

Tribal Resources Investment Corporation
Non-Consolidated Financial Statements
For the year ended March 31, 2023

Tribal Resources Investment Corporation

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For the year ended March 31, 2023

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To the Board of Directors of Tribal Resources Investment Corporation:

Opinion

We have audited the non-consolidated financial statements of Tribal Resources Investment Corporation (the "Organization"), which comprise the non-consolidated statement of financial position as at March 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restriction on Use

Without modifying our opinion, we draw attention to Note 2 of the non-consolidated financial statements, which describes the basis of accounting. The non-consolidated financial statements are prepared to assist Tribal Resources Investment Corporation to meet the requirements of Employment and Social Development Canada, Aboriginal Business Canada, National Aboriginal Capital Corporation Association, New Relationship Trust and Aboriginal Community Career Employment Services Society. As a result, the non-consolidated financial statements may not be suitable for other purposes.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the non-consolidated financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Surrey, British Columbia

July 27, 2023

MNP LLP

Chartered Professional Accountants

Tribal Resources Investment Corporation

Non-Consolidated Statement of Financial Position

As at March 31, 2023

	2023	2022
Assets		
Current		
Cash	6,378,795	6,074,571
Accounts receivable	584,845	1,067,295
Restricted cash and cash equivalents (Note 8)	144,722	96,604
Prepaid expenses	42,545	87,142
Government agencies recoverable	150,567	77,272
	7,301,474	7,402,884
Loans receivable (Note 3)	1,740,547	1,541,485
Emergency loan receivable (Note 4)	37,760	323,864
Long term portion of prepaid expense	-	12,500
Investments (Note 5)	3	3
Investment in significantly influenced partnership (Note 6)	10	368,069
Capital assets (Note 7)	152,375	166,168
Restricted term deposit (Note 8)	179,491	178,682
	9,411,660	9,993,655
Liabilities		
Current		
Accounts payable and accruals	685,392	966,888
Deferred revenue (Note 10)	2,507,976	2,317,058
Advances from Aboriginal Energy Partnership	8,960	-
Deposits	14,125	35,942
Emergency loan payable (Note 4)	82,727	324,416
	3,299,180	3,644,304
Credit facility (Note 9)		
Commitments (Note 11)		
Net Assets		
Investment in capital assets	152,375	166,168
Unrestricted	(2,753,302)	(2,430,156)
Internally restricted (Note 12)	144,722	44,654
Contributed equity (Note 13)	8,568,685	8,568,685
	6,112,480	6,349,351
	9,411,660	9,993,655
Approved on behalf of the Board of Directors		
e-Signed by Diane McRae 2023-07-27 11:19:35:35 PDT <hr style="width: 100%;"/> Director	e-Signed by Donald Edgars 2023-07-27 10:48:30:30 PDT <hr style="width: 100%;"/> Director	

The accompanying notes are an integral part of these financial statements

Tribal Resources Investment Corporation

Non-Consolidated Statement of Operations

For the year ended March 31, 2023

	2023	2022
Revenue		
Employment and Social Development Canada - ISETS (Schedule 1)	7,184,117	8,045,645
Employment and Social Development Canada - SPF (Schedule 6)	-	32,360
Aboriginal Business Financing Program - contributions (Schedule 7)	838,392	789,192
General operations and other revenue (Schedule 8)	363,960	688,539
ACCESS - BladeRunners (Schedule 9)	70,000	120,000
New Relationship Trust (Schedule 10)	60,423	57,147
Indigenous Services Canada - Pre-employment Income Assistance (Schedule 11)	714,271	454,567
Employment and Social Development Canada - Youth Employment and Skills Strategy (Schedule 12)	418,169	300,418
Northern Development Initiative Trust	-	59,728
OLES (Schedule 14)	3,071	-
Indigenous Women's Entrepreneurship (Schedule 15)	17,669	-
Drive BC (Schedule 16)	130,000	-
Total revenue	9,800,072	10,547,596
Expenses		
Employment and Social Development Canada - ISETS (Schedule 1)	7,184,117	8,045,645
Employment and Social Development Canada - SPF (Schedule 6)	-	32,360
Aboriginal Business Financing Program - expenses (Schedule 7)	838,392	789,192
General operations and other (Schedule 8)	236,869	602,904
ACCESS - BladeRunners (Schedule 9)	43,151	56,736
New Relationship Trust (Schedule 10)	60,423	57,147
Indigenous Services Canada - Pre-employment Income Assistance (Schedule 11)	714,271	454,567
Employment and Social Development Canada - Youth Employment and Skills Strategy (Schedule 12)	418,168	300,418
Northern Development Initiative Trust	-	59,728
OLES "Passing it On" (Schedule 14)	3,071	-
Indigenous Women's Entrepreneurship (Schedule 15)	17,669	-
Drive BC (Schedule 16)	130,000	-
Total expenses	9,646,131	10,398,697
Excess of revenue over expenses before other items	153,941	148,899
Other items		
Share of partnership earnings	(377,019)	77,385
Excess (deficiency) of revenue over expenses	(223,078)	226,284

