTC has three roles: facilitation, funding and public information and education.



Team

2012–13 Board of Directors

Kathryn Teneese

Chair

Judith Sayers (Kekinusuqs)

Vice Chair

Catherine Panter

Secretary

Dave Porter

Terry Kuzma

Hugh Braker

George Saddleman (X^w eeTa?)

NRT Staff

Cliff Fregin

CEO

Chanze Gamble

General Manager

Miranda Stirling

Capacity & Events Manager

Lana Plante

Project Officer

Kayla Lavallee

Administrative Assistant

NRTF Staff

Amy Rose

Advancement Coordinator

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Mercer

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Financial Overview

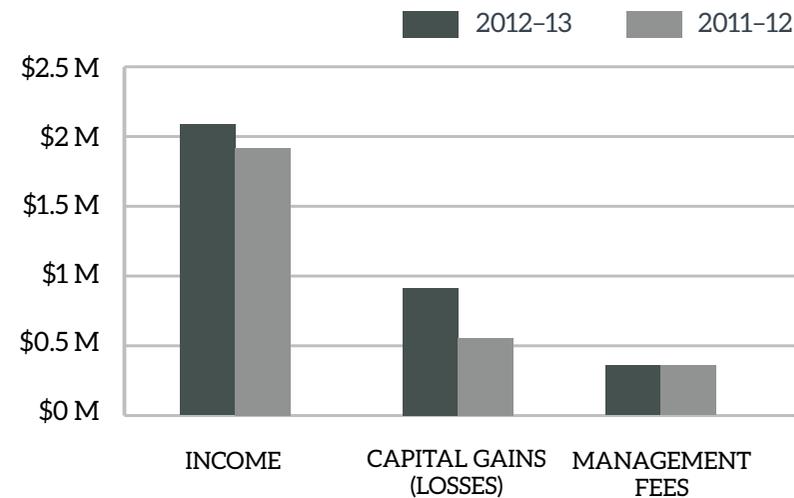
HIGHLIGHTS

- NRT's total assets at year end were \$79.3 million and consisted mainly of investments and restricted cash, up slightly from the prior year due to recovery in the market (especially the global fund).
- The market value of the investment portfolio was \$77 million, a slight increase from the prior year.
- The cumulative unrealized loss on investments is \$3.63 million, a recovery of \$3.6 million from the prior year which was due to the strong recovery of our global funds.
- Strategic expenditures and commitments were \$5.5 million, a decrease of 16% compared to the prior year.
- Operating expenditures were \$0.9 million, a slight decrease of 3.7% compared to the prior year.

OPERATIONS

Contribution Fund

The Contribution Fund earned \$2.9 million of income from investments held in institutional pooled funds managed by professional investment managers.



Strategic Fund

The Strategic Fund earned \$0.07 million of income from investments held in institutional pooled funds managed by professional investment managers. This income was used to partially finance operating expenditures.

Strategic expenditures focus on enhancing capacity within First Nation governments, encouraging access to education, protecting and reviving languages and cultures, supporting initiatives that engage youth and Elders, and fostering and advancing economic development opportunities.



The audited financial statements disclose how \$5.44 million was disbursed and that there is \$.3 million in committed funds for strategic initiatives. Refer to notes number eleven (11) and twelve (12) of the audited financial statements for details.

Operating Fund

Operating expenditures consisted mainly of communications, governance, occupancy, professional fees, salaries and benefits, and travel. Actual operating expenditures were

1.18% of the total investments for the year ended March 31, 2013. This meets the Board of Director's performance target to limit administrative costs to less than 2% of the investment portfolio.

INVESTMENTS

Financial Market and Portfolio Performance

	2012-13	2011-12
Operating Expenditures	\$906,138	\$941,059
Operating Expenditures as Percentage of Average Total Investments	1.18%	1.22%

The total investment portfolio rate of return for the year ended March 31, 2013 was 9.5%. On a relative basis, the investment portfolio exceeded the portfolio benchmark's rate of return by 1.4% for the year.

