

A PORTRAIT OF ABORIGINAL FINANCIAL INSTITUTIONS

FISCAL 2015

**SUPPORTING ENTREPRENEURIAL VISION
INVESTING IN ENTREPRENEURIAL STRENGTHS**

Prepared by:
The National Aboriginal Capital Corporations Association

A PORTRAIT OF ABORIGINAL FINANCIAL INSTITUTIONS 2015

INTRODUCTION

The National Aboriginal Capital Corporations Association is the national association that serves a network of 54 Aboriginal Financial Institutions (AFIs) located throughout Canada. Aboriginal leaders with support from the Government of Canada, created AFIs in the late 1980s to early 1990s. An AFI includes Aboriginal Capital Corporations; Aboriginal controlled Community Futures Development Centres and provincially or privately capitalized Aboriginal Developmental Lenders. These organizations have different mandates, coverage areas and funding sources.

An Aboriginal Capital Corporation (ACC) is an Aboriginal-owned and controlled business lending organization capitalized by the Federal Government to deliver financing and advisory services for Aboriginal business development. ACCs provide business services and support to Canadian status and non-status Indians, Inuit and Métis individuals, associations, partnerships or other legal entities which are wholly or majority owned or controlled by Aboriginal people, on or off reserve. A typical ACC has a revolving-loan capital fund from which it offers secured interest bearing term loans. Variation among the corporations allows for sensitivity to the needs of local and regional market conditions. Services may vary; however, ACCs generally offer term loans, letters of credit, operating\ working capital loans and technical and advisory services.

Aboriginal controlled Community Futures Development Centres (ACFDCs) are capitalized by the Federal Government through the Regional Development Agencies and provide their communities with a variety of services including business development loans, technical support, training and information. In addition to the business development component, ACFDCs are involved in a wide array of community initiatives, including strategic planning processes, research and feasibility studies and the implementation of a diverse range of community economic development projects.

Aboriginal Developmental Lenders (ADL) capitalized either by the private sector or Provincial/Territorial Governments provide debt and equity capital and vast array of business support services including Federal, Provincial and Territorial programs to status and non-status Indians, Inuit and Métis individuals, partnerships or other legal entities which are wholly or majority owned or controlled by Aboriginal people, on or off reserve.

The AFI approach of supporting the viability of a business, taking a flexible stance on security requirements and managing risk by building capacity of Aboriginal small and medium enterprises, positions AFIs as risk management innovators, providing distinct risk management and mitigation solutions as well as critical access to local financial services. AFIs are highly focused and dedicated to meeting developmental lending needs for Aboriginal clients. Within the continuum of lenders that provide small business loans to Aboriginal people AFIs have a deep reach to the communities they serve across Canada having developed a know-how over 25 years not shared by other organizations.

METHODS

The AFI Portrait 2015 provides an overview of lending activity in the AFI network drawn from 48 AFI audited financial statements and supplemental data from 41 AFIs for the fiscal year ending March 31, 2015.

SUMMARY OF RESULTS

- 1,434 loans were provided to Aboriginal businesses in 2015 totalling \$115 million,
- A total of 3,895 jobs were created and maintained by new AFI small business loans provided in 2015.
- It is estimated the consolidated AFI gross loan portfolio supports in the range of 13,000 full time equivalent jobs on a continuous basis.
- Well over 38,000 small business loans totalling over \$2.1 billion have been provided to Aboriginal entrepreneurs or businesses since AFIs were formed.
- Repayment of AFI loans is now beyond \$1.7 billion. The average AFI repayment efficiency rate remains above 94%.
- Lending is only part of what AFIs do. AFIs work with Aboriginal entrepreneurs and businesses to efficiently deploy capital to businesses and entrepreneurs; play a role in creating an investment environment while building the financial literacy and planning skills required for entrepreneurs in Aboriginal communities; and ensure institutional capacity continues to grow.
- Profitability of AFIs able to participate in ADLA programming has improved
- The consolidated AFI gross loan portfolio reflected positive growth of \$8 million in 2015
- The consolidated AFI developmental gross loan portfolio is considered prudently managed
- The direct economic impact of AFI supported small businesses in 2015 was \$300 million
- The AFI network is formulating interconnected plans to further enhance performance based AFI efficiencies and results

Contents

A PORTRAIT OF ABORIGINAL FINANCIAL INSTITUTIONS 2015 2

INTRODUCTION..... 2

METHODS 3

SUMMARY OF RESULTS 3

List of Abbreviations and Acronyms 5

1. Aboriginal Financial Institutions Highlights 2015..... 6

2. Aboriginal Financial Institutions Performance 7

3. The AFI Network Consolidated Loan Portfolio..... 9

4. Fundamental 2016-17 AFI Network Objectives..... 11

5. 2015 Key AFI Results and Impacts 15

6. Appendices..... 24

List of Abbreviations and Acronyms

ACC	Aboriginal Capital Corporation
ACF	Aboriginal Community Futures
ACFDC	Aboriginal Community Futures Development Centre
ACOA	Atlantic Canada Opportunities Agency
ADL	Aboriginal Developmental Lending Institution
ADLA	Aboriginal Developmental Lending Assistance
AEP	Aboriginal Entrepreneurship Program
AFI	Aboriginal Financial Institution
AV	Average
BSO	Business Services Officer
CanNor	Canada Northern Economic Development Agency
CEDQ	Canada Economic Development Quebec
CAT	Capital Attraction Tool
EA	Enhanced Access
FEDEV	Federal Economic Development Agency Southern Ontario
FEDNOR	Federal Economic Development Agency Northern Ontario
FTE	Full Time Equivalent
GLP	Gross Loan Portfolio
GM	General Manager
INAC	Indigenous Affairs and Northern Development Canada
IRB	Interest Rate Buy-Down
LLR	Loan Loss Reserve
LR	Larger Region
NACCA	National Aboriginal Capital Corporations Association
PAR	Portfolio-At-Risk – loans 90 days or more in arrears plus restructured loans
PDP	Program Delivery Partnership
RA	Rolling Average
RDA	Regional Development Agency such as WD, FEDEV, FEDNOR, CEDQ, ACOA, CanNor
SR	Smaller Region
WD	Western Economic Development Agency

1. Aboriginal Financial Institutions Highlights

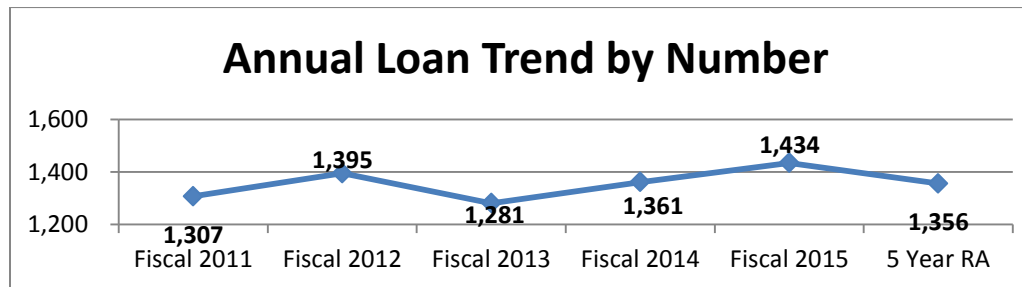
AFI Highlights	2015	2014
AFI Economic impact		
Total loan dollars advanced	\$115,561,002	\$110,384,324
Total dollars leveraged	\$90,009,500	\$107,769,025
Total operational expenses	\$38,345,922	\$37,996,786
Total programs and projects managed	\$53,358,196	\$48,981,278
Total primary economic impact	\$297,274,620	\$305,131,413
Total new start-up small business loans	442	480
Total new loans provided to existing small businesses	848	727
Total new and restructured loans	1,432	1,361
Total FTE jobs created by small business start-up loans	1,086	1,200
Total FTE jobs created\maintained by new loans to existing small businesses	2,809	3,057
Total FTE jobs created maintained by new loans to Aboriginal small businesses	3,895	4,257
Average FTE jobs created\maintained per AFI loan	3.0	3.5
Portfolio Management		
Total AFI loans outstanding	4,115	4,468
Total AFI gross loan portfolio	\$318,633,390	\$310,849,445
Total AFI loan loss reserve	\$27,037,713	\$27,697,042
Total loan loss reserve percent of consolidated gross loan portfolio	8.49%	8.91%
Average AFI interest yield on gross loan portfolio	7.49%	6.64%
Average AFI delinquency reported	11.34%	12.41%
Historical AFI network write offs as a percentage of historical loans advanced	5.33%	5.24%
Liquidity		
Total active AFIs that have 6 months loan demand in liquid cash	41	42
Total active AFIs that have less than 6 months loan demand in liquid cash	13	12
Profitability		
Average expense per AFI loan	\$10,730	\$8,604
Number of profitable AFIs	32	33
Consolidated AFI network profit (loss)	\$2,001,657	\$7,370,945