The accompanying notes are an integral part of these financial statements

Tribal Resources Investment Corporation
Non-Consolidated Statement of Changes in Net Assets (Liabilities)

For the year ended March 31, 2023

	<i>Investment in capital assets</i>	<i>Unrestricted</i>	<i>Internally restricted</i>	2023	<i>2022</i>
Net assets (liabilities), beginning of year	166,168	(2,430,156)	44,654	(2,219,334)	(2,427,055)
Excess (deficiency) of revenue over expenses	-	(223,078)	-	(223,078)	226,284
Amortization of capital assets	(13,793)	-	-	(13,793)	(18,563)
Interfund transfer	-	(100,068)	100,068	-	-
Net assets (liabilities), end of year	152,375	(2,753,302)	144,722	(2,456,205)	(2,219,334)

The accompanying notes are an integral part of these financial statements

Tribal Resources Investment Corporation Non-Consolidated Statement of Cash Flows

For the year ended March 31, 2023

	2023	2022
Cash provided by (used for) the following activities		
Operating		
Excess (deficiency) of revenue over expenses	(223,078)	226,284
Advances from significantly influenced partnership	377,019	(77,385)
	153,941	148,899
Changes in working capital accounts		
Accounts receivable	482,450	(507,079)
Prepaid expenses	44,597	(35,028)
Government agencies recoverable	(73,295)	(9,493)
Long term prepaid expense	12,500	30,000
Accounts payable and accruals	(281,497)	87,042
Deferred revenue	190,918	1,250,620
	529,614	964,961
Financing		
Decrease in deposits	(21,817)	(23,521)
Emergency loan payment program, net	(241,689)	(84,141)
	(263,506)	(107,662)
Investing		
Advances of emergency loan receivable	-	(11,411)
Repayment of emergency loan receivable	286,023	-
Advances of loans receivable	(198,980)	-
Repayment of loans receivable	-	271,512
Deposits in restricted term deposits	(809)	(623)
	86,234	259,478
Increase in cash resources	352,342	1,116,777
Cash resources, beginning of year	6,171,175	5,054,398
Cash resources, end of year	6,523,517	6,171,175

The accompanying notes are an integral part of these financial statements

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

1. Incorporation and nature of the organization

Tribal Resources Investment Corporation (the "Organization") was incorporated under the authority of the Canada Corporations Act. Under an agreement with the Native Economic Development Program, the Organization provides financial services to Status, Non-Status and Metis Indian entrepreneurs of Northwestern British Columbia. The Organization is considered not-for-profit, and is therefore not taxable under section 149(1) of the Income Tax Act.

The Organization also provides social development through the Indigenous Skills and Employment Training Strategy ("ISETS") agreement with Employment and Social Development Canada ("ESDC"). The agreement provides funding to Indigenous organizations to help improve the employment opportunities of Indigenous peoples. The agreement has been signed through March 31, 2029 and is described as follows:

- Consolidated Revenue Funds ("CRF") - under the terms of the Agreement with ESDC, CRF funds may be used for reasonable and proper program administration costs of the Organization (a maximum of 15% of funding may be spent on administration) and for any program assistance costs not covered by Section 63 of the Employment Insurance Act.
- Employment Insurance Funds ("EI") - under the terms of the Agreement with ESDC, EI fund may be used for reasonable and proper Employment Insurance related program assistance costs and program administration costs of the Organization (a maximum of 15% of funding may be spent on administration) relating to Employment Insurance assistance activities.
- First Nations and Inuit Child Care Initiative ("FNICCI") - under the terms of the Agreement with ESDC, FNICCI funds may be used for child care program costs and reasonable and proper program administration costs of the Organization (a maximum of 15% of funding may be spent on administration).

