

A photograph of a forest landscape. In the foreground, a river flows over grey rocks. The middle ground is filled with tall trees, some with bright yellow autumn foliage and others with green needles. The background shows more trees under a clear blue sky.

## FINANCIAL REPORT 2020/21



**NEW RELATIONSHIP TRUST**  
Empowering First Nations in British Columbia





**NEW RELATIONSHIP TRUST**  
Empowering First Nations in BC

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The New Relationship Trust (NRT) is an independent non-profit corporation dedicated to strengthening First Nations in BC through capacity building.

EMPOWERING FIRST NATIONS COMMUNITIES  
**IN BRITISH COLUMBIA**

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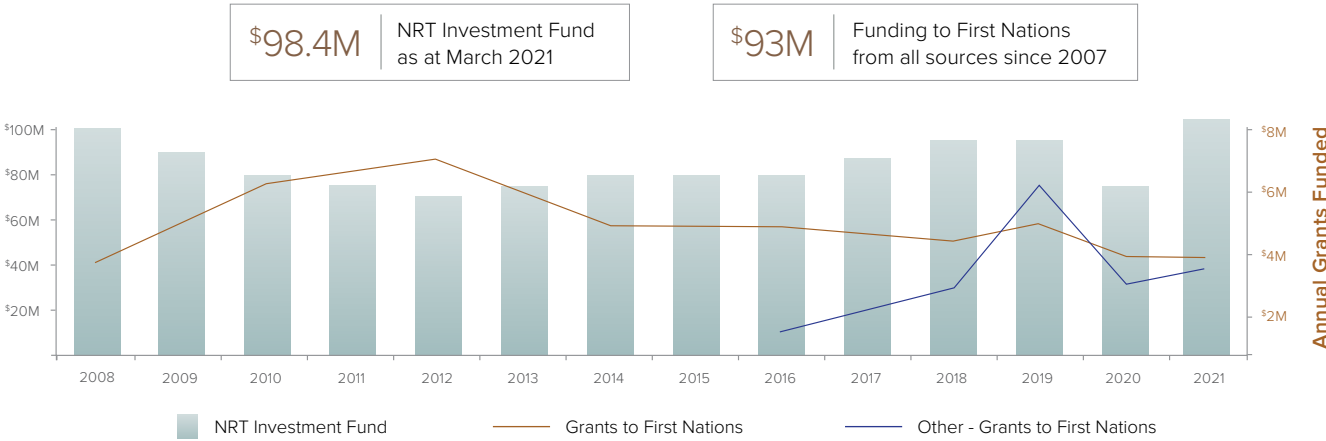
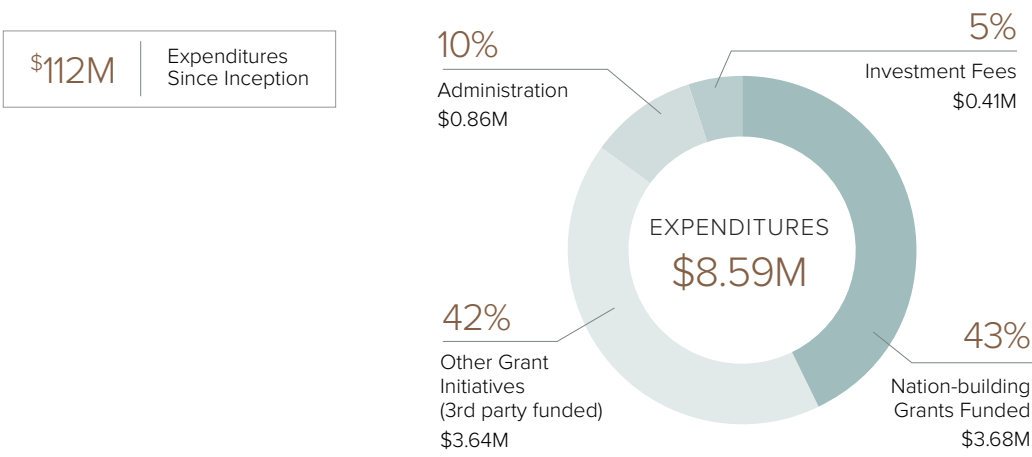
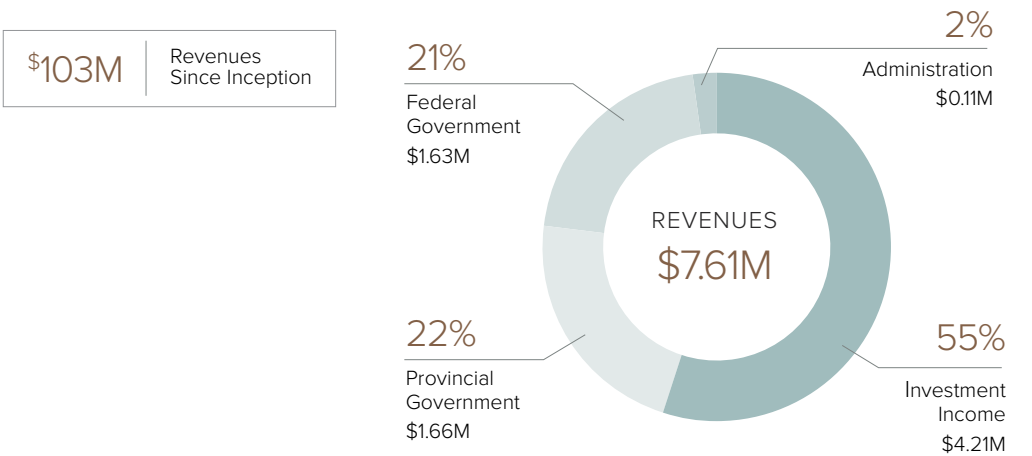
**2020/21**  
FINANCIAL REPORT