	2012-13	2011-12
Short-term Investments	\$7,000,000	\$7,000,000
Long-term Investments	\$70,063,126	\$69,828,513
Total Investments	\$77,063,126	\$76,828,513

Economic Outlook

With the global economy continuing to heal from the economic slowdown and modest growth forecasted for the Canadian economy, we will still face uncertainty and

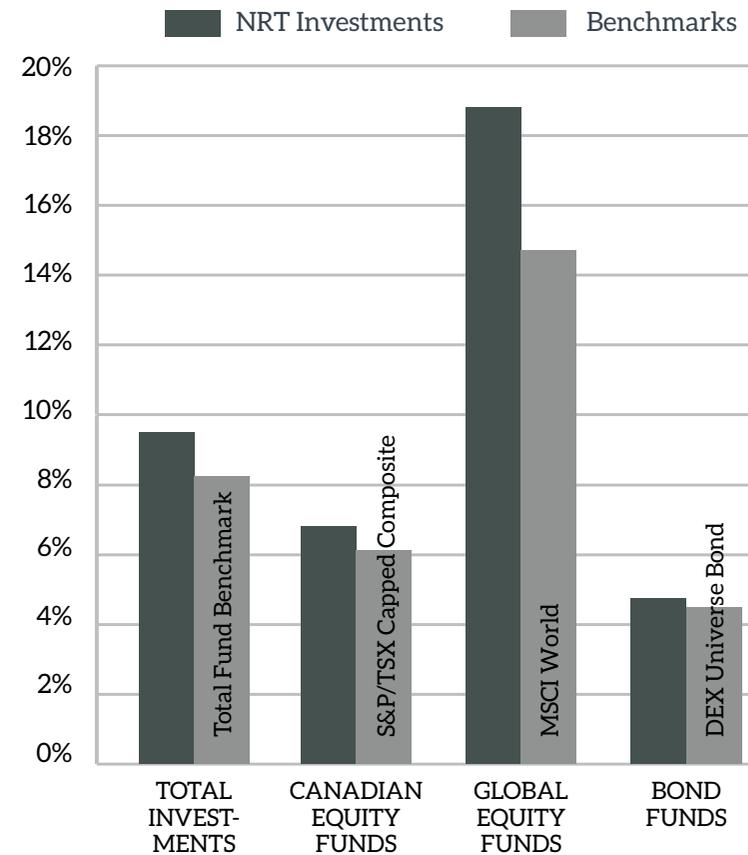
volatility in the financial markets. According to many economists, the global economy is expected to remain slow but steady, with growth projections of 2.3% to 3% over the next year. The impact on NRT's investment portfolio value is unknown. The NRT Finance Committee is closely monitoring the investment portfolio and consulting with a professional, independent investment advisory firm to ensure that portfolio is consistent with NRT's investment policy and strategic goals.

Investment Strategy

NRT's short-term portfolio objective is to preserve capital and manage cash flows over the next year. Short-term investments are held in money market and short-term fixed income funds.

NRT's long-term portfolio objectives are to preserve capital in real terms, generate sufficient annual cash flow to meet expenditure objectives, and increase cash flows to meet rising expenditures over the long-term. By focusing on well managed, high quality, diversified long-term investments, NRT is positioned to minimize its exposure and risk of realizing unnecessary losses. The short-term goal is to maintain the investment fund at \$60 million by March 31, 2015.

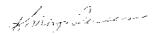
A key goal of NRT's financial strategy is growing the investment fund in order to support sustainable and ongoing Nation re-building activities well into the future.