2. Significant accounting policies

The non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada with the exception of accounting policies as described in Note 3 for revenue recognition and capital assets.

Cash

Cash includes balances with banks, excluding bank overdrafts. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

Capital assets

Capital asset expenditures which are not physically incorporated into a final product of a project are recorded as equipment of the Organization and are charged to operations when incurred. These expenditures are also recorded as additions to capital assets on the Statement of Changes in Net Assets with a corresponding increase in Net Assets Invested in Equipment.

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution if fair value can be reasonably determined.

Amortization is provided using the declining balance method at rates intended to amortize the cost of assets over their estimated useful lives.

	Rate
Automotive	30 %
Computer equipment	20 %
Computer software	20 %
Office equipment	10-30 %

Leasehold improvements are amortized on a straight-line basis over the underlying lease term, being 10 years.

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

2. Significant accounting policies (Continued from previous page)

Long-lived assets

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

A long-lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Investments

Investments with significant influence are measured at cost, less any provision for other than temporary impairment.

Investments in subsidiaries and significantly influenced partnerships are accounted for using the equity method. Accordingly, the investment is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post-acquisition losses and distributions received.

All transactions with the significantly influenced entities, subsidiaries and partnerships are disclosed as related party transactions.

Loans receivable

Loans are carried at the principal amount less impairment. Interest revenue is recorded on the accrual basis except where a loan is considered to be impaired. Interest income on impaired loans is recognized on a cash basis, only after any specific provisions or partial write-offs have been recovered, and provided there is no further doubt as to the collectibility of the principal.

Impaired loans are those loans where there is reasonable doubt regarding the timely collection of the full amount of principal and interest. Impaired loans are carried at their estimated realizable amounts determined by discounting the expected future cash flows at the interest rate inherent in the loans. When the amount of future cash flows cannot be estimated with reasonable reliability, impaired loans are carried at the fair value of the underlying security, net of estimated costs of realization.

The allowance for impairment is maintained at a level considered adequate to absorb anticipated credit losses. The amount provided for anticipated credit losses is determined by reference to specific loans in arrears and by the judgment of management based on previous experience and current economic conditions.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Contributions for the purchase of capital assets are recognized in accordance with the policies described in these significant accounting policies. Operating grants are recognized in the period in which they are committed by the granting organization. Other income is recognized when services are performed and ultimate collection is reasonably assured at the time of service.

2. **Significant accounting policies** *(Continued from previous page)*

Measurement uncertainty (use of estimates)

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

Accounts receivable are stated after evaluation of their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for doubtful loan accounts. Amortization is based on the estimated useful lives of capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

Financial instruments

The Organization recognizes financial instruments when the Organization becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Organization may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Organization has not made such an election during the year.

The Organization subsequently measures all other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess (deficiency) of revenue over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Financial asset impairment

The Organization assesses impairment of all its financial assets measured at cost or amortized cost. The Organization groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group or there are numerous assets affected by the same factors. Management considers whether there has been a breach in contract, such as a default or delinquency in interest or principal payments etc. in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Organization determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

If so, the Organization reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess (deficiency) of revenue over expenses.

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

Tribal Resources Investment Corporation
Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

3. Loans receivable

Carrying Amounts

	<i>Fishery</i>	<i>Services</i>	<i>Retail</i>	<i>Contracting</i>	<i>Tourism</i>
Loans - specific allowances					
Recorded amount	-	27,625	-	-	-
Related allowance	-	(27,625)	-	-	-
	-	-	-	-	-
Loans - general allowances					
Recorded amount	17,107	1,572,589	155,589	20,028	-
Related allowance	(5,643)	(62,977)	-	(5,967)	-
	11,464	1,509,612	155,589	14,061	-
Accrued interest receivable					
Recorded amount	-	5,633	-	-	-
Related allowance	-	(3,744)	-	-	-
	-	1,889	-	-	-
Total loans receivable	11,464	1,511,501	155,589	14,061	-