# FINANCIAL OVERVIEW

## HIGHLIGHTS



## INVESTMENT ACTIVITY

	2021	SINCE INCEPTION
Earnings, net of capital losses	\$4.17 M	\$78.29 M
Realized returns	32.7%	7.90%
Management Fees	\$0.41 M	\$5.80 M

### Investment Strategy

The Investment Strategy is to focus on well managed, high quality, diversified long-term investments so NRT is positioned to minimize its exposure and risk of realizing unnecessary losses. A key goal of NRT’s financial strategy is growing the investment fund in order to support sustainable and ongoing Nation re-building activities well into the future.





NEW RELATIONSHIP TRUST  
**FINANCIAL STATEMENTS**

MARCH 31 2021







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For the year ended March 31, 2021

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## INDEPENDENT AUDITORS' REPORT

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### TO THE BOARD OF NEW RELATIONSHIP TRUST:

#### Opinion

We have audited the financial statements of New Relationship Trust ("NRT"), which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of NRT as at March 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. 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 NRT in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing NRT'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 NRT or to cease operations, or has no realistic alternative but to do so.

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

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INDEPENDENT AUDITORS’ REPORT

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian 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 NRT’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 auditevidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on NRT’sability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in ourauditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify ouropinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future eventsor conditions may cause NRT to cease to continue as a going concern. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether thefinancial 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 andsignificant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Surrey, British Columbia  
August 9, 2021

MNP LLP  
Chartered Professional Accountants



New Relationship Trust  
Statement of Financial Position  
As at March 31, 2021

	Contribution Fund	Nation-Building Fund	Other Initiatives Fund	Operating Fund	2021	2020
<b>Assets</b>						
<b>Current</b>						
Restricted Cash	157,415	3,217,304	2,637,396	77,194	6,089,309	9,302,799
Accounts receivable	-	2,676	2,000	1,376	6,052	108,427
Government agencies receivable	-	-	-	1,459	1,459	18,892
Prepaid expenses	-	-	-	23,918	23,918	20,546
Due from NRT Foundation (Note 3)	-	-	-	26,237	26,237	10,600
	157,415	3,219,980	2,639,396	130,184	6,146,975	9,461,264
<b>Capital assets (Note 4)</b>	-	-	-	21,599	21,599	30,856
<b>Investments (Note 5)</b>	98,373,136	-	-	-	98,373,136	76,794,301
<b>Due from (to) other funds</b>	3,097,544	(3,055,527)	-	(42,017)	-	-
	101,628,095	164,453	2,639,396	109,766	104,541,710	86,286,421
<b>Liabilities</b>						
<b>Current</b>						
Accounts payable and accruals	301,007	164,453	70,210	88,167	623,837	740,207
Deferred contributions (Note 6)	-	-	2,569,186	-	2,569,186	4,377,006
	301,007	164,453	2,639,396	88,167	3,193,023	5,117,213
<b>Commitments (Note 7)</b>						
<b>Net Assets</b>						
Invested in capital assets	-	-	-	21,599	21,599	30,856
Externally restricted	101,327,088	-	-	-	101,327,088	81,138,352
	101,327,088	-	-	21,599	101,348,687	81,169,208
	101,628,095	164,453	2,639,396	109,766	104,541,710	86,286,421