2. Aboriginal Financial Institutions Performance

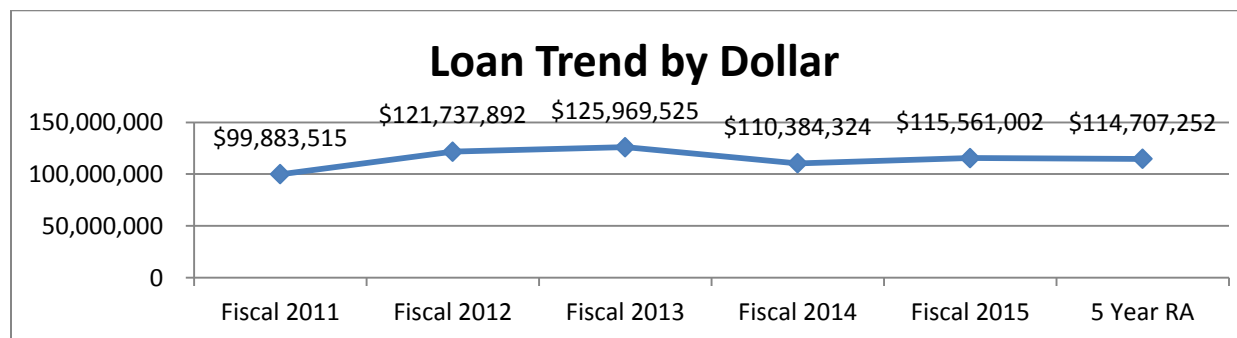
The distribution of the AFIs across Canada is as follows:

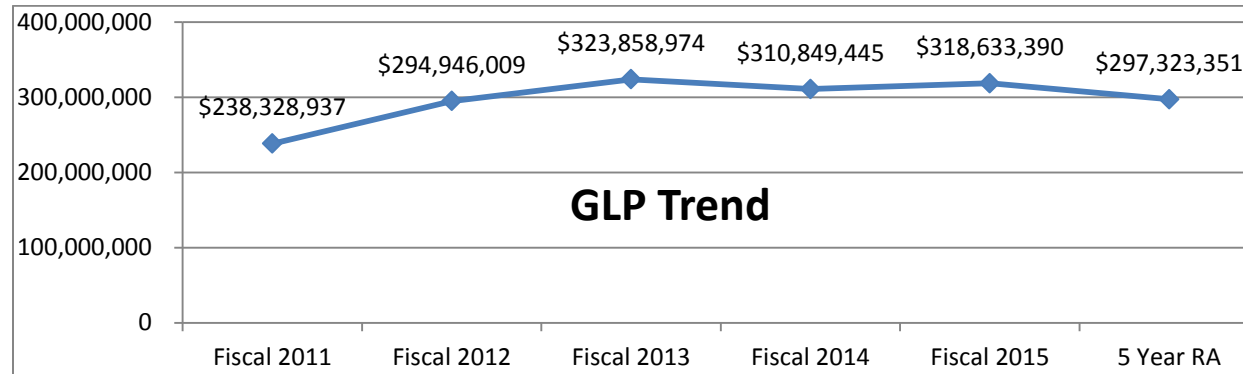
YK	NWT	NU	BC	AB	SK	ON	PQ	AC	MB	Total
1	6	4	9	5	6	8	5	1	9	54

Annual AFI loan and gross loan portfolio activity is reflected in the following three charts:



AFIs provide in the range of 1,200 to 1,400 loans every year. The five year rolling average is 1,355 loans per year. For the seventh consecutive year AFI loan advances were in the \$100 million range.





2015 AFI Performance Measures

AFI General Managers designed and use an AFI performance measurement system encompassing a comprehensive set of benchmarks based on a 200-point weighted scale which measure four categories: *Portfolio Risk Management* with nine measures weighted at 65 points; *Loan Capital Utilization* with six measures weighted at 50 points; *Economic Impact* with five measures weighted at 55 points; and *Self-sufficiency* with five measures weighted at 30 points.

The overall average ranking was “B” reflecting a rating score between 140.00 and 169.99 out of 200. The 2015 average of General Managers’ Performance Measures score was 142.60 “B” up marginally from 139.48 “C” in 2014 and 138.92 “C” in 2013. As at March 31, 2015 76% of AFIs were performing at or above the “C” level, compared to 74% in 2014, and 71% in 2013.

GMs Performance Measure Summary					
Ranking	A	B	C	D	Total Ranked
Number of AFIs	7	16	8	10	41
Percentage of AFIs	17%	39%	20%	24%	100%

3. The AFI Network Consolidated Loan Portfolio

As of March 31, 2015 it is estimated in the range of 3,400 to 3,700 Aboriginal businesses in all Provinces and Territories were supported by 4,115 AFI loans, aggregating \$319 million. Since AFIs began to operate, they have provided well over 38,000 loans to Aboriginal entrepreneurs or businesses. Repayment of AFI loans has surpassed \$1.7 billion. AFI repayment efficiency is 94.67%.

A Profile of AFI Network Lending

This section draws on audited financial statement data from 48 of the 54 of AFIs that provided developmental lending services for the year ending March 31, 2015.

Job Creation and Maintenance

AFIs play a vital role supporting the creation and maintenance of jobs by Aboriginal entrepreneurs. It is estimated the consolidated AFI gross loan portfolio supports approximately 13,000 full-time equivalent jobs. 2015 job creation\maintenance data is reflected in the table below.

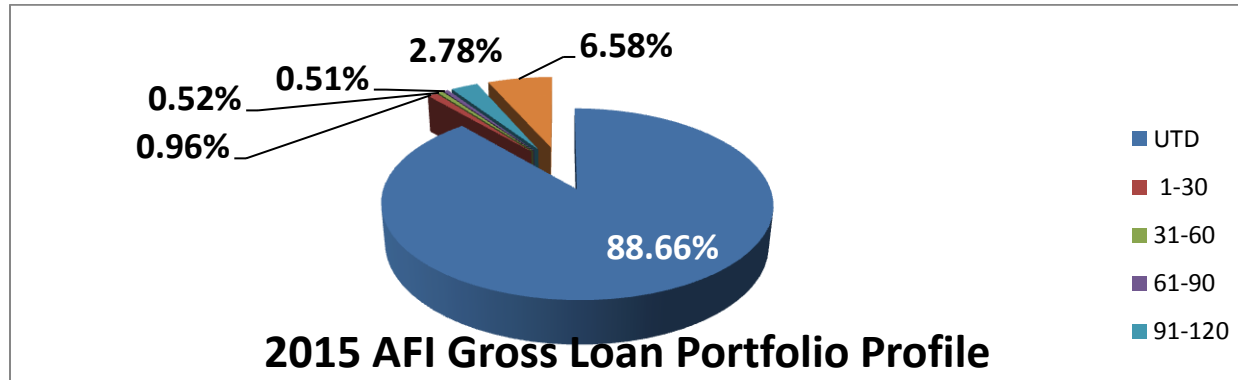
Job Creation\maintenance Summary				
Number of new loans reporting job data		Total FTE Jobs	FTE Jobs per loan	
Start-up loans	442	1,086	2.5	
Expansion loans	848	2,809	3.3	
Total new loans reporting job data	1,290	3,895	3.0	

Contractual Delinquency Reported

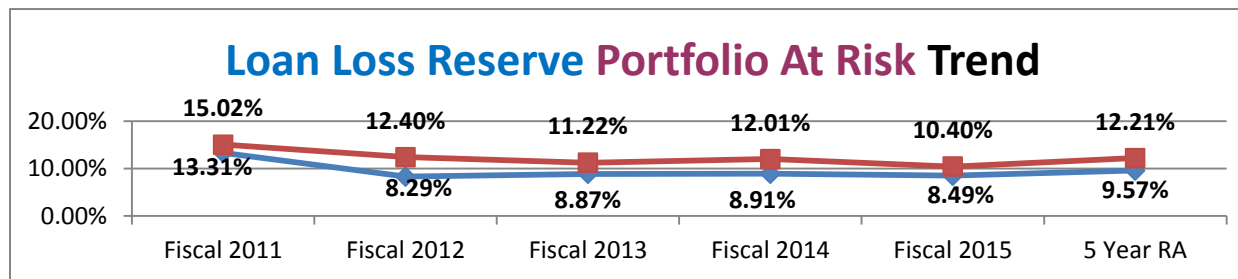
Current or up-to-date loans have remained fairly stable from 2012 to 2015 despite the fragile economy.

Reported Loan Portfolio Contractual Delinquency	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015
Current	82.52%	86.99%	88.90%	87.59%	88.66%
1-30	2.16%	1.52%	1.20%	1.54%	0.96%
31-60	1.79%	0.75%	0.75%	0.94%	0.52%
61-90	1.02%	0.77%	0.50%	0.44%	0.51%
91-120	5.04%	4.89%	3.63%	3.44%	2.78%
121+	7.46%	5.08%	5.01%	6.04%	6.58%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

9.36% of the AFI loan portfolio is reported by AFIs to be as being at risk (loans over 90 days in arrears and restructured loans).