	<i>Forestry</i>	<i>Employer Benefit Program</i>	<i>IWE Program</i>	<i>2023 Total</i>	<i>2022 Total</i>
Loans - specific allowances					
Recorded amount	34,925	-	-	62,550	38,640
Related allowance	(34,925)	-	-	(62,550)	(38,640)
	-	-	-	-	-
Loans - general allowances					
Recorded amount	-	31,051	16,800	1,813,164	1,612,869
Related allowance	-	-	-	(74,587)	(74,587)
	-	31,051	16,800	1,738,577	1,538,282
Accrued interest receivable					
Recorded amount	-	-	81	5,714	3,489
Related allowance	-	-	-	(3,744)	(286)
	-	-	81	1,970	3,203
Total loans receivable	-	31,051	16,881	1,740,547	1,541,485

Continued on next page

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

3. Loans receivable *(Continued from previous page)*

Allowance for impairment

	<i>Fishery</i>	<i>Services</i>	<i>Retail</i>	<i>Contracting</i>	<i>Tourism</i>
Balance, beginning of year	5,643	62,977	-	5,967	-
Provision for (recovery of) write-offs	-	27,626	-	-	-
Balance, end of year	5,643	90,603	-	5,967	-

	<i>Forestry</i>	<i>Employer Benefit Program</i>	<i>2023 Total</i>	<i>2022 Total</i>
Balance, beginning of year	38,640	-	113,227	156,700
Provision for (recovery of) write-offs	(3,715)	-	23,911	(43,473)
Balance, end of year	34,925	-	137,138	113,227

The Organization's loans are for fixed terms ranging from one to ten years and bear interest at fixed rates ranging from 8% to 11% per annum. Specific loans are secured with specific assets, personal, Band or Corporate guarantees and British Columbia Government First Citizens Fund Business Loan Program loan forgiveness and guarantees.

The British Columbia First Citizens Fund loan forgiveness and guarantees are for 40% of the original loan principal of specific loans. For each 15% of principal repaid by the borrower, the provincial government contributes 10% of the original principal. If the borrower defaults on the loan, the balance remaining of the 40% is released by the provincial government. As at March 31, 2023, management's estimate of the British Columbia First Citizens Fund security underlying the Organization's loan portfolio totaled \$410,912 (2022 - \$321,022).

The Aboriginal Developmental Lending Assistance ("ADLA") is funding designed to compensate for developmental loan losses and the high cost of developmental loan administration. Such assistance enables qualified Aboriginal Financial Institutions to absorb the cost of capital shortfall tied to developmental lending as well as the pre- and post-loan care costs, enabling the full deployment of loan capital to Aboriginal entrepreneurs.

During the year, the Organization recognized revenues \$80,850 (2022 - \$94,011) in ADLA funding. The revenues are generated as 13% (2022 - 13%) of the value of ADLA supported loans disbursed in the fiscal year. During the year, the Organization disbursed \$803,654 of ADLA supported loans (2022 - \$728,461).

The Organization has entered into a distributor agreement with ASKI Financial Inc. ("ASKI") an Aboriginal financial services company. The primary purpose of the distributor agreement is to provide Employer Benefit Lending Products throughout British Columbia. The Employer Benefit Loans ("EBL") are loans that are available exclusively to employees of Aboriginal led businesses and organizations that employ Aboriginal people in British Columbia. The EBL loans bear interest at fixed rates ranging from 11% to 15% per annum.

4. Emergency loan receivable

The emergency loan program (ELP) provides Indigenous owned businesses, negatively impacted by COVID-19, with interest-free term loans and a non-repayable contribution to support their immediate working capital and operational needs. The assistance is comprised of a 75% loan and 25% non-repayable contribution per business, payable to the National Aboriginal Capital Corporations Association (NACCA). Amounts in excess of eligible Indigenous enterprise contributions that were not contributed prior to year end are to be reimbursed to NACCA.

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

5. Investments

The long-term Investment in First Nation Regeneration Fund Inc. is recorded at cost and the investment in Nesika Management Limited is accounted for using the equity method.