AUDITED FINANCIAL STATEMENTS
 March 31, 2013

**NEW RELATIONSHIP TRUST
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2013, 2012 AND APRIL 1, 2011**

	ASSETS			March 31,	March 31,	April 1,
	Contribution Fund	Strategic Fund	Operating Fund	2013 Total	2012 Total	2011 Total
(Notes 3 & 14) (Notes 3 & 14)						
CURRENT ASSETS:						
Restricted cash and cash equivalents (Note 5)	\$ 23,671	\$ 321,174	\$ -	\$ 344,845	\$ 582,765	\$ 2,072,959
Investments (Note 6)	-	7,000,000	-	7,000,000	7,000,000	7,000,000
Accounts receivable	-	22,532	1,737	24,269	24,654	34,961
GST/HST receivable	-	-	47,051	47,051	33,812	26,455
Due from NRT						
Foundation (Note 7)	-	-	60,743	60,743	64,177	-
Prepaid expenses	-	-	18,921	18,921	23,189	20,908
Total current assets	23,671	7,343,706	128,452	7,495,829	7,728,597	9,155,283
INVESTMENTS (Note 6)	69,369,556	693,570	-	70,063,126	69,828,513	77,042,313
OTHER INVESTMENTS (Note 8)	-	1,691,942	-	1,691,942	1,679,477	1,666,767
EQUIPMENT (Note 9)	-	-	69,955	69,955	61,674	59,352
DUE FROM (TO) OTHER FUNDS	8,049,066	(8,001,489)	(47,577)	-	-	-
	\$ 77,442,293	\$ 1,727,729	\$ 150,830	\$ 79,320,852	\$ 79,298,261	\$ 87,923,715
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Accounts payable and accrued liabilities	\$ 101,793	\$ 317,729	\$ 80,875	\$ 500,397	\$ 615,240	\$ 289,141
Promissory note (Notes 8 and 10)	-	1,410,000	-	1,410,000	1,410,000	1,410,000
Total current liabilities	101,793	1,727,729	80,875	1,910,397	2,025,240	1,699,141
NET ASSETS:						
Invested in equipment	-	-	69,955	69,955	61,674	59,352
Externally restricted funds	77,340,500	-	-	77,340,500	77,211,347	86,165,222
	77,340,500	-	69,955	77,410,455	77,273,021	86,224,574
	\$ 77,442,293	\$ 1,727,729	\$ 150,830	\$ 79,320,852	\$ 79,298,261	\$ 87,923,715

APPROVED BY:
 _____ Director
 _____ Director

The accompanying Notes are an integral part of this statement.



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INDEPENDENT AUDITOR'S REPORT

To the Directors of,
New Relationship Trust:

We have audited the accompanying financial statements of NEW RELATIONSHIP TRUST, which comprise the statements of financial position as at March 31, 2013, March 31, 2012, and April 1, 2011 and the statements of operations and changes in net assets, and statement of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

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

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

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

Opinion

In our opinion, these statements present fairly, in all material respects, the financial position of the Trust as at March 31, 2013, March 31, 2012 and April 1, 2011 and the results of its operations and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.