The gap between the consolidated AFI loan portfolio at risk (PaR) over 90 days in arrears plus restructured loans and the Loan Loss Reserve (LLR) has remained relatively consistent. It appears minimal reliance is being placed on underlying security held in support of loans.

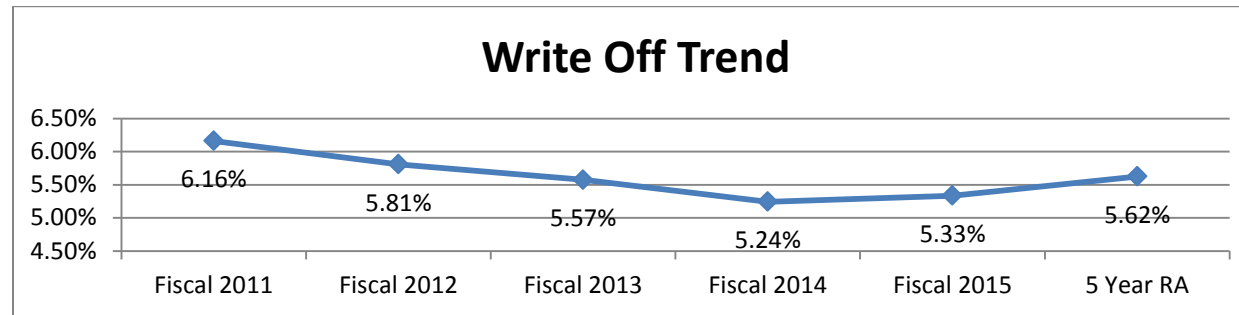


Write-offs were higher in 2015 than previous years. Possible reasons may be:

1. sustained economic fragility, compounded by the collapse of oil prices
2. ADLA recipient AFI write-offs in 2015, which in previous years may have been curbed to some degree because of the fundamental flaws in the AFI model that were corrected by ADLA programming, were significantly higher at \$3.8 million than the average of the previous four years (\$2.4 million)
3. a combination of 1, 2 and 3 above

Most Recent Three Years Write-offs in Dollars	
2015	6,162,078
2014	2,484,410
2013	2,874,295

The five year write-off trend however remains stable, decreasing by 0.83% over the five year period. The active five year AFI historical loan write-offs are reflected as a percentage of historical loans in the chart below.



4. Fundamental 2016-17 AFI Network Objectives

Increasing AFI network's capacity and self-sufficiency is a priority in light of reductions to INAC programming from 2012-13 to 2014-15 in order to fuel the demand for loans from Aboriginal entrepreneurs and small businesses. In 2014-15 NACCA began to explore the potential to attract private loan capital with assistance from Deloitte LLP. Phase 1 of this undertaking has been completed. The NACCA Board will be evaluating the Deloitte LLP findings and determining a path forward in 2016-17.

1. Building on the Existing ACFDC Model

Industry Canada created Community Futures Development Centres (CFDCs) through the Regional Development Agencies (RDAs) in the late 80s to early 90s. Although there are 269 CFDCs South of 60, few CFDC products or services appear to be received by Aboriginal people unless a majority of the CFDC Board is Aboriginal. NACCA recognizes an Aboriginal Community Futures Development Centre (ACFDC) as a CF that is Aboriginal controlled i.e. the majority of Directors on the CF Board being Aboriginal. Only 22 ACFDCs out of the 269 CFDCs in Canada are Aboriginal controlled, 15 of which are located south of 60 and 7 north of 60. Although ACFDCs are considered by RDAs to simply be CFDCs there are profound differences between ACFDC and CFDC operations i.e. Indian Act restrictions, educational levels, financial literacy, exposure to small business experience. As such, the needs of ACFDCs are overwhelmingly different than those of non-Aboriginal CFDCs.

The average ACFDC has approximately \$2 million in loan capital and is unable to use even a portion of the interest earned on the loan portfolio without special approval from the funder. The ACFDC repayable and non-repayable capital investment of \$52 million has resulted in the provision of 7,425 loans totaling \$193 million. The current ACFDC GLP is comprised of more than 1,000 loans totaling \$35 million. In 2015 alone, ACFDCs provided 91 small business start-up loans and 230 new small business loans to existing small businesses, assisting with the creation and maintenance of 950 full time equivalent (FTE) jobs

ACFDCs receive operating cost subsidies from their funders and are contractually compelled to deliver specific products and services to communities and entrepreneurs in the regions they serve. ACFDCs must apply to their funder to be able to use a portion of the interest they generate on loans to offset a portion of their operating expenses. The constraints imposed through past as well as current operating subsidy levels, in effect restrict ACFDC autonomy and impede the impact they could have in the regions they serve.

Significant challenges regarding the prevailing ACFDC business model remain outstanding and urgently need to be addressed i.e. the level of operating subsidies ACFDCs receive, the level of loan capital they have been provided and restrictions on the use of interest earned on loans to enhance support services required by borrowers. Restructured programming could largely resolve business model challenges. Consideration will be given to forming a working group comprised of ACFDC General Managers and government stakeholders in 2016-17 to focus on adequate capital and operational support designed to enhance ACFDC capacity.

2. Restoring and Enhancing Client Equity Funding

AFIs have generated well over 38,000 loans totalling more than \$2.1 billion and maintain a current gross loan portfolio of \$319 million largely because of federal government's equity programming. Client equity programming enhances loan capital preservation for future Aboriginal entrepreneurs as it serves to absorb a portion of a lender's exposure to unsecured risk.

The capital needs for Aboriginal small businesses remains great. Evidence confirms that two significant challenges faced by Aboriginal entrepreneurs is a lack of access to debt and equity/capital.¹ These trends suggest that the current supply of capital to Aboriginal SMEs is a barrier, stifling the potential for innovation and growth.

Reductions to INAC's Business Capital and Support Services from 2012-13 to 2014-15 decreased actual expenditures by 31% or than \$17 million from \$55,030,424 in 2012-13 to \$37,667,689 in 2014-15. As a result, AFIs now managing client equity programming have even less capital to meet the high demand for equity from Aboriginal entrepreneurs. The impacts of these cuts have left AFIs with an urgent need for additional loan capital and business support service assistance. Some AFIs with insufficient capital have been forced to turn aside promising business opportunities, while less equity is available to AFI clients, resulting in a diminished value of loans over the past few years. In recognition of the urgent need for client equity funds, at least one AFIs' loan capital is strained to the point that the maximum loan available is only \$50,000, down from the previous maximum of \$250,000. Some AFIs have also limited their promotion of the client equity program to Aboriginal communities as they know they do not have sufficient capital available to meet demand. Restoration and enhancement of client equity programming will continue to encourage Aboriginal individuals and communities to seek out commercial opportunities with the knowledge that they can receive some financial assistance in the form of equity that not only helps to defray the project's start-up costs but also provides an indication that their endeavor is of value and is contributing to the overall Canadian economy.

¹ Canadian Council for Aboriginal Business *Promise and Prosperity: The Aboriginal Business Survey, 2011* P29 Financing

3. Expand AFI Support Services to Aboriginal Small Business Clients

NACCA offers products and services to AFIs under the Aboriginal Entrepreneurship Program. An increased investment of 6% across these programs will strengthen AFIs capacity to provide effective developmental lending and business support services.

Aboriginal Capacity Development Program

Aboriginal Capacity Development Program (ACDP) builds the capacity of AFI employees and board members to deliver effective and consistent developmental lending services, product support training, professional development, and business support activities. Investments in capacity building and knowledge transfer convert into increased and more effective AFI lending activity and business support services to Aboriginal clients.

Aboriginal Developmental Lending Assistance

An average anticipated annual growth rate of 6% of the ADLA participating AFIs Gross Loan Portfolio. It is expected the ADLA budget will need to increase from \$5M/annum in 2016 through 2020. Loan growth projected at 6% will increase ADLA requirements as the ADLA rate increases from 13% to 18% to more fairly compensate ADLA participating AFIs in relation to pre and post loan care. As a result it is estimated the ADLA budget would need to be increased from \$5 million per year to \$7 million per year over the next five year period.

4. Support a Sustainable Network of AFIs

AFI loan capital has been eroded due to inflation and the length of time it has taken to implement ADLA to shore up the cost of developmental lending shortfall incurred by AFIs in the interim. In order to better position AFIs with a loan capital shortage (based on the level of loan capital provided by government) to be able to utilize a an instrument to gain access to private capital, capital top-ups in the range of \$82 million are required to provide private investors with reasonable liquidity comfort.

A sustainable network of AFIs refers to organizations with a sufficient supply of loan capital available to meet developmental loan demand, represented by undisbursed loan capital equal to 6 months demand loan demand, as well as the ability to attract funds from other sources. The six month benchmark also serves AFIs to be attractive to potential private investors and alternative sources of capital.