	2023	2022
First Nation Regeneration Fund Inc., a significantly influenced corporation:		
35 common shares (50%)	2	2
Nesika Management Limited, a subsidiary corporation		
1 common share (100%)	1	1
	3	3

6. Investment in significantly influenced partnership

Aboriginal Energy Partnership "the Partnership" is an unincorporated partnership formed under an agreement between Tale'awtxw Aboriginal Capital Corporation and the Organization on March 6, 2009. The purpose of the Partnership is to research alternative energy projects and to provide funding for green energy projects in account with a funding agreement entered into with Indigenous Services Canada. The Organization has significant influence of the Partnership through 50% ownership.

7. Capital assets

	Cost	Accumulated amortization	2023 Net book value	2022 Net book value
Automotive	82,793	70,965	11,828	16,897
Computer equipment	141,871	132,373	9,498	11,873
Computer software	58,892	58,892	-	-
Office equipment	104,393	96,229	8,164	9,079
Leasehold improvements	174,051	51,166	122,885	128,319
	562,000	409,625	152,375	166,168

8. Restricted term deposit

Employer Benefits Program

	2023	2022
NSCU term deposit, bearing interest at 0.45%, maturing on October 1, 2023	179,491	178,682

Balance pertains to term deposits intended to be renewed and reinvested for the next 12 months therefore is classified as long term on the financial statements at March 31, 2023.

9. Credit facility

The Organization has an operating line of credit with Northern Savings Credit Union with an authorized credit limit of \$150,000, bearing interest at the bank's prime rate plus 1.50% and secured by a commercial security agreement, an assignment of a \$179,491 (2022 - \$178,682) term deposit, and an indemnity agreement secured by a wholly-owned subsidiary. As at March 31, 2023, the balance outstanding on this facility was \$Nil (2022 - \$Nil).

Tribal Resources Investment Corporation
Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

10. Deferred revenue

	<i>2022 deferred revenue</i>	<i>Prior year amount recognized as revenue</i>	<i>Current year funding received and interest</i>	<i>Current year amount recognized as revenue</i>	<i>2023 deferred revenue</i>
NACCA Youth Fund	5,000	(5,000)	-	-	-
Indigenous Women Entrepreneur Program	83,375	(17,670)	138,165	-	203,870
Indigenous Services Canada - Pre-employment Income Assistance	970,130	(714,271)	750,562	-	1,006,421
CRF - Employment and Social Development Canada	213,978	(213,978)	3,944,706	(3,944,706)	-
CRF (Special) - Employment and Social Development Canada	685,282	(270,570)	-	-	484,712
New Relationship Trust	18,884	(18,884)	75,000	(41,539)	33,461
Aboriginal Business Financing Program	6,477	(6,477)	831,915	(831,915)	-
GSB/UVIC Restricted Funds	5,301	-	-	-	5,301
Youth Employment and Skills Strategy	328,631	(328,631)	172,447	(89,538)	82,909
First Nations Child Care Funds	-	-	1,360,468	(931,764)	428,704
OLES "Passing it On"	-	-	265,669	(3,071)	262,598
	2,317,058	(1,505,481)	7,538,932	(5,842,533)	2,507,976

Under the Organization's various agreements with ESDC, ISC, NRT, and GSB, the Organization may retain, upon approval, any unexpended balance of the contributions to supplement future year contributions. The Organization plans to expend the deferred revenue in the upcoming fiscal year.

11. Commitments

The Organization is committed to spend \$5,168 per month on a facility lease agreement with Metlakatla Development Corporation, which expires August 31, 2023. Estimated minimum annual payments as follows:

2023	25,885
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The Organization is committed to spend \$11,429 per year on a vehicle lease on a year to year basis. This arises from an agreement entered into with Nesika Management Limited. These transactions are in the normal course of operations and are recorded at the exchange amount.

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

12. Internally restricted net assets

The Organization's Board of Directors has internally restricted \$144,722 (2022 - \$44,654) of net assets to be held for future use. These internally restricted amounts are not available for other purposes without approval of the Board of Directors.

13. Contributed equity

The Organization's contributed equity is summarized below:

	2023	2022
Native Economic Development Program	4,000,000	4,000,000
Aboriginal Economic Program	3,000,000	3,000,000
Forest Renewal British Columbia	500,000	500,000
ABC Youth Program	73,685	73,685
NACCA Youth Program	45,000	45,000
AANDC Expansion of Capital Corporation Fund	950,000	950,000
	8,568,685	8,568,685

Contributed equity consists of Federal government-provided assistance for the purpose of lending to Status, Non-Status and Metis Indian entrepreneurs of Northwestern British Columbia. In order to secure the performance requirements of the Contribution Agreement, the Organization has granted a general security interest on its assets to the Federal Government. In the event that the Organization ceases operations, it will transfer its assets to another approved aboriginally-owned and controlled economic development corporation.