Approved on behalf of the Board

E-SIGNED by Hugh Baker

Director

E-SIGNED by Wade Grant

Director

The accompanying notes are an integral part of these financial statements



**New Relationship Trust**  
**Statement of Operations**

*For the year ended March 31, 2021*

	<i>Contribution Fund</i>	<i>Nation- Building Fund</i>	<i>Other Initiatives Fund</i>	<i>Operating Fund</i>	<i>2021</i>	<i>2020</i>
<b>Revenue</b>						
Administration	-	-	-	111,270	111,270	169,971
Indigenous and Northern Affairs Canada (INAC)	-	100,000	-	-	100,000	186,900
Investment income <i>(Note 5)</i>	1,114,342	35,977	-	-	1,150,319	2,654,917
Capital gains <i>(Note 5)</i>	3,058,084	-	-	-	3,058,084	15,086,780
Western Economic Diversification Canada	-	-	1,527,864	-	1,527,864	1,123,883
Other funding/revenue	-	-	2,000	-	2,000	247,889
Province of BC	-	-	1,658,031	-	1,658,031	1,255,883
	4,172,426	135,977	3,187,895	111,270	7,607,568	20,726,223
<b>Nation-Building Grants</b> <i>(Note 10)</i>						
Economic development	-	482,500	-	-	482,500	582,500
Education	-	959,200	-	-	959,200	807,800
Elders and youth	-	179,800	-	-	179,800	414,280
Governance capacity	-	1,879,618	-	-	1,879,618	1,772,992
Language and culture	-	60,500	-	-	60,500	96,900
Special projects	-	120,100	-	-	120,100	332,778
	-	3,681,718	-	-	3,681,718	4,007,250
<b>Other Initiatives</b>						
Clean Energy	-	-	3,094,637	-	3,094,637	2,544,871
Special projects	-	-	1,341	-	1,341	190,000
	-	-	3,095,978	-	3,095,978	2,734,871
<b>Expenses</b>						
Administration	-	-	111,271	10,072	121,343	170,466
Advertising and promotion	-	-	125,201	10,991	136,192	127,026
Amortization	-	-	-	9,257	9,257	11,739
Sponsorship	-	-	-	20,000	20,000	-
Consulting	-	-	121,188	88,882	210,070	167,550
Governance	-	-	-	49,623	49,623	152,769
Insurance	-	-	-	9,822	9,822	9,636
Investment management	408,054	-	-	-	408,054	430,508
Occupancy	-	-	-	71,190	71,190	73,520
Office	-	-	6,601	54,297	60,898	48,250
Professional development	-	-	-	2,000	2,000	6,752
Professional fees	-	-	-	26,286	26,286	41,678
Salaries and benefits	-	-	173,575	493,775	667,350	575,258
Telephone	-	-	2,400	7,175	9,575	10,431
Travel	-	-	3,409	4,525	7,934	45,610
	408,054	-	543,645	857,895	1,809,594	1,871,193
<b>Excess (deficiency) of revenue over expenses before other items</b>	3,764,372	(3,545,741)	(451,728)	(746,625)	(979,722)	12,112,909