2015	# of AFIs	Shortage
ACC loan capital	14	-62,194,654
ACFDC loan capital	6	-2,278,178
Dual ACC\ACFDC loan capital	3	-17,059,064
ADL loan capital	1	-152,162
Totals	24	-81,684,057

Seven AFIs have pledged their Gross Loan Portfolios to secure additional capital from other sources utilizing Interest Rate Buy-down programming to offset a portion of the cost of funds increase. Five of the seven AFIs have drawn down on their credit facilities. As the AFI network moves toward sustainable funding to meet client demand for loan capital, it is recognized that prior security charges would need to be cleared before AFIs could move toward attracting private capital for developmental loans. In the interim, ways and means to enhance IRB programming making it more efficient and user-friendly will be explored in 2016-17.

In addition to the \$82 million loan capital top-up requirement for all AFIs (includes \$54 million for comparable ACCs); it would be prudent to allow for continuance of the Gross Loan Portfolio growth of comparable ACCs over the next five year period. A 6% average growth of the comparable ACC GLP has been projected over the next five year period. If comparable ACC GLP growth continues at average 6% per year as a result of ADLA programming, an additional \$54 million loan capital (see table below) would be required over the next 5 year period.

All comparable ACC Gross Loan Portfolio Growth

The 2014-15 closing comparable ACC GLP was \$160,356,812. Comparable ACC GLP growth is projected at 6% per year yielding results reflected in the following table.

GLP Growth of 6%	
year 1	169,978,221
year 2	180,176,914
Year 3	190,987,529
Year 4	202,446,781
Year 5	214,593,587
growth	54,236,775

5. Innovation and Effectiveness

In 2016-17 NACCA will explore ways and means for consideration of requests to:

- Respond to requests for AFIs to engage in addressing the financing of housing, a women in business and youth business programming;
- Attract diversified streams of capital, via private capital markets;
- The potential to develop and implement a loan management system for use by all AFIs to reduce the AFI administrative burden and expedite reporting and data collection throughout the AFI network.
- To obtain a data management system whereby all data will be entered into one software program, to ensure data is in one location and is a cohesive tool for NACCA, its members, and funders.

Costs related to innovation and effectiveness will not be known until later in fiscal 2016-17 as exploratory work is completed.

5. 2015 Key AFI Results and Impacts

The purpose of this section is to document consolidated and average AFI activity results for the year ending March 31, 2015. This data provides AFI General Managers and Boards with base statistics for consideration in performance comparison.

Methodology and Data Limitations

The 2015 AFI Portrait is a consolidation of the audited financial statement results of 48 AFIs.² AFIs do not use identical revenue and expense category terms\phrases and some discretion is necessary to consolidate results. One of the 54 active AFIs provides resupply credit lines to Aboriginal owned and controlled co-ops north of 60. The majority of AFI fiscal year-end dates occur on March 31st however one AFI has a year-end prior to March 31st and eight AFIs have a fiscal year-end after March 31st. The most recent available year-end data from these eight AFIs were included in the 48 audited financial statements to compile the 2015 AFI Portrait. It was assumed these eight AFIs would closely replicate their most recent year-end results in 2015.

Smaller Region and Larger Region AFIs

AFIs are often grouped according to the geographical size of the area they serve.³ Tables and charts as well as commentary in this section may reflect data in smaller region and larger region AFI categories, and where deemed useful, by smaller region profitable and smaller region unprofitable and/or larger region profitable and larger region unprofitable categories.

AFI Governance and Oversight

AFI Boards are predominately Aboriginal people from the regions or heritage groups served. Control and oversight by members of the communities served has often been cited as an integral reason for AFI successes in maintaining high repayment efficiency rates. In some cases, Aboriginal AFI Board members may appoint independent directors with specialized skills such as accountants or lawyers to ensure that the AFI Board of Directors possesses required capacity.

AFI Management and Staff

As of March 31, 2015 AFIs employed 309 people (2014 310 people).

² Refer to Appendix I, for a list of AFIs that submitted audited financial statements and supplemental data for the 2014 AFI Portrait to NACCA for analysis.

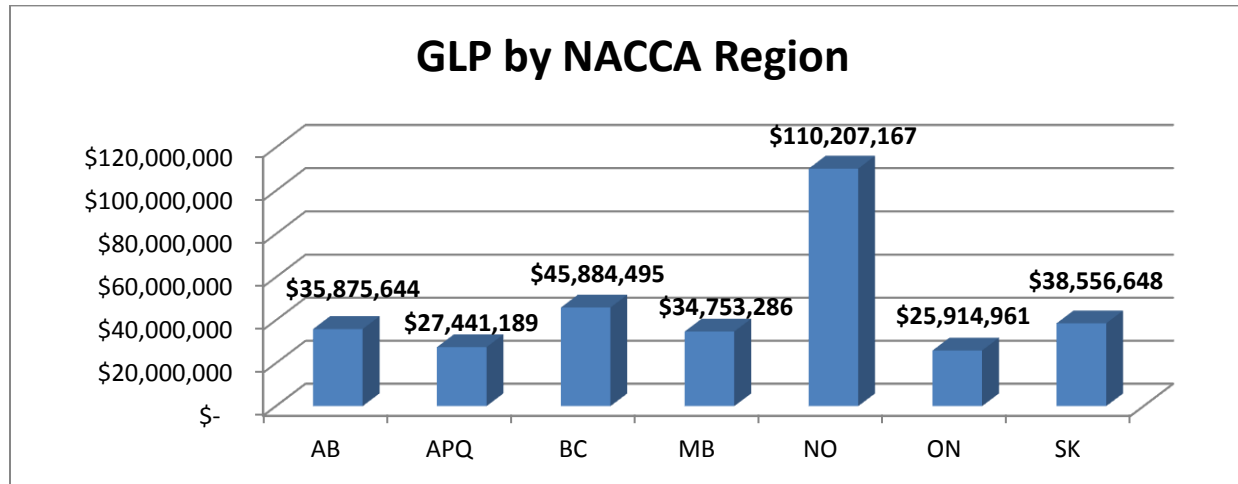
³ AANDC defines Larger Region AFIs as only those that serve an entire Province or Territory with the exception of Ohwistha Capital Corporation, which serves a large portion of Ontario. Appendix I details the Smaller Region and Larger Region AFIs.

2015 Key AFI Statistics

2015 NACCA Region Summaries							
Key Statistics	AB	APQ	BC	MB	NO	On	SK
Earned revenue	5,001,563	2,974,134	6,896,777	2,973,395	8,099,273	2,362,480	3,292,250
Government revenue							
- programs\projects	10,605,137	4,679,053	22,338,646	4,290,221	1,681,304	7,740,897	2,022,938
- subsidies	1,172,128	821,392	1,197,986	4,661,715	1,697,703	1,815,589	3,189,452
Total Revenue	16,778,828	8,474,579	30,433,409	11,925,331	11,478,280	11,918,966	8,504,640
Historical loans \$	\$241,740,171	\$185,879,147	\$264,552,140	\$119,024,385	\$819,077,906	\$185,653,495	\$258,235,190
Historical loans #	6,139	1,505	6,286	3,860	4,931	4,482	9,528
Historical write-offs #	732	634	637	456	464	619	1,000
Historical write-offs \$	\$17,069,359	\$13,859,751	\$16,688,258	\$8,789,528	\$12,107,237	\$22,614,113	\$18,239,912
Loans							
Number	230	111	208	124	218	216	325
Dollars	\$11,584,451	\$13,136,475	\$8,586,519	\$6,674,900	\$51,389,787	\$12,803,620	\$11,385,250
Gross loan portfolio #	561	409	705	525	512	715	688
Gross loan portfolio \$	\$35,875,644	\$27,441,189	\$45,884,495	\$34,753,286	\$110,207,167	\$25,914,961	\$38,556,648
Loan loss reserve	5.67%	17.92%	4.31%	20.37%	4.49%	14.21%	6.24%
Net loan portfolio	\$33,840,503	\$22,524,425	\$43,906,994	\$27,675,772	\$105,264,143	\$22,232,075	\$36,151,765
Delinquency							
Current	85.42%	81.79%	92.87%	78.14%	95.08%	74.32%	91.97%
1-30	1.84%	1.95%	0.21%	1.26%	0.08%	2.76%	1.45%
31-60	0.42%	0.90%	0.65%	0.93%	0.09%	0.84%	0.94%
61-90	0.26%	1.11%	0.18%	0.09%	0.43%	1.10%	0.91%
91-120	1.17%	5.70%	1.90%	9.15%	2.08%	1.37%	0.12%
121+	10.89%	8.55%	4.19%	10.43%	2.24%	19.61%	4.62%
Jobs Created\Maintained	256	469	427	628	1,194	447	563

Regionalized AFI Gross Loan Portfolio

For additional informational\comparison purposes the 2015 AFI Gross Loan Portfolio (GLP) is reflected below by NACCA region.