In July 1989, an agreement was reached under the Native Economic Development Program whereby the Organization received \$4,000,000 in contributed equity in the first three years of operations. In March 1994, additional funds of \$3,000,000 in contributed equity were allocated under the Aboriginal Economic Program.

The Organization's agreement under the ABC Youth Program has concluded. As the Organization complied with the terms of the contribution agreement, the remaining funds of \$73,685 have reverted to the Organization.

In March 2012, an agreement was reached under the AANDC Expansion of Capital Corporation Fund project whereby the Organization received \$950,000 in contributed equity effective April 1, 2011 to capitalize the Organization's fund for providing developmental loans.

On March 1, 1998, an agreement was reached with NACCA whereby the Organization will receive a flexible transfer payment to be used at the discretion of the Organization within the guidelines of the agreement. The funding will be used to provide seed capital financing and mentoring/business plan development to First Nations and Inuit youth in the Province of British Columbia.

14. Related party transactions

During the year, the Organization leased vehicles from Nesika Management Limited for \$11,714 (2022 - \$11,429).

The Organization has in place a conflict of interest policy with respect to any loans that are disbursed to related parties.

The Organization received management fees from Nesika Management Limited, in the amount of \$7,650 (2022 - \$5,950).

The related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Tribal Resources Investment Corporation

Notes to the Non-Consolidated Financial Statements

For the year ended March 31, 2023

15. Financial instruments

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

Credit risk

The Organization is exposed to financial risk that arises from the credit quality of the entities to which it provides services. Credit risk arises from the possibility that the entities to which the Organization provides services may experience financial difficulty and be unable to fulfil their obligations. Management reduces its credit risk by implementing prepayment programs and implementing active collection programs. In addition, the Organization's clients are numerous and diverse, which reduces the concentration of credit risk.

The Organization is subject to credit risk with respect to the collection of its accounts receivable and loans receivable, which include loans to First Nations groups and businesses operating in the logging and fishing industries. To manage its credit risk, management has established policies which involve investigating credit history, monitoring credit terms, granting credit only to borrowers with established relationships or acceptable credit ratings, and analyzing the ongoing financial performance of its borrowers, all on a project-by-project basis.

Interest rate risk

The Organization's earnings are subject to fluctuations in interest rates and the degree of volatility of these rates. The Organization does not use derivative instruments to reduce its exposure to interest rate risk.

The Organization manages its cash based on its cash flow needs and to optimize its interest income and reduce its interest expense.

The Organization's operating line of credit bears interest at a variable rate (see Note 9).

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting obligations associated with financial liabilities. The Organization's exposure to liquidity risk is dependent on the collection of accounts and loans receivable, purchasing commitments and obligations or raising funds to meet commitments and sustain operations.

The Organization manages its liquidity risk through cash and debt management and monitors the financial obligations associated with its operating activities.

16. Economic dependence

The Organization's primary source of revenue is funding from ESDC. The funding can be cancelled if the Organization does not observe certain established guidelines. The Organization's ability to continue viable operations is dependent upon maintaining its compliance with the criteria within the guidelines set out by ESDC related to eligibility of expenditures and the appropriate documentation and monitoring of programs. As at the date of these financial statements, the Organization believes that it is in compliance with the guidelines.

