

**NPAAMB INDIGENOUS YOUTH
EMPLOYMENT & TRAINING
(SKANEHIONKWAIOTEH INCORPORATED)**

**FINANCIAL STATEMENTS
For the year ended March 31, 2023**

**NPAAMB INDIGENOUS YOUTH
EMPLOYMENT & TRAINING
(SKANEHIONKWAIOTEH INCORPORATED)**

For the year ended March 31, 2023

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INDEPENDENT AUDITORS' REPORT

To the Directors of
NPAAMB Indigenous Youth Employment & Training

Opinion

We have audited the financial statements of NPAAMB Indigenous Youth Employment & Training (the 'Organization'), which comprise the statement of financial position as at March 31, 2023, and the statements of changes in net assets, operations 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 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 *Auditors' Responsibilities for the Audit of 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 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 these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.

Millard, Rouse & Rosebrugh LLP

October 2, 2023
Brantford, Ontario

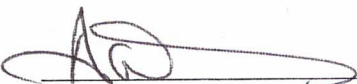
CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

STATEMENT OF FINANCIAL POSITION

As at March 31	2023	2022
ASSETS		
Current Assets		
Cash and cash equivalents	1,041,398	2,567,921
Accounts receivable	-	244,979
HST receivable	68,718	58,154
Prepaid expenses	20,040	171,862
Short term investment (Note 8)	100,000	-
	1,230,156	3,042,916
Capital Assets (Note 7)	99,939	105,138
Investment (Note 8)	-	100,000
	1,330,095	3,248,054
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	136,851	111,037
Due to OLES	228,460	112,461
Due to Province of Ontario	-	14,173
Deferred revenue (Note 9)	437,508	2,123,275
	802,819	2,360,946
Deferred Contributions Related to Capital Assets (Note 10)	47,656	153,379
	850,475	2,514,325
NET ASSETS	479,620	733,729
	1,330,095	3,248,054

Approved on behalf of the Board:



 Audrey Davis
 Treasurer

See accompanying notes

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31	2023	2022
Net assets, beginning of year	733,729	383,782
Excess (shortfall) of revenue over expenditures	(254,109)	349,947
Net assets, end of year	479,620	733,729

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

STATEMENT OF OPERATIONS

For the year ended March 31	2023	2022
Revenue		
Employment and Social Development Canada (ISETS)	2,883,279	3,572,652
Other grants	1,017,381	3,050,285
Deferred revenue recognized in the year (ISETS)	1,306,033	713,435
Other income	123,768	92,214
Other income/(expense) - partnership projects	239,203	80,000
	5,569,664	7,508,586
Adjustment for deferred revenue with holdback (ISETS)	(183,654)	(1,306,033)
	5,386,010	6,202,553
Expenditures		
Salaries and benefits	2,091,585	2,679,359
Advertising	35,586	30,451
Insurance	29,900	32,842
Office supplies	160,885	85,630
Professional fees	98,464	147,782
Program costs	2,236,453	1,916,669
Rent	328,477	277,061
Telephone and utilities	80,667	81,204
Training	62,944	33,603
Outside services	261,266	393,484
Travel and meetings	168,011	106,756
Other expenses	77,896	40,684
	5,632,134	5,825,525
Excess (Shortfall) of Revenue over Expenditures, before under noted items	(246,124)	377,028
Amortization of:		
Capital assets	113,708	112,059
Deferred contributions related to capital assets	(105,723)	(84,978)
Excess (Shortfall) of Revenue over Expenditures	(254,109)	349,947

See accompanying notes

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

STATEMENT OF CASH FLOWS

For the year ended March 31	2023	2022
Cash Flows From Operating Activities		
Excess (Shortfall) of revenue over expenditures	(254,109)	349,947
Charges (credits) to income not involving cash:		
Amortization	113,708	112,059
Amortization of deferred contributions related to capital assets	(105,723)	(84,978)
	(246,124)	377,028
Change in non-cash working capital balances related to operations:		
(Increase) decrease in accounts receivable	244,979	(202,359)
(Increase) decrease in HST receivable	(10,564)	(17,967)
(Increase) decrease in prepaid expenses	151,822	(171,862)
Increase (decrease) in accounts payable and accrued liabilities	11,641	(66,889)
Increase (decrease) in deferred revenue	(1,685,767)	(570,243)
Increase (decrease) in due to OLES	115,999	112,461
Net cash flow from operating activities	(1,418,014)	(539,831)
Cash Flows From Investing Activities		
Purchase of capital assets	(108,509)	-
Purchase of long term investment	-	(25,000)
	(108,509)	(25,000)
Net Decrease in Cash and Cash Equivalents	(1,526,523)	(564,831)
Opening Cash and Cash Equivalents	2,567,921	3,132,752
Closing Cash and Cash Equivalents	1,041,398	2,567,921
Cash and Cash Equivalents Comprised of:		
Cash on hand and balances with banks	1,041,398	2,567,921

See accompanying notes

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

1. PURPOSE OF THE ORGANIZATION

Niagara Peninsula Aboriginal Area Management Board (NPAAMB) was incorporated without share capital on October 20, 1992 under the Corporation Act (Ontario). The purpose of the association is to enhance the quality of life through employment and training initiatives as identified by the Indigenous communities they serve, resulting in a skilled Indigenous labour force. The Organization is a not-for-profit organization and is exempt from income tax under the Income Tax Act of Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook and include the following significant accounting policies:

(a) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(b) **Revenue Recognition**

These financial statements have been prepared under the deferral method of accounting whereby revenues are reported in the period in which they are considered to be earned and the related expenses have been incurred.