Chartered Accountants LLP

June 27, 2013



NEW RELATIONSHIP TRUST
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

	Contribution Fund	Strategic Fund	Operating Fund	2013 Total	2012 Total
				(Notes 3 & 14)	
REVENUES:					
Investment income (Note 6)	\$ 2,987,840	\$ 70,059	\$ -	\$ 3,057,899	\$ 2,534,046
Economic development action plan	-	157,422	-	157,422	132,612
Other funding/revenue	2,987,840	227,481	-	3,215,321	2,666,658
STRATEGIC EXPENSES (Note 12):					
Capacity	-	2,192,221	-	2,192,221	1,843,885
Economic development	-	714,631	-	714,631	844,887
Education	-	1,184,964	-	1,184,964	2,020,635
Language and culture	-	750,000	-	750,000	1,619,500
Young Entrepreneurs Symposium	-	123,246	-	123,246	50,338
Youth and elders	-	474,359	-	474,359	474,717
	-	5,439,421	-	5,439,421	6,853,962
OPERATING EXPENSES:					
Advertising	-	-	20,569	20,569	22,952
Amortization	-	-	22,283	22,283	20,221
Communication	-	-	58,883	58,883	64,996
Consulting fees	-	-	3,000	3,000	53,726
Governance	-	-	75,737	75,737	96,013
Insurance	-	-	10,502	10,502	10,795
Investment management	372,454	20,794	-	393,248	387,420
Occupancy	-	-	53,712	53,712	52,354
Office	-	-	24,215	24,215	27,476
Professional development	-	-	5,440	5,440	6,571
Professional fees	-	-	47,640	47,640	46,140
Salaries and benefits	-	-	528,328	528,328	479,756
Telephone	-	-	10,933	10,933	10,943
Travel	-	-	44,896	44,896	49,116
	372,454	20,794	906,138	1,299,386	1,328,479
Excess (deficiency) of revenues over expenses before unrealized gains (losses)	2,615,386	(5,232,734)	(906,138)	(3,523,486)	(5,515,783)
UNREALIZED GAINS (LOSSES)					
ON INVESTMENTS (Notes 2(j) and 6)	3,676,319	(15,399)	-	3,660,920	(3,435,770)
Excess (deficiency) of revenues over expenses	6,291,705	(5,248,133)	(906,138)	137,434	(8,951,553)
APPROPRIATIONS (Note 13)	(6,162,552)	5,248,133	914,419	-	-
BALANCE, BEGINNING OF YEAR	77,211,347	-	61,674	77,273,021	86,224,574
BALANCE, END OF YEAR	\$ 77,340,500	\$ NIL	\$ 69,955	\$ 77,410,455	\$ 77,273,021

The accompanying Notes are an integral part of this statement.



NEW RELATIONSHIP TRUST
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2013 AND 2012

	2013	2012
	(Note 14)	
CASH WAS PROVIDED FROM (USED IN):		
Operating Activities:		
Excess (deficiency) of revenues over expenses	\$ 137,434	\$ (8,951,553)
Items not involving cash -		
Amortization	22,283	20,221
Equity pickup, investment in Partnership	(12,465)	(12,710)
Unrealized loss (gain) on investments	(3,660,920)	3,435,770
	(3,513,668)	(5,508,272)
Changes in non-cash working capital:		
Decrease in accounts receivable	385	10,307
Decrease (increase) in GST/HST receivable	(13,239)	(7,357)
Decrease (increase) in prepaid expenses	4,268	(2,281)
Increase (decrease) in accounts payable and accrued liabilities	(114,843)	326,099
Net changes	(123,429)	326,768
	(3,637,097)	(5,181,504)
Investing Activities:		
Purchase of equipment	(30,564)	(22,543)
Proceeds from sale of investments, net of purchases	3,426,307	3,778,030
	3,395,743	3,755,487
Financing Activity:		
Loan from (to) NRT Foundation	3,434	(64,177)
Decrease in cash	(237,920)	(1,490,194)
RESTRICTED CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	582,765	2,072,959
RESTRICTED CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 344,845	\$ 582,765

The accompanying Notes are an integral part of this statement.



NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2013

1. DESCRIPTION OF THE NEW RELATIONSHIP TRUST

The New Relationship Trust ("NRT") was established as a not-for-profit corporation by the Province of British Columbia (the "Province") on March 23, 2006 through enactment of the New Relationship Act, Bill 11 – 2006.

The Province subsequently provided a \$100 million grant to NRT to assist First Nations to build their own capacity to participate in the processes and activities envisioned by, and that evolve out of, the new relationship between the Province and First Nations by enhancing First Nation governance, leadership and institutional and human resources capacity to address social, cultural and economic needs and priorities.

Canada Revenue Agency issued an advance tax ruling on May 10, 2007 which exempts NRT from income tax otherwise payable under Part I of the Income Tax Act.

2. SIGNIFICANT ACCOUNTING POLICIES**(a) Basis of Presentation**

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(b) Fund Accounting

NRT follows the restricted fund method of accounting for contributions. All of NRT's funds are externally restricted by the Province of British Columbia to specific purposes in accordance with the New Relationship Trust Act. The Strategic and Operating Funds are also subject to internal restrictions. The financial statements have been segregated into funds whose purposes are as follows:

(i) Contribution Fund

The Contribution Fund reports the original \$100 million contributed by the Province along with the related investment income earned on this contribution less investment management fees and amounts appropriated to other funds.