AFI Leveraged Dollars

In 2015, AFI loans leveraged a total of \$90 million (\$108 million in 2014). Leverage totals are comprised of:

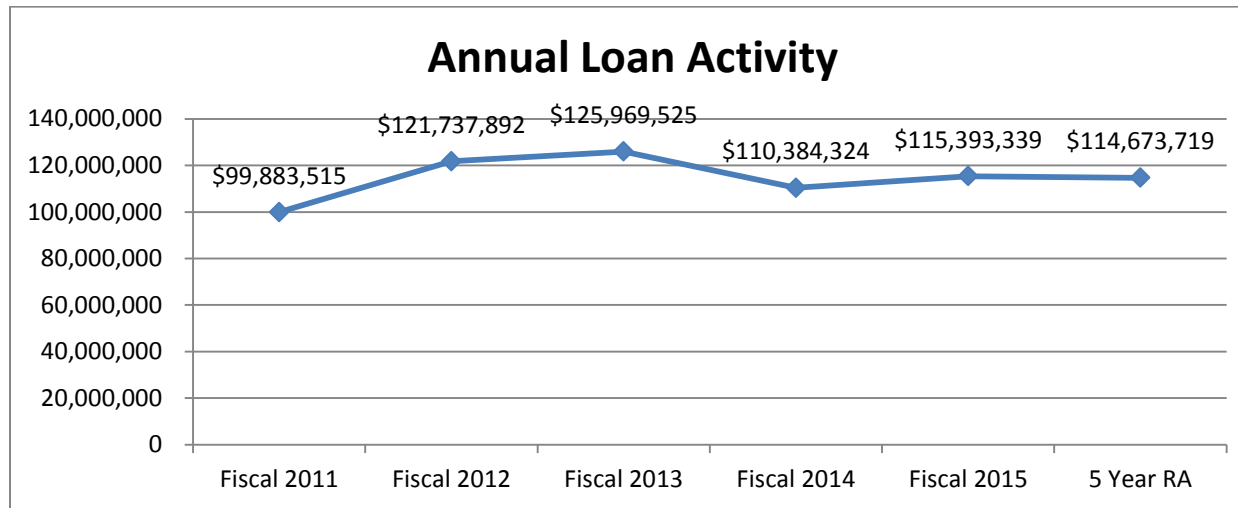
- Client equity \$29 million (2014 \$21 million)
- Government contributions \$22 million (2014 \$25 million)
- Conventional lenders \$33 million (2014 \$53 million)
- Other AFIs \$6 million (2014 \$9 million)

Summary leverage results are reflected below by NACCA region, as a percentage of new loans provided.

AB	APQ	BC	MB	NO	On	SK
30%	131%	129%	118%	44%	92%	167%

On a consolidated basis AFIs leveraged 80% of new loans advanced in 2015. In other words, for each \$100 million of new loans provided an additional \$80 million was simultaneously invested in Aboriginal businesses.

The five-year rolling average annual total loan volume has reached \$115 million⁴.



A summary of 2015 AFI new loans advanced in each NACCA region is provided below.

	AB	APQ	BC	MB	NO	On	SK
# of loans to start-up businesses	92	37	97	49	33	52	94
\$ of loans to start-up businesses	6,252,961	2,998,690	4,454,158	4,236,820	2,025,140	3,029,135	5,916,030
# of new loans to existing businesses	136	72	109	68	181	137	176
\$ of new loans to existing businesses	5,216,617	9,745,284	4,117,078	2,057,192	48,495,372	8,842,243	4,827,298

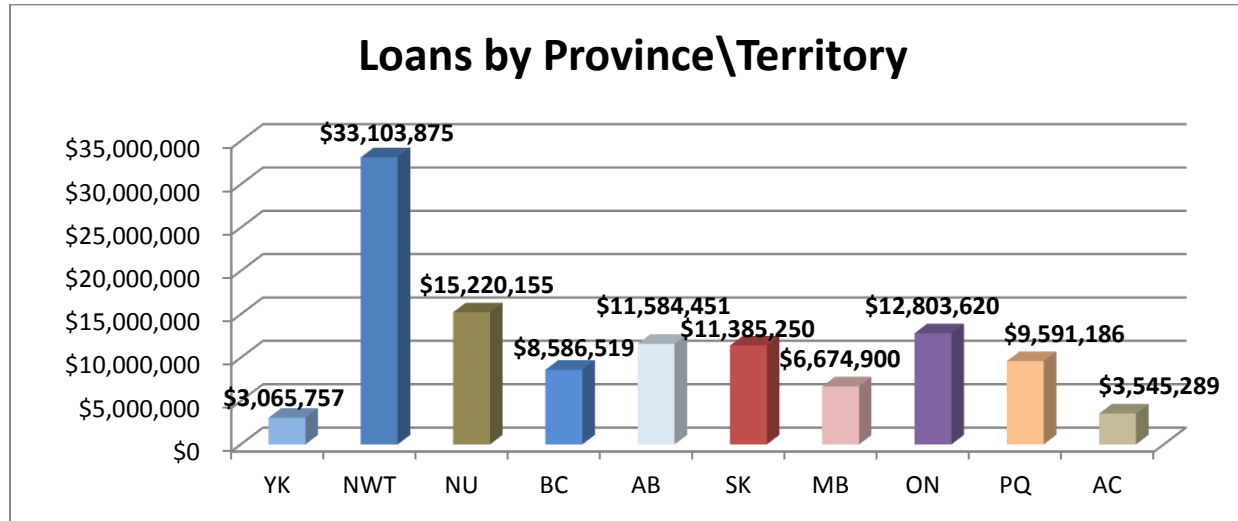
The size of the average new loan advanced may be reflective of capital adequacy and/or the quest operational efficiencies.

2015	AB	APQ	BC	MB	NO	On	SK
Average new loan advanced	\$50,305	\$116,917	\$41,608	\$53,795	\$236,077	\$62,812	\$39,790
Average loan balance	\$79,431	\$71,940	\$80,122	\$56,203	\$171,481	\$49,245	\$62,083

⁴ The spike in 2012 was influenced by one AFI that had not previously reported data.

Gross Loan Portfolio by Province\Territory

The 2015 Provincial/Territorial distribution of the gross loan portfolio⁵ is reflected below.



2015 Smaller Region (SR) and Larger Region (LR) AFI Financial Results

There are 35 AFIs located in smaller regions and 19 located in larger regions⁶. Five year audited financial statement results were consolidated and categorized into profitable and unprofitable SR and LR AFIs.

Fiscal Year	Profitability		% SR AFIs		% LR AFIs	
	All SR AFIs	All LR AFIs	Profitable	Unprofitable	Profitable	Unprofitable
2015 \$ profit (loss)	622,474	1,485,598	59%	41%	63%	37%
2014 \$ profit (loss)	4,842,039	2,528,906	68%	32%	50%	50%
2013 \$ profit (loss)	1,641,441	4,668,796	59%	41%	57%	43%
2012 \$ profit (loss)	305,974	2,146,613	48%	52%	40%	60%
2011 \$ profit (loss)	3,971,832	4,116,635	50%	50%	42%	58%
5 Year average	2,092,313	2,779,949	56%	44%	54%	46%

⁵ One AFI from the NWT has substantial loans in Nunavut. However, all of its loans are reflected in the above chart as being in the NWT.

⁶ A detailed list of SR AFIs and LR AFIs is provided in Appendix "I".

2015 Revenue Summary

The two following tables will enable both unprofitable and profitable AFIs to analyze revenue and expense streams in order to identify any areas of operations that could be improved. Revenue is expressed in both dollars and as a percentage of GLP for ease of comparison.

	Average unprofitable		Average profitable		Average unprofitable		Average profitable	
	SR AFI		SR AFI		LR AFI		LR AFI	
Assets	4,489,027		5,927,717		11,196,285		23,544,693	
Loans advanced	772,847		1,037,235		2,136,297		5,753,530	
GLP	2,497,800		3,360,816		7,511,994		13,447,177	
Loan portfolio revenue		% GLP		% GLP		% GLP		% GLP
Net interest - loans	97,464	3.90%	237,773	7.07%	517,207	6.89%	1,025,976	7.63%
Bad debt recoveries	11,831	0.47%	13,002	0.39%	18,455	0.25%	70,897	0.53%
Interest on deposits	44,392	1.78%	12,582	0.37%	30,710	0.41%	54,788	0.41%
Fee and misc. income	49,428	1.98%	55,733	1.66%	166,654	2.22%	268,354	2.00%
<i>Sub-total GLP revenue</i>	<i>203,114</i>	<i>8.13%</i>	<i>319,090</i>	<i>9.49%</i>	<i>733,026</i>	<i>9.76%</i>	<i>1,420,015</i>	<i>10.56%</i>
Fee for service revenue								
Operating subsidies	175,926	7.04%	404,418	12.03%	161,246	2.15%	225,000	1.67%
Program revenue	667,399	26.72%	980,271	29.17%	687,498	9.15%	1,288,038	9.58%
Other	37,717	1.51%	-4,545	-0.14%	350,565	4.67%	45,338	0.34%
<i>Sub-total</i>	<i>881,041</i>	<i>35.27%</i>	<i>1,380,144</i>	<i>41.07%</i>	<i>1,199,309</i>	<i>15.97%</i>	<i>1,558,375</i>	<i>11.59%</i>
Total revenue	1,084,156	43.40%	1,699,234	50.56%	1,932,335	25.72%	2,978,390	22.15%

2015 Expense Summary

Fiscal 2015 expenses⁷ have been itemized and reflected in the table below as a percentage of the GLP.