Restricted contributions are recognized as revenue in the year the related expenses are incurred and advances toward future expenses are shown as deferred revenue. Costs are reimbursed under contract with the Minister of Employment and Social Development Canada and the Canada Employment Insurance Commission. Unrestricted contributions are recognized as revenue in the year received or receivable and are reflected as unrestricted net assets.

(c) **Capital Assets**

Capital assets are recorded at cost. Capital assets are amortized on a straight line using the following annual rates:

Furniture and equipment	20%
Computer equipment	30%
Vehicles	30%
Leasehold improvements	5 years

(d) **Cash and Cash Equivalents**

Cash and cash equivalents consist of Organization's operating bank accounts.

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Financial Instruments

The Organization initially measures its financial assets and financial liabilities originated or exchanged in arm's length transactions at fair value.

Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially measured at cost. The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms.

The Organization subsequently measures investments in equity instruments that are quoted in an active market at fair value. All other financial assets and liabilities are measured at amortized cost.

3. HARMONIZED SALES TAX (HST)

The Organization is a qualifying non-profit organization and therefore is entitled to claim a rebate of 50% of the federal portion and 82% of the provincial portion of the HST paid on purchases.

4. ECONOMIC DEPENDENCE

A significant portion of the Organization's revenue is received from Service Canada. The continuation of the Organization is dependent on this funding.

5. COMMITMENTS

The Organization is committed to a lease for its offices and photocopier as follows:

- 2024 - \$157,343
- 2025 - \$161,358
- 2026 - \$4,832
- 2027 - \$0

6. DEFINED BENEFIT PENSION PLAN

In 2021, the Organization joined the OPTrustSelect defined benefit plan. OPTrustSelect is a multi-employer plan. All full time employees are eligible to join the pension plan. Both the employee and the employer contribution rates are 3% of pensionable pay. Employers are also responsible for paying an additional 0.2% during the first two years they participate in OPTrustSelect. Total employer pension contributions for the year were \$48,892 (2022 - \$66,407).

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

7. CAPITAL ASSETS	Cost	Accumulated Amortization	2023	2022
Vehicles	120,280	79,296	40,984	-
Furniture and equipment	135,614	98,848	36,766	24,687
Computer equipment	306,879	306,879	-	80,451
Leasehold improvements	24,654	2,465	22,189	-
	587,427	487,488	99,939	105,138

8. INVESTMENT

The investment consists of a non-redeemable guaranteed investment certificate earning 0.45% interest and maturing April 5, 2023.

9. DEFERRED REVENUE	2023	2022
Indigenous Skills and Employment and Social Development Canada	183,654	1,306,033
Youth Employment and Skills Strategy (YESS)	111,165	175,740
Canada Service Corps	-	332,631
Ontario Trillium Grant (YOF)	135,840	87,096
City of Hamilton	6,850	-
AETO	-	126,440
Ontario Trillium Foundation (OTF)	-	95,335
	437,509	2,123,275

10. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent funding received to fund purchases of capital assets. The contributions are amortized on a basis consistent with the related assets purchased by the Organization. The changes in the deferred balance for the year are as follows:

	2023	2022
Grant Balance - Beginning of Year	153,379	238,357
Less: Amortization	105,723	84,978
Balance, Net of Amortization - End of Year	47,656	153,379

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

11. ALLOCATION OF EXPENSES

The Organization maintains its accounts and records in a manner that displays its reliance on the funding it receives from various sources. Expenses for all funded programs are budgeted separately and are controlled accordingly.

12. FINANCIAL INSTRUMENTS

The Organization's management and the Board of Directors monitor and respond as necessary to any risks arising from financial instruments.

Liquidity Risk

Liquidity is the risk that the Organization will not be able to meet its financial obligations as they fall due. The Organization monitors collection efforts to ensure sufficient cash flows are generated from operations to meet current obligations. The Organization expects that cash flow from operations in fiscal 2024 will be adequate to fund on-going investment in working capital and capital expenditures.

Credit Risk

The Organization's credit risk is related to its accounts receivable. This amount is current and management monitors collections on a regular basis and is not aware of any collection issues related to these accounts.

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2023

13. ISETS STATED SCHEDULE OF REVENUE AND EXPENDITURE

This schedule is formatted as per the requirements set out by the Employment and Social Development Canada, in regards to the Indigenous Skills and Employment Training Strategy (ISETS) audit requirements.