(ii) Strategic Fund

The Strategic Fund reports on NRT's strategic initiatives and activities and includes funds transferred from the Contribution Fund to finance such activities.

(iii) Operating Fund

The Operating Fund reports on NRT's operations, administration and governance activities and includes equipment to perform such activities; it also includes amounts transferred from the Strategic Fund to finance such activities.

NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2013 (Continued)

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) 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 revenues and expenditures during the reporting period. These estimates are reviewed periodically, and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

(d) Cash and Cash Equivalents

NRT's policy is to disclose bank accounts and term deposits with a maturity period of a year or less from the date of acquisition as cash and cash equivalents. Restricted cash and cash equivalents are those pledged for security and/or have other restrictions (Note 5).

(e) Investments Subject to Significant Influence

Investments for which significant influence exists are recorded using the equity method. Under the equity method, the investment is initially recorded at cost and is increased by NRT's share of the net earnings since acquisition. The carrying value is reduced by any draws received from a partnership, dividends received from a corporation and/or NRT's share of net losses.

(f) Amortization

Equipment is recorded at cost and amortized over its estimated useful life using the declining balance method at the following rates:

Computer equipment and software	30%
Office equipment	30%
Furniture	20%

Leasehold improvements are amortized over five years using the straight line method.

In the year of acquisition, the above rates are reduced by one-half.

(g) Revenue Recognition

Restricted contributions are recognized as revenue of the Contribution Fund.

Restricted net investment income is recognized as revenue of the Contribution Fund and Strategic Fund based on the appropriations approved by the Board.

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



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Expenses

Expenses are recorded on an accrual basis.

Strategic expenses relate to initiatives and activities which are undertaken in accordance with the NRT's strategic plan. The strategic plan is reviewed and revised annually on the basis of stakeholder feedback, and is approved by the Board of Directors.

Operating expenses relate to initiatives and activities which are undertaken to support the governance of the NRT and implementation of its strategic plan.

(i) Allocation of Expenses

NRT uses fund accounting, however expenses are allocated to individual accounts. The individual expense accounts are presented on the financial statements based on the category type for grouping purposes, except for investment management expenses, which are allocated based on the total value of investments held in the Contribution and Strategic Funds.

(j) Financial Instruments

(i) Measurement of Financial Instruments

NRT initially measures its financial assets and liabilities at fair value. Financial assets and financial liabilities are subsequently measured at amortized cost except for investments in equities quoted in an active market which are measured at fair value. Changes in fair value are recognized in net income.

Financial assets measured at amortized cost include cash, accounts receivable, and GST/HST receivable. Financial assets measured at fair value include investments quoted in an active market.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and notes payable.

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement provided that the resulting carrying value does not exceed the amount that would have been reported had the impairment not been recognized. The amount of the reversal is recognized in net income.

(iii) Transaction Costs

NRT recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

3. ADOPTION OF ACCOUNTING STANDARDS FOR NOT-FOR-PROFIT ORGANIZATIONS

Recent changes introduced by the Accounting Standards Board ("AcSB") of the Canadian Institute of Chartered Accountants ("CICA") require all not-for-profit organizations ("NPO's") to transition to a new accounting framework in fiscal years beginning on or after January 1, 2012. The AcSB mandates that the transition to the new framework requires a retrospective update to the preceding years' comparative information during the year of adoption. The new standards, known as Canadian accounting standards for not-for-profit organizations ("ASNFP") have been issued as a result of a new strategic plan by the AcSB to consider the future of financial reporting by NPO's and attempt to clarify the reporting framework that NPO's fall under. The transition to ASNFP is mandatory for all non-government NPO's.