	Average unprofitable		Average profitable		Average unprofitable		Average profitable	
	SR AFI		SR AFI		LR AFI		LR AFI	
Assets	4,489,027		5,927,717		11,196,285		23,544,693	
Loans advanced	772,847		1,037,235		2,136,297		5,753,530	
GLP	2,497,800		3,360,816		7,511,994		13,447,177	
		%		%		%		%
Expenses		GLP		GLP		GLP		GLP
Advertising & promotions	15,956	0.68%	9,908	0.27%	30,586	0.37%	37,232	0.28%
Collection expense	598	0.03%	399	0.01%	2,573	0.04%	204	0.00%
Communications	11,201	0.49%	13,259	0.41%	6,344	0.09%	18,719	0.14%
Depreciation/Amortization	3,816	0.16%	7,106	0.22%	24,214	0.34%	43,394	0.32%
Interest & Bank Charges	3,868	0.17%	7,954	0.24%	6,149	0.08%	38,996	0.29%
Meetings	20,710	0.91%	10,683	0.33%	67,252	0.89%	73,938	0.55%
Office & Admin	33,715	1.37%	43,309	1.32%	103,514	1.24%	84,976	0.63%
Premises costs	40,036	1.72%	44,805	1.37%	54,831	0.71%	43,724	0.33%
Professional fees	35,875	1.53%	66,942	1.93%	88,512	1.02%	108,423	0.81%
Provision for losses	145,202	6.21%	63,826	1.95%	182,542	8.85%	140,400	1.04%
Salaries	277,590	11.84%	325,108	9.82%	632,180	8.37%	610,446	4.54%
Training & development	3,401	0.14%	5,570	0.17%	9,744	0.14%	4,953	0.04%
Travel	36,124	1.64%	31,865	0.97%	42,547	0.49%	32,904	0.24%
Program expense	586,755	26.93%	890,800	27.29%	637,562	8.45%	1,248,022	9.28%
Other	24,983	1.15%	35,142	0.52%	402,815	4.97%	192,392	1.43%
Total expenses	1,239,830	54.96%	1,556,675	46.82%	2,233,821	29.61%	2,678,724	19.92%
Net Income	-155,675	-6.03%	142,559	4.39%	-301,486	-3.18%	299,667	2.23%

Note: Expense category descriptions are provided in Appendix “C”

⁷ Expense definitions and descriptions are provided in Appendix C.

AFI Staffing

As of March 31, 2015 AFIs employed 309 people (310 in 2014). The 35 SR AFIs employed 146 people and the 19 LR AFIs employed 169 people.

The table below provides a concise reference for AFI GMs or Boards of Directors regarding human resource requirements. It is to be recognized significant regional variations exist between AFIs in terms of staffing requirements, i.e. geographic size, rural or urban, client visit frequency, ease of access and exit in respect to on-site client support etc.

2015	SR		LR	
	Unprofitable	Profitable	Unprofitable	Profitable
Average # of loans in GLP	72	64	108	90
Average loan balance	36,690	52,472	69,740	150,108
Average GLP	2,633,813	3,360,816	7,511,994	13,447,177
Average # of Account Managers	1.39	1.53	2.09	2.10
Average number of BSOs	0.67	1.03	0.83	0.84
Average number of support staff	2.02	1.23	2.88	1.92
Average total staff	4	4	12	6
Average # of loans per Account Manager	35	25	37	30
Average # of loans per employee	21	23	22	22

It would appear Account Managers in both SR and LR profitable AFIs, on average, manage fewer loans and are able to devote more attention to client support than unprofitable AFIs Account Managers who manage a larger number of loans on average.

Provisions for loan loss

Loan loss provision and write-off policy is not consistent throughout the AFI network. Some AFI policies stipulate a fixed percentage of the gross loan portfolio be set aside at year-end as a loan loss reserve. Other AFIs perform an analysis of delinquent loans to identify specific potential losses and make loan loss provisions reflecting the aggregate of specific potentially unrecoverable loan principal. Still others review delinquent loans, identify specific potential losses and add an additional percentage of the GLP as a general provision.

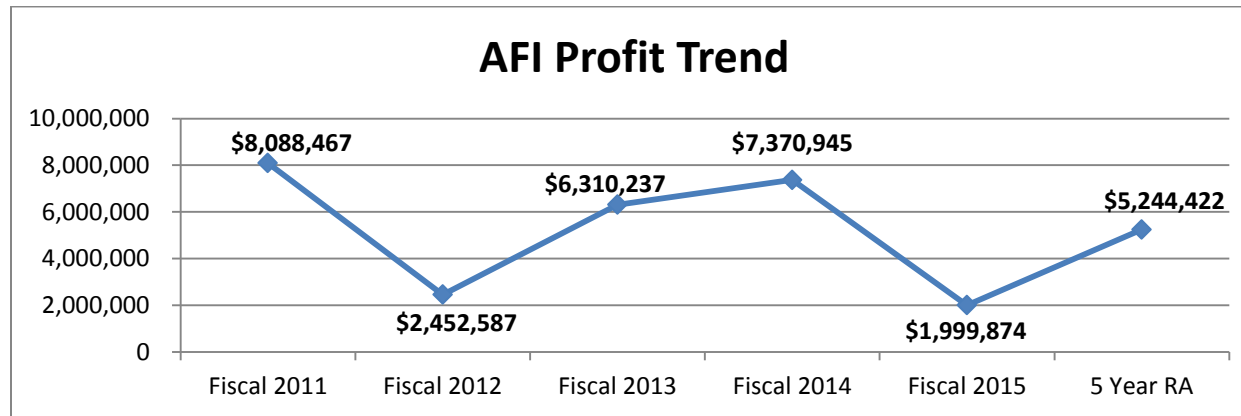
A test of loan loss reserve adequacy is a comparison to the portion of the loan Portfolio at Risk (PAR). The AFI consolidated loan loss reserve versus Portfolio at Risk over the most recent five year period, as well as the five year average, is reflected in the table provided on page 10.

Program expense

Various programs are delivered by AFIs, primarily for the federal government. The program expense category reflects the outflow of program dollars. Not all AFIs use fund accounting. Although program revenue is identified as a separate line item, program expenses are often not. Program delivery costs are often merged with overall AFI administrative operational expenses.

AFI Profitability

Collectively AFIs have reflected profitable results for the last five years in spite of the fragile economy.



Consolidated profitability results sorted by AFI type reveal ACFDCs were only profitable in two of the last five years. ADLs were profitable in all five years. Dual ACFDCs/ACCs were first categorized as such in 2014. Dual ACFDC\ACCs were profitable in both 2014 and 2015. ACCs were marginally profitable in four of the last five years, largely as a result of the ADLA incentivized programming introduced in 2014. Without the introduction of ADLA programming ACCs would have incurred a consolidated loss in both 2014 and 2015.

NET INCOME IN DOLLARS					
Year	Total All AFIs	ACFDCs	ADLs	Duals	ACCs
2011	8,088,467	-622,898	8,357,933		353,432
2012	2,452,587	-455,631	3,969,250		-1,066,667
2013	6,310,237	491,875	4,995,157		823,205
2014	7,370,945	2,346,110	3,796,636	589,833	638,366
2015	2,001,657	-374,846	1,299,187	100,553	976,763

6. Appendices

Appendix “A” 2015 Balance Sheet by NACCA Region

	AB	APQ	BC	MB	NO	On	SK
Assets	2015	2015	2015	2015	2015	2015	2015
Cash & term	5,078,364	11,385,098	29,189,123	20,623,660	43,670,795	24,888,255	30,424,413
Accrued Interest	903,843	108,742	469,552	830,146	260,254	471,199	392,484
Accounts receivable	838,946	2,707,933	1,228,225	2,152,200	2,632,736	3,942,602	406,089
Collateral, Loans & Investments	33,840,503	22,524,425	43,906,994	27,675,772	105,264,143	22,232,075	36,151,765
Other/segregated funds	2,669,915	4,401,807	44,148,682	604,204	622,009	4,210,498	45,422
Capital assets	989,505	71,581	4,728,484	757,952	6,776,633	1,001,402	1,571,642
Total Assets	44,321,076	41,199,586	123,671,060	52,643,934	159,226,570	56,746,031	68,991,815
Liabilities							
Payables	2,159,036	2,006,569	5,381,983	1,817,802	2,405,165	5,422,430	1,181,343
Other (includes credit lines)	2,008,035	677,757	1,454,935	53,283	820,000	26,099	0
Deferred revenue	971,652	3,492,556	35,190,028	988,990	1,953,803	3,163,703	1,085,357
Long term debt	794,601	432,376	7,329,298	1,568,393	5,847,055	4,504,168	5,399,242
Equity							
Equity Capital	407	0	1,599,300	0	33,276,686	0	101
Contributed surplus	39,835,427	33,334,770	66,940,773	49,815,240	110,507,325	47,095,530	63,294,487
Surplus -Deficit	-1,448,082	1,255,558	5,774,743	-1,599,774	4,416,536	-3,465,899	-1,968,715
Total liabilities & Equity	44,321,076	41,199,586	123,671,060	52,643,934	159,226,570	56,746,031	68,991,815