Tribal Resources Investment Corporation
Schedule 1 - Employment and Social Development Canada - Indigenous Skills and
Employment Training Program Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Consolidated Revenue Funds (Schedule 2)	3,942,555	3,910,925
Current year funding not utilized (Schedule 2)	-	(213,978)
Prior year funding not utilized (Schedule 2)	213,978	129,880
Interest (Schedule 2)	2,150	2,329
Consolidated Revenue Funds - Special (Schedule 3)	-	2,092,390
Current year funding not utilized (Schedule 3)	(484,712)	(685,282)
Prior year funding not utilized (Schedule 3)	685,282	-
Employment Insurance Funds (Schedule 4)	1,893,100	1,877,617
First Nations Child Care Funds (Schedule 5)	931,764	931,764
Renovation Funding (Schedule 5)	428,704	-
Current year funding not utilized (Schedule 5)	(428,704)	-
	7,184,117	8,045,645
Expenses		
Agreement holder programs (Schedule 2), (Schedule 3), (Schedule 4)		
Community programs - proposal driven	1,296,321	885,132
Core program services	1,294,613	1,664,823
Job supplement - skill development - non-trades	2,834,003	3,472,154
Youth initiatives - work experience, conference	148,027	35,324
	5,572,964	6,057,433
Childcare programs (Schedule 5)	868,002	915,511
Partnership initiative (Schedule 2), (Schedule 3), (Schedule 4)	137,073	489,714
Agreement holder administration costs (Schedule 2), (Schedule 4), (Schedule 5)		
Capacity building	-	-
Non-salary operating costs	198,696	167,370
Professional fees	48,285	40,820
Salaries, wages and related costs	359,097	374,797
	606,078	582,987
	7,184,117	8,045,645
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 2 - Consolidated Revenue Funds Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Consolidated Revenue Funds	3,942,555	3,910,925
Interest	2,151	2,329
Current year funding not utilized	-	(213,978)
Prior year funding not utilized	213,978	129,880
	4,158,684	3,829,156
Expenses		
Agreement holder programs		
Community programs - proposal driven	257,771	305,080
Core program services	1,273,857	974,071
Job supplement - skill development - non-trades	2,012,383	2,060,399
Youth initiatives - work experience, conference	148,027	35,324
	3,692,038	3,374,874
Partnership initiative	99,634	71,698
Agreement holder administration costs		
Capacity building	-	-
Non-salary operating costs	169,207	166,381
Professional fees	48,285	40,820
Salaries, wages and related costs	149,520	175,383
	367,012	382,584
	4,158,684	3,829,156
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 3 - Consolidated Revenue Funds (Flex) Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Consolidated Revenue Funds	-	2,092,390
Current year funding not utilized	(484,712)	(685,282)
Prior year funding utilized	685,282	-
	200,570	1,407,108
Expenses		
Agreement holder programs		
Community programs - proposal driven	167,389	496,356
Core program services	5,381	500,752
	172,770	997,108
Agreement holder administration costs	27,800	-
Partnership initiative	-	410,000
	200,570	1,407,108
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 4 - Employment Insurance Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Employment Insurance Funds	1,893,100	1,877,617
Expenses		
Agreement holder programs		
Community programs - proposal driven	871,162	83,696
Core program services	15,375	190,000
Job supplement - skill development - non-trades	821,620	1,411,755
	1,708,157	1,685,451
Partnership initiative		
Partnership development	14,996	-
Regional leaders forum	22,444	8,016
	37,440	8,016
Agreement holder administration costs		
Salaries, wages and related costs	147,503	184,150
	1,893,100	1,877,617
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 5 - First Nations Child Care Funds Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
First Nations Child Care Fund	931,764	931,764
Renovation Funding	428,704	-
Current year funding not utilized	(428,704)	-
	931,764	931,764
Expenses		
Childcare programs	868,002	915,511
Agreement holder administration costs		
Non-salary operating costs	1,688	989
Salaries, wages and related costs	62,074	15,264
	63,762	16,253
	931,764	931,764
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 6 - Skills and Partnership Fund Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Skills and Partnership Fund	-	32,343
Interest	-	17
Prior year funding not utilized	-	-
Current year funding not utilized	-	-
	-	32,360
Expenses		
Participant expenses		
Client assessments	-	1,415
Living allowances	-	600
Participant trades training	-	-
Participant supplies	-	-
	-	2,015
Agreement holder administration costs		
Materials and supplies	-	1,217
Overhead costs	-	-
Professional fees	-	3,359
Salaries, wages and related costs	-	11,798
Staff and management travel	-	-
Staff training	-	-
Rent	-	13,971
	-	30,346
	-	32,360
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 7 - Aboriginal Business Financing Program Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	831,915	791,913
Prior year funding not utilized	6,477	3,756
Current year funding not utilized	-	(6,477)
	838,392	789,192
Expenses		
Advertising	4,002	1,420
Board of Directors	1,000	2,000
Disbursements	692,259	652,259
General manager and administration support	15,000	15,000
Office and miscellaneous	8,523	11,900
Professional fees	13,184	10,152
Rent and occupancy	5,000	7,800
Salaries and benefits	82,401	85,678
Training and education	175	563
Travel	16,848	2,421
	838,392	789,192
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 8 - General Operations Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Administration fees	6,283	6,281
Administration fees - Emergency loan program	17,729	17,728
Bank interest	16,761	2,312
Employer benefit loan interest	15,098	11,042
Loan interest	130,762	149,004
Management fees	7,650	5,950
NACCA - Aboriginal Development Lending Assistant	80,850	94,011
NACCA - Training	-	13,916
NACCA - Contingency Revenue	-	248,000
Other Income	79,728	127,095
Rental Income	9,099	13,200
	363,960	688,539
Expenses		
Advertising	6,239	11,051
Equipment lease	2,428	1,680
Bank charges and interest	126	102
Board of Directors	26,627	26,913
Credit Investigations	2,764	3,485
Distributor fees	4,185	3,555
Insurance	3,267	1,148
Office and Miscellaneous	16,849	14,763
Professional fees	24,071	20,061
Provision for loan loss	38,525	293,004
Rent and occupancy	49,885	37,471
Salaries and benefits	42,008	170,987
Telephone expense	4,153	4,737
Training and education	140	-
NACCA - Training	-	13,916
Travel	15,602	32
	236,869	602,903
Excess of revenue over expenses	127,092	85,636