*Continued on next page*

*The accompanying notes are an integral part of these financial statements*

**New Relationship Trust**  
**Statement of Operations**

*For the year ended March 31, 2021*

	<i>Contribution Fund</i>	<i>Nation- Building Fund</i>	<i>Other Initiatives Fund</i>	<i>Operating Fund</i>	<i>2021</i>	<i>2020</i>
<b>Excess (deficiency) of revenue over expenses before other items</b> <i>(Continued from previous page)</i>	3,764,372	(3,545,741)	(451,728)	(746,625)	(979,722)	12,112,909
<b>Other items</b>						
Unrealized gains on investments	21,159,201	-	-	-	21,159,201	(22,777,831)
<b>Excess (deficiency) of revenue over expenses</b>	24,923,573	(3,545,741)	(451,728)	(746,625)	20,179,479	(10,664,922)
<b>Net assets beginning of year</b>	80,359,838	-	778,514	30,856	81,169,208	91,834,130
<b>Interfund transactions</b>	(3,956,323)	3,545,741	(326,786)	737,368	-	-
<b>Net assets, end of year</b>	101,327,088	-	-	21,599	101,348,687	81,169,208

*The accompanying notes are an integral part of these financial statements*



# New Relationship Trust Statement of Cash Flows

For the year ended March 31, 2021

	2021	2020
<b>Cash provided by (used for) the following activities</b>		
<b>Operating</b>		
Excess (deficiency) of revenue over expenses	20,179,479	(10,664,922)
Amortization	9,257	11,740
Deferred contributions recognized as revenue	(1,807,820)	2,796,216
Unrealized losses (gains) on investments	(21,159,201)	22,777,831
Investment income reinvested, net of fees	(3,347,483)	(17,667,613)
	(6,125,768)	(2,746,748)
Changes in working capital accounts		
Accounts receivable	102,375	(27,606)
Government agencies receivable	17,433	2,445
Prepaid expenses	(3,372)	(580)
Accounts payable and accruals	(116,370)	(455,316)
	(6,125,702)	(3,227,805)
<b>Investing</b>		
Repayment of (advances) to NRT foundation	(15,637)	(162,703)
Purchase of equipment	-	(6,930)
Purchase of investments	(6,703,912)	100,556,177
Proceeds on disposal of investments	9,631,761	110,459,746
	2,912,212	9,733,936
<b>Increase (decrease) in restricted cash resources</b>	<b>(3,213,490)</b>	6,506,131
<b>Restricted cash resources, beginning of year</b>	<b>9,302,799</b>	2,796,668
<b>Restricted cash resources, end of year</b>	<b>6,089,309</b>	9,302,799

The accompanying notes are an integral part of these financial statements

# New Relationship Trust Notes to the Financial Statements

For the year ended March 31, 2021

## 1. Incorporation and nature of the organization

New Relationship Trust ("NRT") was incorporated under the authority of the Province of British Columbia (the "Province") on March 23, 2006 through enactment of the New Relationship Act, Bill 11 - 2006 and is registered as a not-for-profit organization and thus is exempt from income taxes under Part I of the Income Tax Act ("the Act"). In order to maintain its status as a registered not-for-profit organization under the Act, NRT must meet certain requirements within the Act. In the opinion of management these requirements have been met.

### Impact on operations of COVID-19 (coronavirus)

In early March 2020 the impact of the global outbreak of COVID-19 (coronavirus) began to have a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. NRT's operations were impacted by COVID-19 due to closure of operations, cancellation of events, and fluctuations of investment values.

At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on NRT as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact is unknown, we anticipate this outbreak may result in increased government regulations, all of which may negatively impact NRT's business and financial conditions.

## 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations ("ASNPO") set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada, which are part of Canadian generally accepted accounting principles, and include the following significant accounting policies:

### Cash and cash equivalents

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. Cash subject to restrictions that prevent its use for current purposes is included in restricted cash.

### Fund accounting

NRT follows the restricted fund method of accounting for contributions, and maintains four funds: Contribution, Nation-Building, Other Initiatives and Operating Fund. The Contribution, and Nation-Building fund, are externally restricted by the Province for specific purposes in accordance with the New Relationship Trust Act. The Other Initiatives contributions received from the Province of British Columbia (the Province), and Western Economic Diversification Canada are externally restricted.