Effective April 1, 2011, NRT adopted the requirements of the CICA Handbook - Accounting, electing to adopt the new accounting framework: ASNFP. These are NRT's first financial statements prepared in accordance with ASNFP which has been applied retrospectively. The accounting policies set out in the above significant accounting policy note have been applied in preparing these financial statements for the year ended March 31, 2013, the comparative information presented in these financial statements for the year ended March 31, 2012 and in the preparation of an opening ASNFP statement of financial position at April 1, 2011 (NRT's date of transition).

NRT issued financial statements for the year ended March 31, 2012 using generally accepted accounting principles prescribed by CICA handbook - Accounting XFI. Under the previous standards, unrealized gains and losses on investments in equity instruments that are quoted in an active market were recorded via net assets. Under ASNFP, these gains/losses are recognized in net income in the period incurred. The adoption of ASNFP had an impact on the previously reported assets, liabilities and net assets of NRT as follows:

Deficiency of revenues over expenses - as previously stated	\$ (5,515,783)
Net unrealized losses on investments	(3,435,770)
Deficiency of revenues over expenses - as restated	\$ (8,951,553)

4. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that NRT is not exposed to significant interest, currency or credit risks arising from the financial instruments disclosed on the balance sheet. The carrying values of these financial instruments approximate their fair values.

(a) Credit Risk

Credit risk relates to the possibility that a loss may occur from the failure of another party to comply with the terms of a contract. The investment policy established by NRT limits credit risk by limiting the maximum exposure to any one single security issuer and by investing only in securities from counterparties with a minimum rating of at least "BBB" as defined by Moody's, Standard & Poors or Dominion Bond Rating Service.

4. FINANCIAL INSTRUMENTS (Continued)

(b) Interest Rate Risk

Interest rate risk relates to the possibility that fixed income investments will change in value due to future fluctuations in market interest rates. NRT has hired three financial managers to manage its cash and investments based on its cash flow needs and to optimize its investment income. The total value of investments exposed to interest rate risk amounts to \$29,039,807 (Note 6). NRT does not use derivative instruments to reduce its exposure to interest rate risk.

(c) Market Risk

Market risk relates to the possibility that the equity investments will change in value due to future fluctuations in market prices. As the equity investments are held at cost, those investments are exposed to market risk to the extent that a decrease in market value is not considered temporary. The investment policy established by NRT limits market risk by limiting the maximum exposure to any single security to holdings of less than 10% of the total portfolio. It also limits equity holdings to less than 10% of the total voting shares or available public float. The total value of investments exposed to market risk amounts to \$48,023,319 (Note 6). NRT does not use derivative instruments to reduce its exposure to market risk.

(d) Liquidity Risk

Liquidity risk is the risk of being unable to meet a demand for cash or fund obligations as they come due. NRT manages liquidity risk by holding assets that can be readily converted into cash.

5. RESTRICTED CASH AND CASH EQUIVALENTS

Restricted cash and cash equivalents is comprised of operating accounts and a term deposit and is recorded at cost, which approximates fair market value. Restricted cash and cash equivalents consists of the following:

Investment	Rate	Maturity	Contribution Fund	Strategic Fund	March 31, 2013 Total	March 31, 2012 Total	April 1, 2011 Total
Operating accounts	0 - 1.0%	On demand	-	\$ 321,174	\$ 321,174	\$ 559,094	\$ 2,049,288
Term deposit (Note 11)	1.3%	Nov. 23, 2013	23,671	-	23,671	23,671	-
Total			23,671	321,174	344,845	582,765	2,072,959
Less - current portion			23,671	321,174	344,845	582,765	2,072,959
Long-term			\$ NIL	\$ NIL	\$ NIL	\$ NIL	\$ NIL

As at March 31, 2013, funds held in the term deposit relate to a security deposit that served as collateral for the operating lease. Funds classified as restricted cash and held in the operating account relate to funds held for eligible expenses on operating and strategic programs.