Tribal Resources Investment Corporation
Schedule 9 - Aboriginal Community Career Employment Services Society - BladeRunners
Revenues and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	70,000	120,000
Expenses		
BladeRunners - Programs	37,972	45,036
Office and miscellaneous	149	28
Salaries and benefits	1,390	6,549
Stipend	2,234	3,575
Travel	1,406	1,548
	43,151	56,736
Excess of revenue over expenses	26,849	63,264

Tribal Resources Investment Corporation
Schedule 10 - New Relationship Trust - First Nations Equity-Matching Initiative Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	75,000	65,000
Prior year funding not utilized	18,884	11,031
Current year funding not utilized	(33,461)	(18,884)
	60,423	57,147
Expenses		
Equity expenditures - New Relationship Trust	60,423	57,147
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 11 - Income Assistance Pre-Employment Supports Revenues
and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Indigenous Services Canada		
Contribution	750,000	750,000
Interest	562	251
Current year funding not utilized	(1,006,421)	(970,130)
Prior year funding not utilized	970,130	674,446
	714,271	454,567
Expenses		
Case management	167,257	187,351
Service delivery infrastructure	51,740	44,951
Participant transitional support costs	495,274	222,265
	714,271	454,567
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 12 - Youth Employment Skills Strategy Revenues
and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Employment and Social Development Canada		
Contributions	172,443	420,001
Interest	3	43
Prior year funding not utilized	328,631	209,005
Current year funding not utilized	(82,909)	(328,631)
	418,168	300,418
Expenses		
Administration costs	7,646	6,443
Administrative wages	13,815	13,716
Direct costs	173,674	134,281
Participant costs	201,315	130,753
Project costs	21,718	15,225
	418,168	300,418
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 13 - Northern Development Initiative Trust
Revenues and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	-	59,728
Expenses		
Salaries and benefits	-	59,408
Travel	-	321
	-	59,728
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 14 - OLES "Passing it On"
Revenues and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	265,669	-
Current year funding not utilized	(262,598)	-
	3,071	-
Expenses		
Travel	3,071	-
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 15 - Indigenous Women's Entrepreneurship
Revenues and Expenses

For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	96,604	-
Mentorship Grant	41,400	-
Interest	159	-
Prior year funding not utilized	83,375	-
Current year funding not utilized	(203,869)	-
	17,669	-
Expenses		
Office and miscellaneous	4,440	-
Travel	13,229	-
	17,669	-
Excess of revenue over expenses	-	-

Tribal Resources Investment Corporation
Schedule 16 - Drive BC
Revenues and Expenses
For the year ended March 31, 2023

	2023	2022
Revenue		
Contributions	130,000	-
Expenses		
Tuition / living allowance	118,272	-
Administration costs	11,728	-
	130,000	-
Excess of revenue over expenses	-	-