The Contribution Fund reports on NRT's initial \$100,000,000 contribution by the Province along with the related investment income earned on this contribution less investment management fees.

The Nation-Building Fund reports on NRT's Nation-Building grant activity.

The Other Initiatives Fund reports on NRT's specific purpose projects and activities.

The Operating Fund reports on NRT's operations, administration and governance activities and includes equipment to perform such activities.

### Controlled entity

NRT's financial statements do not include the accounts of New Relationship Trust Foundation (the "Foundation") which is controlled by NRT as the director's of NRT appoint the Board of Directors of the Foundation. The required disclosures have been provided in Note 11.

All transactions with the controlled entity are disclosed as related party transactions.



2. Significant accounting policies (Continued from previous page)

Revenue recognition

NRT uses the restricted fund method of accounting for contributions. Restricted contributions are recognized as revenue of the Contribution Fund, Nation-Building Fund, and Other Initiatives Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the Operating Fund because there is not an appropriate restricted fund.

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

Investment income is recognized as revenue in the respective fund when earned.

Marketable securities

Marketable securities with prices quoted in an active market are measured at fair value while those that are not quoted in an active market are measured at cost less impairment. Changes in fair value are recorded immediately in the excess of revenues over expenses.

Capital assets

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

	Rate
Computer software	30 %

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.

NRT writes down long-lived assets held for use when conditions indicate that the asset no longer contributes to the NRT's ability to provide goods and services. The asset are also written-down when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the NRT determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

Measurement uncertainty

The preparation of financial statements in conformity with ASNPO 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 and due from NRT foundation are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. 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

NRT recognizes its financial instruments when NRT becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions* (refer to Note 9.)

At initial recognition, NRT may irrevocably elect to subsequently measure any financial instrument at fair value. NRT has not made such an election during the year.

NRT subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. All other financial assets and liabilities are subsequently measured at amortized cost.

2. Significant accounting policies (Continued from previous page)

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

Financial asset impairment

NRT assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, NRT 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, NRT reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets; and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses. NRT 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 revenues over expenses in the year the reversal occurs.

Foreign currency translation

These financial statements have been presented in Canadian dollars, the principal currency of the NRT's operations.

Transaction amounts denominated in foreign currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction dates. Carrying values of monetary assets and monetary liabilities reflect the exchange rates at the statement of financial position date. Gains and losses on translation or settlement are included in the determination of excess of revenues over expenses for the current period.

3. Due from NRT Foundation

The amount due from the Foundation is unsecured, non-interest bearing and due on demand.

4. Capital assets

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Computer software	238,119	216,520	21,599	30,856

5. Investments

Investments are held by a custodian and are comprised of institutional pooled funds managed by professional investment managers. Investment activities are governed by the Board-approved NRT "Statement of Investment Policy and Procedures".

	Fair Value	Cost Base	2021 Cumulative Unrealized Gain(loss)	2020 Cumulative Unrealized Gain(loss)
<b>Contribution Fund</b>				
Mercer Global Investments	82,454,193	72,310,273	10,143,920	(10,743,192)
Greystone Real Estate LP	6,231,479	6,137,000	94,479	37,684
Addenda Commercial Mortgage	9,687,464	9,557,949	129,515	(85,779)
<b>Total Investments</b>	<b>98,373,136</b>	<b>88,005,222</b>	<b>10,367,914</b>	<b>(10,791,287)</b>



**New Relationship Trust**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2021*

**5. Investments** (Continued from previous page)

Investment income earned during the year is comprised as follows:

	Contribution Fund	Nation-Building Fund	2021	2020
Interest and dividend income	1,114,343	35,977	1,150,320	2,654,916
Capital gains (losses), net	3,058,084	-	3,058,084	15,086,780
	4,172,427	35,977	4,208,404	17,741,696

In the fiscal period ending March 31, 2020, NRT recognized a one time capital gain as a result of a change in financial service providers and the underlying investments.