6. INVESTMENTS

	Fair Value	Cost Base	March 31, 2013 Cumulative Unrealized Gain (Loss)	March 31, 2012 Cumulative Unrealized Gain (Loss)
Contribution Fund				
Fixed Income	\$ 21,346,237	\$ 19,447,467	\$ 1,898,770	\$ 2,490,914
Canadian Equity	24,276,670	25,063,303	(786,633)	(1,753,562)
Global Equity	23,746,649	28,541,649	(4,795,000)	(8,096,534)
	69,369,556	73,052,419	(3,682,863)	(7,359,182)
Strategic Fund				
Money Market - Short-term	1,676,378	1,676,378	-	-
Fixed Income - Short-term	5,323,622	5,323,622	-	-
	7,000,000	7,000,000	-	-
Fixed Income - Long-term	693,570	644,191	49,379	64,778
	7,693,570	7,644,191	49,379	64,778
Total Investments	\$ 77,063,126	\$ 80,696,610	\$ (3,633,484)	\$ (7,294,404)
Current Long-term	\$ 7,000,000	\$ 7,000,000	\$ -	\$ -
	70,063,126	73,696,610	(3,633,484)	(7,294,404)
Total Investments	\$ 77,063,126	\$ 80,696,610	\$ (3,633,484)	\$ (7,294,404)
Investments are held by a custodian and are comprised of institutional pooled funds managed by professional investment managers. Investment activities are governed by the Board-approved NRT "Statement of Investment Policy and Procedures".				
Investments are recorded at fair value. Fair value is based on the quoted market price as at March 31, 2013.				
Investment income earned during the year is comprised as follows:				
	Contribution Fund	Strategic Fund	2013	2012
Interest and dividend income	\$ 2,071,328	\$ 70,059	\$ 2,141,387	\$ 1,984,876
Capital gains, net	916,512	-	916,512	549,170
	\$ 2,987,840	\$ 70,059	\$ 3,057,899	\$ 2,534,046

NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2013 (Continued)

7. DUE FROM NRT FOUNDATION

The amounts due from NRT Foundation, an organization with common directors, are non-interest bearing and due on demand.

8. OTHER INVESTMENTS

NRT entered into a limited partnership for the purpose of establishing a capital fund to assist B.C. First Nation individuals, businesses and communities to pursue sustainable economic development opportunities in B.C. NRT's equity contribution consisted of a promissory note in the amount of \$1,666,667 of which \$256,667 has been advanced as at March 31, 2013 with total amount being payable to the partnership of \$1,410,000 (Note 10). At March 31, 2013, NRT was allocated \$12,465 of earnings from the partnership, which has been recorded as an increase in the investment.

NRT purchased 100 shares of B.C. First Nations Equity Fund Inc. ("BCFNEFI") for \$100. BCFNEFI is the general partner in the B.C. First Nations Equity Fund Limited Partnership. At March 31, 2013, BCFNEFI had immaterial income and therefore no adjustment had been recorded in the financial statements for NRT's interest in BCFNEFI.

Other investments are comprised as follows:

		March 31, 2013	March 31, 2012	April 1, 2011
	Ownership			
B.C. First Nations Equity Fund Limited Partnership	33%	\$ 1,691,842	\$ 1,679,377	\$ 1,666,667
B.C. First Nations Equity Fund Inc.	33%	100	100	100
Total investments		\$ 1,691,942	\$ 1,679,477	\$ 1,666,767

9. EQUIPMENT

	Cost	Accumulated Amortization	March 31, 2013 Net Book Value	March 31, 2012 Net Book Value	April 1, 2011 Net Book Value
Computer equipment and software	\$ 138,691	\$ 77,530	\$ 61,161	\$ 50,260	\$ 46,953
Office equipment	10,930	8,734	2,196	3,137	3,687
Furniture	21,023	15,447	5,576	6,970	8,712
Leasehold improvements	1,426	404	1,022	1,307	-
	\$ 172,070	\$ 102,115	\$ 69,955	\$ 61,674	\$ 59,352



NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2013 (Continued)

10. PROMISSORY NOTE

The promissory note payable to B.C. First Nations Equity Fund Limited Partnership is non-interest bearing, unsecured and due on demand (Note 8).