Appendix “B” 2015 Revenue by NACCA Region

Revenue	AB	APQ	BC	MB	NO	On	SK
	2015	2015	2015	2015	2015	2015	2015
Interest on loans & investments	2,741,243	1,680,380	2,767,878	1,875,748	6,545,841	1,328,260	1,944,965
ADLA	863,976	821,482	702,048	145,528	194,124	137,412	400,696
Net Interest on loans	3,605,219	2,501,862	3,469,926	2,021,276	6,739,965	1,465,672	2,345,661
Recovery on loans & interest	107,126	0	19,088	124,611	827,882	120,394	218,346
Interest on investments	27,574	110,889	435,742	386,553	153,337	497,598	178,243
Fee and misc. income	1,261,644	361,383	2,972,021	440,955	378,089	278,816	550,000
Operating subsidies	1,172,128	821,392	1,197,986	4,661,715	1,697,703	1,815,589	3,189,452
Program revenue	10,641,398	2,829,475	21,975,045	4,125,505	1,185,253	7,105,719	2,022,938
Other	-36,261	1,849,578	363,601	164,716	496,051	635,178	0
<i>Total revenue</i>	16,778,828	8,474,579	30,433,409	11,925,331	11,478,280	11,918,966	8,504,640

Appendix “C” 2015 Income Expense Statement by NACCA Region

Expenses	AB 2015	APQ 2015	BC 2015	MB 2015	NO 2015	On 2015	SK 2015
Advertising & promotions	129,218	81,989	129,147	142,152	263,435	141,133	211,299
Collection expense	6,493	0	7,970	0	2,445	8,967	11,519
Communications	85,476	52,135	148,726	72,833	173,351	76,598	93,113
Depreciation/Amortization	81,039	16,627	236,837	65,406	286,931	67,656	135,101
Interest & Bank Charges	115,725	151,283	115,087	54,573	236,082	16,508	38,823
Meetings	408,332	104,423	236,105	130,491	600,474	131,631	270,875
Office & Admin	300,919	354,953	606,790	442,709	643,798	502,373	264,677
Premises costs	464,429	134,573	463,684	309,693	516,554	212,056	304,153
Professional fees	408,313	661,247	789,188	396,694	738,121	350,199	453,859
Provision for losses	821,782	404,072	637,906	870,963	618,173	1,344,094	1,720,166
Salaries	2,873,403	2,280,709	3,140,969	3,353,044	4,654,202	3,399,364	2,714,928
Training & development	91,554	3,940	48,862	40,874	50,262	16,548	38,026
Travel	247,878	277,723	298,004	165,791	351,882	372,968	157,598
Program expense	9,714,017	1,362,352	21,973,798	4,832,231	276,620	6,257,594	1,639,914
Other	198,951	2,576,778	557,100	89,437	1,740,849	318,736	321,324
<i>Total expenses</i>	15,947,529	8,462,804	29,390,173	10,966,891	11,153,179	13,216,425	8,375,375

Appendix “D” Expense Definitions

Advertising and Promotions

Promotional and advertising materials and events.

Collection Expense

Generally considered to be legal, repossession, storage, refurbishment and other costs related to the collection of a debt through realization on security.

Communications

Communication expense relates to telephone, facsimile and, in some cases, identified Internet costs.

Depreciation and Amortization

This refers primarily to office equipment. However, a few AFIs own the office space that they are domiciled in.

Interest and Bank Charges

Straightforward, however a small number of AFIs may incur a mortgage interest or credit line expense.

Meetings

Predominantly Board meeting expense costs inclusive of travel, accommodation, incidental expenses and honorariums. It is noted that honorariums are by generally associated with ACCs.

Office and Administration (averages)

Costs related to office expenses such as office supplies, small equipment purchases of under \$500, insurance, licenses and dues and, finally, membership expenses.

Premises Costs (averages)

Premises costs include rent and other occupancy costs such as utilities and common costs etc. Mortgage interest for AFI owned office premises are also included in this category.

Professional Fees

Professional fees typically include legal, audit and third party consultant expenditures.

Provisions for Loan Losses

The amount of loans estimated to be uncollectable subsequent to realization of security.

Salaries

Self-explanatory – includes employee benefits

Training and Development

Costs for an AFI to provide employees or Board Members training. Entrepreneurial training costs for clients are not included in this section.

Program Expense

A consolidation of all program expenses and disbursements relating to programs delivered by AFIs.

Travel

Relates primarily to AFI employee travel costs associated with client visits and marketing activities.

Other

Pertains primarily to costs associated with specific projects, which have intermittently been undertaken by AFIs.

Appendix “E” 2015 Loan Statistics by NACCA Region

	AB	APQ	BC	MB	NO	On	SK
	2015	2015	2015	2015	2015	2015	2015
Loan data							
Cumulative loans provided by \$	241,740,171	185,879,147	264,552,140	119,024,385	819,077,906	185,653,495	258,235,190
Cumulative loans provided by #	6,139	1,505	6,286	3,860	4,931	4,482	9,528
Historical loans w/o #	732	634	637	456	464	619	1,000
Historical loans w/o \$	17,069,359	13,859,751	16,688,258	8,789,528	12,107,237	22,614,113	18,239,912
% loans w/o by #	11.92%	42.13%	10.13%	11.81%	9.41%	13.81%	10.50%
% loans w/o by \$	7.06%	7.46%	6.31%	7.38%	1.48%	12.18%	7.06%
# of loans to start-up businesses	92	37	97	49	33	52	94
\$ of loans to start-up businesses	6,252,961	2,998,690	4,454,158	4,236,820	2,025,140	3,029,135	5,916,030
# of new loans to existing businesses	136	72	109	68	181	137	176
\$ of new loans to existing businesses	5,216,617	9,745,284	4,117,078	2,057,192	48,495,372	8,842,243	4,827,298
Total # of all loans provided	230	111	208	124	218	216	325
Total \$ of all loans provided	11,584,451	13,136,475	8,586,519	6,674,900	51,389,787	12,803,620	11,385,250
Loan Loss Reserve \$	2,035,141	4,916,764	1,977,501	7,077,514	4,943,024	3,682,886	2,404,883
Loan Loss Reserve % of GLP	6%	18%	4%	20%	4%	14%	6%
# loans/investments outstanding	561	409	705	525	512	715	688
Net loan investment portfolio	33,840,503	22,524,425	43,906,994	27,675,772	105,264,143	22,232,075	36,151,765
Gross Loan Investment Portfolio	35,875,644	27,441,189	45,884,495	34,753,286	110,207,167	25,914,961	38,556,648
Average loan balance	79,431	71,940	80,122	56,203	171,481	49,245	62,083
Gross interest yield on GLP	21%	18%	15%	12%	14%	12%	13%
Days Interest Accrual	120	24	62	162	15	129	74
Repayment Efficiency	93%	93%	94%	93%	99%	88%	93%

Appendix “F” 2015 Staffing Data by NACCA Region

	AB	APQ	BC	MB	NO	On	SK
	2015	2015	2015	2015	2015	2015	2015
# Account Managers	8	14	12	12	15	14	15
# of loan support employees	9	10	19	16	8	20	15
# Total employees	29	47	46	39	36	72	40
# of loans per Account Manager BSO	45	19	29	26	23	40	43
# of loans per all loan employees	33.00	17.04	23.50	18.95	22.02	20.88	23.32
\$ of loans per Account Manager BSO	2,870,052	1,247,327	1,872,837	1,711,985	5,009,417	1,435,732	2,409,791
\$ of loans per all loan employees	2,110,332	1,143,383	1,529,483	1,254,631	4,740,093	756,641	1,307,005

Appendix “G” 2015 Operating Data by NACCA Region

	AB	APQ	BC	MB	NO	On	SK
	2015	2015	2015	2015	2015	2015	2015
Operational Data							
Bad debt recovery as % Rev	0.64%	0.00%	0.06%	1.04%	7.21%	1.01%	2.57%
Fee Rev as % of total rev	7.52%	4.26%	9.77%	3.70%	3.29%	2.34%	6.47%
Loan Interest as % of total Rev	21.49%	29.52%	11.40%	16.95%	58.72%	12.30%	27.58%
Program Rev as % of total Rev	63.42%	33.39%	72.21%	34.59%	10.33%	59.62%	23.79%
Revenue- % of total Assets	37.86%	20.57%	24.61%	22.65%	7.21%	21.00%	12.33%
Expenses %of Total Revenue	95.05%	99.86%	96.57%	91.96%	97.17%	110.89%	98.48%
Expenses per Loan	9,523	9,251	10,002	12,717	18,500	7,658	9,233
% Expenses of Net Loan Portfolio	47.13%	37.57%	66.94%	39.63%	10.60%	59.45%	23.17%
Net Profit as % of Revenue	4.95%	0.14%	3.43%	8.04%	2.83%	-10.89%	1.52%
Net Profit as % of Total Assets	1.88%	0.03%	0.84%	1.82%	0.20%	-2.29%	0.19%
Cost of Capital	5,342,392	3,783,751	7,051,527	6,676,670	9,471,875	5,475,528	6,352,437
Cost of Capital % of GLP	14.89%	13.79%	15.37%	19.21%	8.59%	21.13%	16.48%
Cost of Capital per Outstanding Loan	9,523	9,251	10,002	12,717	18,500	7,658	9,233