**6. Deferred contributions**

Deferred contributions represent contributions received from the British Columbia Clean Energy Initiative (BCICEI). Recognition of these amounts as revenues is deferred to periods when the specified expenditures take place. Changes in the deferred contributions balance are as follows:

	2021	2020
Balance, beginning of year	4,377,006	1,580,790
Amount received during the year	1,500,000	4,377,006
Less: Amount recognized as revenue during the year	(3,307,820)	(1,580,790)
Balance, end of year	2,569,186	4,377,006

**7. Commitments**

NRT occupies leased premises until May 1, 2023 with future aggregate lease payments as follows:

2022	71,190
2023	71,190
2024	5,933
	<u>148,313</u>

NRT has committed in fiscal 2021 to the following Nation-Building grants and Other fund initiatives to be disbursed subsequent to March 31, 2021:

Clean energy initiative	871,682
Direct support	373,696
Policy development initiatives	162,810
Elder's and youth grants	37,600
K-12	32,000
	<u>1,477,788</u>

**New Relationship Trust**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2021*

**8. Interfund transactions**

During the year, NRT transferred \$3,545,741 from the Contribution Fund to the Nation-Building Fund and \$737,368 to the Operating Fund to fund the current year's program grants and administrative expenses.

**9. Related party transactions**

Included in Nation-Building Grants expenses for the current year is \$705,000 (2020 - \$720,000) paid to the Foundation. The expenses occurred in the normal course of operations and were recorded at the carrying value at the date of the transaction:

- Scholarships and bursaries contributed of \$600,000 (2020 - \$600,000);
- Administration funding of \$105,000 (2020 - \$105,000).



**New Relationship Trust**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2021*

**10. Nation-Building Grants**

	2021	2020
<b>Economic development:</b>		
BC aboriginal business awards	-	25,000
Entrepreneurs equity matching initiative	482,500	447,500
Other initiatives	-	110,000
	<b>482,500</b>	582,500
<b>Education:</b>		
Scholarships and bursaries	705,600	600,000
K-12 education initiative	253,600	207,800
	<b>959,200</b>	807,800
<b>Elders and youth:</b>		
Elders grants	97,400	233,000
Youth grants	82,400	181,280
	<b>179,800</b>	414,280
<b>Governance capacity:</b>		
Direct support	1,272,636	1,265,627
Nations governance	318,400	299,502
Policy development	112,082	195,083
Best practices	-	12,518
Capacity tools and resources	176,500	-
Regional engagements	-	262
	<b>1,879,618</b>	1,772,992
<b>Language and culture:</b>		
Youth language initiative	60,500	96,900
<b>Special projects:</b>		
Young entrepreneurs symposium	120,100	315,871
Golf tournament sponsorship	-	16,907
	<b>120,100</b>	332,778
	<b>3,681,718</b>	4,007,250

**New Relationship Trust**  
**Notes to the Financial Statements**  
*For the year ended March 31, 2021*

**11. Controlled entity**

The Foundation is responsible for advancing education by providing scholarships, bursaries and awards for First Nations students pursuing post-secondary education. The Foundation also provides financial assistance for books, equipment and other educational supplies. The Foundation is a not-for-profit charitable organization registered under the Income Tax Act of Canada and as such, is exempt from income taxes.

The Foundation has not been consolidated in the NRT's financial statements. Audited financial statements of New Relationship Trust Foundation are available upon request. Financial summaries of this unconsolidated entity, as at March 31, 2021 and 2020, and for the years then ended, are as follows:

Financial Position	2021	2020
Total assets	\$ 2,564,499	\$ 2,418,046
Total liabilities	\$ 59,202	\$ 196,276
Total net assets	2,505,297	2,221,770
Statement of Operations		
Total revenues	\$ 1,361,054	\$ 2,460,263
Total expenses	1,077,527	2,434,669
Excess of revenues over expenses	\$ 283,527	\$ 25,594
Cash Flows		
Cash provided by operations	\$ (124,841)	\$ (746,949)
Cash provided by financing and investing activities	(38,438)	114,602
Decrease in cash resources	\$ (163,279)	\$ (632,347)

**12. Financial instruments**

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

**Interest rate risk**

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

NRT is exposed to interest rate risk through its investments in interest bearing instruments.

**Liquidity risk**

Liquidity risk is the risk that NRT will encounter difficulty in meeting obligations associated with financial liabilities. NRT enters into transactions to purchase goods and services on credit; borrow funds from financial institutions or other creditors; lease office equipment from various creditors; etc., for which repayment is required at various maturity dates.