11. COMMITMENTS

(a) Operating Fund

NRT has entered into an operating lease for its premises ending in November 2017. Future minimum lease obligations are as follows:

2014	\$ 57,972
2015	60,641
2016	61,398
2017	35,816
	\$ 215,827

NRT has authorized a letter of credit for \$ 23,671 in favour of the lessor.

(b) Strategic Fund

NRT is committed to fulfilling certain contractual obligations in relation to its Strategic initiatives. The obligations and the initiatives to which they relate are summarized as follows:

Direct Support	\$ 109,406
Policy Development Initiatives	89,452
Other Initiatives	60,000
Capacity	22,000
Education	19,084
Elder's & Youth Grants	17,200
	\$ 317,142



NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2013 (Continued)

12. STRATEGIC EXPENSES

	2013	2012
CAPACITY:		
Direct Support and Policy Development Initiatives	\$ 2,057,136	\$ 1,452,407
Grant Writer Support	-	26,250
Inherent Rights Workshop	-	150,000
Regional Engagements	94,485	-
Other Initiatives	40,600	215,228
	2,192,221	1,843,885
ECONOMIC DEVELOPMENT:		
BC Aboriginal Business Awards	50,000	50,000
Equity Matching Initiative	455,000	625,000
Golf Tournament	-	31,840
First Nations Economic Development Strategy	-	26,474
Other Initiatives	209,631	111,573
	714,631	844,887
EDUCATION:		
Scholarships	690,903	751,000
New Paths Grade-School Learning Enhancement	-	790,000
Post-Secondary Employment Subsidies (recovery)	(5,939)	479,635
K-12 Education Initiative	500,000	-
	1,184,964	2,020,635
LANGUAGE AND CULTURE:		
First Voices	200,000	200,000
B.C. Language Initiative	200,000	150,000
Language and Culture Camps	150,000	100,000
Master - Apprentice	100,000	150,000
Language Nests	-	100,000
Language Authorities	100,000	150,000
Language Certification	-	619,500
Culture Centres and Art	-	150,000
	750,000	1,619,500
YOUNG ENTREPRENEURS:		
Young Entrepreneurs Symposium	123,246	50,338
YOUTH AND ELDER'S:		
Annual Elders Gathering	50,000	25,000
Elders Projects	199,600	219,838
Youth Training and Grant Program	224,759	229,879
	474,359	474,717
TOTAL STRATEGIC EXPENSES	\$ 5,439,421	\$ 6,853,962



NEW RELATIONSHIP TRUST
NOTES TO FINANCIAL STATEMENTS - MARCH 31, 2013 (Continued)

13. APPROPRIATIONS

During the year, the Board approved the following appropriations:

- (i) \$6,162,552 (2012 - \$7,661,197) from the Contribution Fund to the Strategic Fund.
- (ii) \$914,419 (2012 - \$943,381) from the Strategic Fund to the Operating Fund.

14. PRIOR PERIOD ADJUSTMENT

The statement of financial position and statement of operations and changes in net assets for the fiscal year ending 2012 have been restated due to unrecorded funding in the amount of \$60,500 that was not known at the time of the audit. The results of these adjustments are analyzed as follows:

	As Previously Stated	Restated
NRT Foundation	\$ 3,677	\$ 64,177
Other funding/revenue	\$ 72,112	\$ 132,612
Net Assets	\$ 77,212,521	\$ 77,273,021



Making a Difference

Since 2006, NRT has:

Provided **\$33,134,383** million in total project support

Consistently kept administration costs to less than
2% of our total portfolio

Provided Direct Support to
75%
of BC First Nations
for capacity building



Funded **18**



governance capacity toolkits and guides

Created
5 best practice tools
and information
sharing sessions

Supported the archiving of **36**
First Nations language dialects



Funded **31**
Policy Development
projects for
First Nations in BC



Supported
389 Youth and
414 Elders projects

Supported
352 language and
73 arts projects

Awarded **926**
post secondary
scholarships and
bursaries

