

# NIPISSING 2013 BOUNDARY CLAIM TRUST

First Quarter Newsletter

APRIL 2015

## Fiscal Year 2014 Audit Results

The Trustees retained Richard Beatty of Meyers Norris Penny (MNP) to complete the Fiscal Year 2014 audit. The results of the audit are outlined below. We will also be presenting the audit at the Annual Community Meeting.

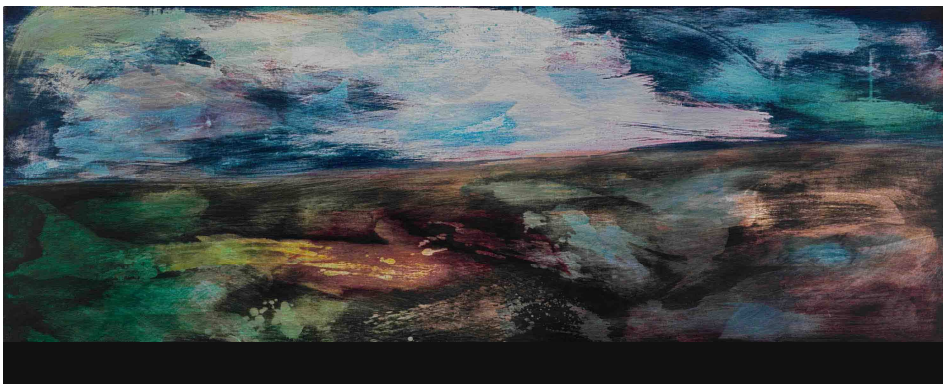


## Statement of Financial Position—Dec 31/14

<b>ASSETS</b>	
Cash and cash equivalents	7,111,413
PCD In Trust	-
	<hr/>
	7,111,413
Investments	78,713,451
	<hr/>
	85,824,864
<b>LIABILITIES</b>	
Account payable and accrued charges	91,888
PCD in Trust	780,000
Due to Nipissing First Nation	2,215,560
	<hr/>
	3,087,488
<b>TRUST CAPITAL</b>	<hr/>
	82,737,416

## Minors Update

Each month, the interest is calculated and cheques are issued and couriered to Tammy Saulis, Chief Financial Officer, to be collected by minors on their birthday. Please ensure that you provide Tammy with a Receipt, Release and Discharge, one piece of valid photo identification and a copy of your birth certificate. In Fiscal Year 2015, there are 32 minors born in 1997 that will receive their PCD plus interest on their birthday. The estimated average payout to minors will be \$20,475.00.



## In This Issue

- Audit Results
- Annual Income
- Performance

## Annual Income

We've had many questions about how we will grow the Trust if all the income is paid out each year to the First Nation.

The fixed income portfolio (i.e. bonds) earns interest every year and the equities (i.e. stocks) earn dividends every year. The total interest and dividends earned are paid out each year.

When the investment managers sell a stock or bond, they create either a capital gain or a capital loss on the sale. Under the Canadian tax rules, the capital gains and losses are totalled at the end of the year, and 50% of the capital gains (if any) are taxable. The Trust pays out the taxable portion at year end to the First Nation, and keeps the non-taxable portion in the Trust to help it grow over time.

For example, in Fiscal Year 2014 the investment managers had a good year and realized \$1,106,013 of capital gains. 50% or \$553,006, was paid out to Nipissing as part of the annual income and the other 50%, or \$553,006, was kept in the Trust in order to grow the Trust.

It is very important to the First Nation that the Trust grows over time. This will allow the Trust to pay larger payments to the First Nation in the future and help to offset inflation .



## Annual Income

### Board of Trustees

Marianna Couchie

June Commanda

Darrell McLeod

Meriza George

Christine Goulais

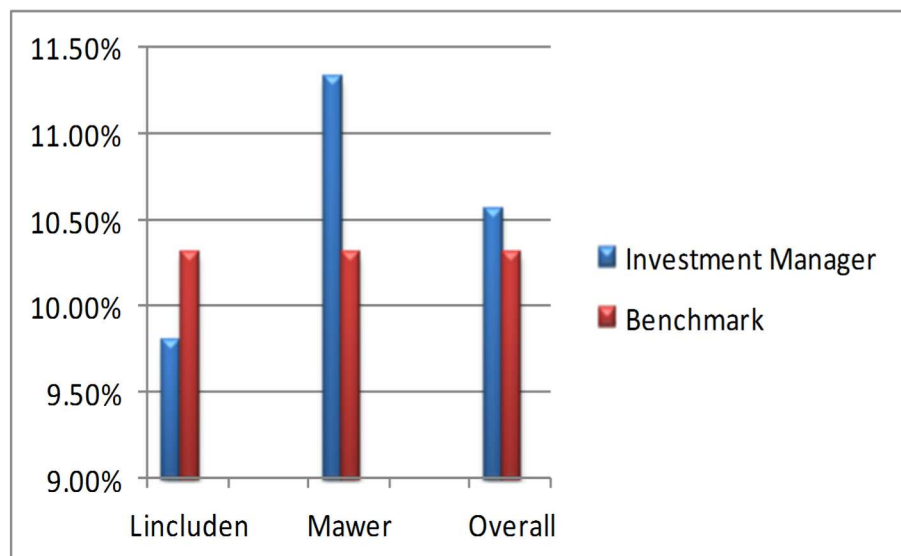
Tim Laronde

Peace Hills Trust

## Investment Objectives

1. To seek modest capital appreciation (net of fees and inflation) and to maximize the tax efficient generation of income in the form of interest, dividends and realized capital gains in order to support the Annual Payment and other obligations of the Trust.
2. Maintain the safety of capital and minimize the downside risk through portfolio and investment manager diversification.
3. Liquidity to meet the Annual Payment of income to the Revenue Account.
4. To achieve an annual real rate of return of 4.0% in addition to recognizing performance that meets or exceeds expectations outlined within the Investment Manager review policy of the Investment Policy Statement.

## Inception—Performance Monitoring (Q4'13 to Q4'14)



	Lincluden	Mawer	Overall
Investment Manager	9.80%	11.34%	10.57%
Benchmark	10.32%	10.32%	10.32%
Added Value	-0.52%	1.02	0.25%

## Performance

### Board of Trustees

Marianna Couchie

June Commanda

Darrell McLeod

Meriza George

Christine Goulais

Tim Laronde

Peace Hills Trust