New Relationship Trust  
Notes to the Financial Statements  
For the year ended March 31, 2021

12. Financial instruments (Continued from previous page)

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. NRT's investments in publicly-traded securities and corporate bonds exposes NRT to price risk as these investments are subject to price changes in an open market due to a variety of reasons including changes in market rates of interest, general economic indicators and restrictions on credit markets.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. NRT enters into transactions to investments denominated in US dollars currency for which the related revenues and expenses are subject to exchange rate fluctuations.

13. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.

New Relationship Trust  
Schedule 1 - Contribution Fund Revenues and Expenses  
For the year ended March 31, 2021

	2021	2020
<b>Revenue</b>		
Investment income (Note 5)	1,114,343	2,581,069
Capital gains (Note 5)	3,058,084	15,086,780
	4,172,427	17,667,849
<b>Expenses</b>		
Investment management	408,054	430,508
<b>Excess of revenue over expenses before other items</b>	3,764,373	17,237,341
<b>Unrealized gain (loss) on investments and assets</b>	21,159,201	(22,788,102)
<b>Excess (deficiency) of revenue over expenses</b>	24,923,574	(5,550,761)



New Relationship Trust		
Schedule 2 - Nation-Building Fund Revenues and Expenses		
For the year ended March 31, 2021		
	2021	2020
<b>Revenue</b>		
Indigenous and Northern Affairs Canada (INAC)	100,000	100,000
Investment income (Note 5)	35,977	73,847
Other funding/revenue	-	247,889
	135,977	421,736
<b>Nation Building Grants</b>		
Economic development	482,500	582,500
Education	959,200	807,800
Elders and youth	179,800	414,280
Governance capacity	1,879,618	1,772,992
Language and culture	60,500	96,900
Special projects	120,100	332,778
	3,681,718	4,007,250
<b>Deficiency of revenue over expenses before other items</b>	<b>(3,545,741)</b>	<b>(3,585,514)</b>
<b>Unrealized gain on investments</b>	<b>-</b>	<b>10,271</b>
<b>Deficiency of revenue over expenses</b>	<b>(3,545,741)</b>	<b>(3,575,243)</b>

New Relationship Trust		
Schedule 3 - Other Initiatives Fund Revenues and Expenses		
For the year ended March 31, 2021		
	2021	2020
<b>Revenue</b>		
Province of BC	1,658,031	1,255,883
Western Economic Diversification Canada	1,527,864	1,123,883
Indigenous and Northern Affairs Canada (INAC)	-	86,900
Other funding/revenue	2,000	-
	3,187,895	2,466,666
<b>Other Initiatives</b>		
Clean Energy	3,094,637	2,544,871
Special projects	1,341	190,000
	3,095,978	2,734,871
<b>Expenses</b>		
Administration	111,270	170,466
Advertising and promotion	125,201	100,793
Consulting	121,188	31,254
Office	6,602	2,571
Salaries and benefits	173,575	92,727
Telephone	2,400	1,300
Travel	3,409	16,654
	543,645	415,765
<b>Deficiency of revenue over expenses</b>	<b>(451,728)</b>	<b>(683,970)</b>



New Relationship Trust  
Schedule 4 - Operating Fund Revenues and Expenses  
For the year ended March 31, 2021

	2021	2020
<b>Revenue</b>		
Administration	111,270	169,971
<b>Expenses</b>		
Administration	10,072	-
Advertising and promotion	10,991	26,233
Amortization	9,257	11,739
Sponsorship	20,000	-
Consulting	88,882	136,296
Governance	49,623	152,769
Insurance	9,822	9,636
Occupancy	71,190	73,520
Office	54,297	45,679
Professional development	2,000	6,752
Professional fees	26,286	41,678
Salaries and benefits	493,775	482,532
Telephone	7,175	9,131
Travel	4,525	28,956
	857,895	1,024,921
<b>Deficiency of revenue over expenses</b>	<b>(746,625)</b>	<b>(854,950)</b>



**NEW RELATIONSHIP TRUST**

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