For the year ended March 31	Consolidated Revenue Fund 2023	Consolidated Revenue Fund 2022
Revenue		
Deferred contributions, beginning of the year	1,306,033	713,435
Human Resources and Skills Development Canada	2,883,279	3,572,652
Funding holdback	-	-
Interest Income	59,172	8,499
Deferred contributions, end of year	(183,654)	(1,306,033)
Total Revenue	4,064,830	2,988,553
Expenditures		
Administration		
Salaries, wages and related	232,208	214,315
Non-salary operating	185,034	149,764
Professional services	28,023	32,627
Organizational capacity building	17,056	1,886
Core Services		
ISETS core services	1,593,411	1,166,498
Programs		
Program Opportunity Knocks	202,826	106,866
Program SISI	97,981	29,117
Program SWE	23,372	45,647
Program SSEP	-	9,484
Program YI	25,130	71,801
Program YWE	300,417	316,703
Program AOF	2,864	463
Program SDTP	528,260	549,371
Program SEA	-	32
Program Oya:na	15,153	7,965
Program Skills Training Certificate	12,579	-
Program EAS	1,059	-
Program YESS - Hospitality	45,168	35,899
Program MPower Hospitality	255,692	-
Program FES	164,237	-
Partnership Development		
Partnership initiative	232,851	250,115
Total Expenditures	3,963,321	2,988,553
Capital Purchases	101,509	-
Excess (Shortfall) of Revenue over Expenditures	-	-

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

SCHEDULES OF PROGRAM CASH FLOWS

For the year ended March 31, 2023

The following schedules outline revenues and expenditures for programs operated by NPAAMB. The net income of these programs has been adjusted for capital purchases completed during the year in order to depict cash flowing from the Organization related to the program. Amortization has not been included below as it is not a cash transaction and does not represent a cash outflow in the year.

SCHEDULE OF PROGRAM CASH FLOWS YOUTH EMPLOYMENT AND SKILLS STRATEGY (YESS)

For the year ended March 31	2023	2022
Revenue		
YESS funding received	495,000	450,000
Expenses		
Salaries and benefits	365,652	451,612
Administration	36,054	27,838
Rent	25,050	16,800
Professional fees	54,428	49,934
Program costs	78,392	17,169
	559,576	563,353
Excess (Shortfall) of Revenue over Expenditures	(64,576)	(113,353)

SCHEDULE OF PROGRAM CASH FLOWS ONTARIO TRILLIUM FUND (OTF)

For the year ended March 31	2023	2022
Revenue		
OTF funding received	-	135,000
Expenses		
Salaries and benefits	66,451	27,056
Administration	36,103	12,608
	102,554	39,664
Excess (Shortfall) of Revenue over Expenditures	(102,554)	95,336

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

SCHEDULES OF PROGRAM CASH FLOWS

For the year ended March 31, 2023

SCHEDULE OF PROGRAM CASH FLOWS ONTARIO TRANSFER PAYMENT AGREEMENT (AETO)

For the year ended March 31	2023	2022
Revenue		
AETO funding received	-	495,256
Expenses		
Program costs	485,487	368,816
Excess (Shortfall) of Revenue over Expenditures	(485,487)	126,440

SCHEDULE OF PROGRAM CASH FLOWS ONTARIO TRILLIUM FOUNDATION (YOF)

For the year ended March 31	2023	2022
Revenue		
YOF funding received	224,300	374,000
Expenses		
Administration	23,675	68,344
Salaries and benefits	125,881	170,267
Program costs	25,999	6,173
Net expenditures	175,555	244,784
Excess (Shortfall) of Revenue over Expenditures	48,745	129,216

SCHEDULE OF PROGRAM CASH FLOWS CANADA SERVICE CORPS (CSC)

For the year ended March 31	2023	2022
Revenue		
CSC funding received	90,069	254,286
Expenses		
Salaries and benefits	51,881	160,484
Admin - advertising, audit and office space	122,060	151,003
	173,941	311,487
Excess (Shortfall) of Revenue over Expenditures	(83,872)	(57,201)

NPAAMB INDIGENOUS YOUTH EMPLOYMENT & TRAINING

SCHEDULES OF PROGRAM CASH FLOWS

For the year ended March 31, 2023

SCHEDULE OF PROGRAM CASH FLOWS CITY OF HAMILTON - POVERTY REDUCTION

For the year ended March 31	2023	2022
Revenue		
City of Hamilton funding received	70,000	80,000
Expenses		
Salaries and benefits	60,863	58,786
Program expenditures	2,287	4,911
	63,150	63,697
Excess (Shortfall) of Revenue over Expenditures	6,850	16,303

SCHEDULE OF PROGRAM CASH FLOWS NIAGARA COLLEGE

For the year ended March 31	2023	2022
Revenue		
Niagara College funding received	176,054	-
Expenses		
Salaries and benefits	82,899	-
Program expenditures	14,000	-
	96,899	-
Excess (Shortfall) of Revenue over Expenditures	79,155	-