Appendix “H” 2015 Leverage by NACCA Region

	AB	APQ	BC	MB	NO	On	SK
	2015	2015	2015	2015	2015	2015	2015
Leverage							
Client equity	1,011,149	4,814,818	4,408,492	1,892,170	10,482,787	3,048,486	3,654,402
Government contributions	2,342,807	5,943,585	3,916,043	3,556,469	809,587	1,876,390	3,785,837
Conventional lenders	50,000	5,869,887	2,685,504	1,624,581	10,523,600	3,668,215	8,444,542
Other AFI Network lenders	85,500	110,400	30,800	324,927	574,000	2,370,384	2,104,138
Total leveraged	3,489,456	16,738,690	11,040,839	7,398,147	22,389,974	10,963,475	17,988,919
Leverage as a percentage of loans advanced	30.42%	131.35%	128.81%	117.54%	44.32%	92.35%	167.44%

Appendix “I” Smaller and Larger Geographical Region AFI Listing

Smaller Region AFIs	Smaller Region AFIs continued	Larger Region AFIs
1 <i>Akaitcho Business Development Corporation</i> (ACF)	21 <i>Nuu-chah-nulth Economic Development</i> (Dual)	1 <i>Alberta Indian Investment Corporation</i> (ACC)
2 <i>Atuqtuarvik Corporation</i> (ADL)	22 <i>Rainy Lake Tribal Area & Financial</i> * (ADL)	2 <i>All Nations Trust Company</i> (ACC)
3 <i>Baffin Business Development Corporation</i> (ACF)	23 <i>Sahtu Business Development Centre</i> **(ACF)	3 <i>Apeetogosan (Métis) Development Inc.</i> (ACC)
4 <i>Beaver River Community Futures Development</i> (ACF)	24 <i>Southeast Resource Development</i> ** (ACF)	4 <i>Arctic Cooperative Development Fund</i> ** (ADL)
5 <i>Burns Lake Native Development Corporation</i> (ADL)**	25 <i>Sto:Lo Development Corporation</i> ** (ACF)	5 <i>Clarence Campeau Development Fund</i> ** (ADL)
6 <i>CFDC of Central Interior First Nations</i> (ACF)	26 <i>Tale’ Awtxw Aboriginal Capital Corp</i> (ACC)	6 <i>Däna Näye Ventures</i> (ACC)
7 <i>Cedar Lake CFDC</i> (ACF)	27 <i>Thebacha Business Development Services</i> (ACF)	
8 <i>Corporation Développement Économique Montagnaise</i> (ACC)	28 <i>Tecumseh Development Corporation</i> *(Dual)	7 <i>First Peoples Economic Growth Fund</i> (ADL)
9 <i>Dakota Ojibway CFDC</i> (ACF)	29 <i>Tewatohni’ Sakatha Business Loan Fund</i> (ACC)	8 <i>Indian Agricultural Program of Ontario</i> (ACC)
10 <i>Deh Cho Business Development Centre</i> (ACF)	30 <i>Treaty Seven Economic Development Corp</i> *(ACF)	9 <i>Indian Business Corporation</i> (ACC)
11 <i>EEYOU Economic Group/CFDC Inc.</i> (ACF)	31 <i>Tribal Resources Investment Corp.</i> (ACC)	10 <i>Louis Riel Capital Corporation</i> (ACC)
12 <i>Haida Gwaii</i> (ACF)	32 <i>Two Rivers Community Development Centre</i> *(Dual)	11 <i>Metis Voyager Development Fund</i> (ADL)
13 <i>Keewatin Business Development Centre</i> (Kivalliq) ** (ACF)	33 <i>Visions North CFDC</i> (ACF)	12 <i>Nishnawbe Aski Development Fund</i> (Dual)
14 <i>Kitayan CFDC</i> ** (ACF)	34 <i>Wakenagun Community Futures Dev. Corp.</i> (ACF)	13 <i>N.W.T. Métis-Dene Development Fund Ltd.</i> (ACC)
15 <i>Kitikmeot Community Futures Inc.</i> (ACF)	35 <i>Waubetek Business Development Corp</i> (ACF)	14 <i>Saskatchewan Indian Equity Foundation Inc.</i> (ACC)
16 <i>Native Fishing Association</i> (ACC)		15 <i>Sask Métis Economic Development Corp</i> (ACC)
17 <i>North Central Manitoba CFDC</i> (ACF)		16 <i>Settlement Investment Corporation</i> (ACC)
18 <i>North West Manitoba CFDC</i> ** (ACF)		17 <i>Société de crédit commercial autochtone</i> (ACC)
19 <i>Northern Enterprise Fund Inc.</i> (ADL)		18 <i>Tribal Wi-chi-way-win Capital Corporation</i> (ACC)
20 <i>Nunavik Investment Corporation</i> (ACC)		19 <i>Ulnooweg Development Group Inc.</i> (Dual)

AFIs whose names are italicized provided both current year end audited financial statements and supporting data enabling the compilation of this report.⁸

⁸ *Current year end audited financial statements and supplemental AFI data not submitted or included – most recent year-end data used

** Current year end audited financial statements provided or included; however the most current year end supplemental data was not provided/included – most recent year-end supplemental data used.

Appendix “J” Timeline of AFI Milestones

- 1985 ~ the concept of AFIs is developed with a specific purpose to improve efficiencies in program design and delivery through increased Aboriginal control. Over the next few years, demand for AFI establishment exceeds expectations and a nationally-based network of lending, mentoring and training and development is established
- 1991 ~ Six years after the establishment of the network, collective loans advanced to Aboriginal entrepreneurs exceed \$100 million.
- 1994 ~ the consolidated gross loan portfolio surpasses \$100 million and accumulated payback of advances to entrepreneurs also exceeds \$100 million.
- 1996 ~ the number of loans provided by the network exceeds 10,000. Over the next few years, plans are developed to establish a national organization to manage government programs and to represent the issues associated with Aboriginal entrepreneurial lending on behalf of the network to the government.
- 1997 ~ The National Aboriginal Capital Corporations Association is formally established with 22 founding Aboriginal Financial Institutions.
- 2000 ~ NACCA receives Deputy Minister’s award in recognition of excellence as a member of the Aboriginal Business Development initiative Access to Capital Team. Membership in NACCA is made available to any interested AFI.
- 2001 ~ NACCA membership exceeds 50 AFIs and the AFI gross loan portfolio exceeds \$150 million. AFI loans to entrepreneurs exceed 20,000 and payback of AFI loans, on a cumulative basis, exceeds \$500 million.
- 2004 ~ Cumulative AFI loans exceed \$1.0 billion since inception.
- 2005 ~ AFI gross loan portfolio value surpasses \$200 million.
- 2007 ~ Cumulative AFI loans exceed 30,000.
- 2009 ~ AFIs provide more than \$100 million in loans to support Aboriginal entrepreneurialism in single fiscal year. Cumulative AFI loans since inception exceed \$1.4 billion and cumulative payback surpasses \$1.0 billion.
- 2010 ~ Individual AFIs and NACCA members begin to receive external recognition for excellence. SIEF becomes the first entrepreneurial formed AFI to obtain more than \$50 million in loan repayments; TWCC wins CANDO Economic Developer of the Year award and received recognition as Manitoba’s 12th fastest growing company.
Based upon job creation data gathered NACCA determines each AFI loan creates/maintains an average of 3.6 full time equivalent jobs at an average cost of \$13,079 per job.
- 2011 ~ Program renovation discussions continue.
- 2012 ~ NACCA Chair addresses the Parliamentary Standing Committee on Aboriginal Affairs; AANDC develops Program Delivery Partnership Initiative with selected AFIs; Aboriginal Developmental Lending Allocation (ADLA) is designed to commence April 1, 2013.
- 2013 ~ Cumulative AFI loans approach \$2 billion; roll-out of ADLA programming delayed to April 1, 2014
- 2014 ~ Cumulative AFI loans surpass 38,000 totaling over \$2 billion; ADLA is launched April 1, 2014; scope of study to examine capital needs of AFIs and ways to attract private sector capital developed and Deloitte is engaged to perform this analysis
- 2015 ~ NACCA Board becomes competency based reducing from 13 Directors to 7 NACCA Regional Directors and two independent Directors; Cumulative loans surpass \$2.1 billion; Deloitte completes Phase 1 of private capital attraction project for NACCA Board review in 2015-16