

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM
Financial Statements
March 31, 2020

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Financial Statements

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CONTENTS

Independent Auditors' Report	1
Financial Statements	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5 - 6
Statement of Cash Flow	7
Notes to Financial Statements	8

INDEPENDENT AUDITORS' REPORT

To the Members of NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.

Opinion

We have audited the financial statements of NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC., INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM (the Council), which comprise the statement of financial position as at March 31, 2020 and 2019, and the statements of changes in net assets, operations and cash flows for the years 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 Council as at March 31, 2020 and 2019, and its results of operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audits 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 Council 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 the Council'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 Council or to cease operations, or has no realistic alternative but to do so.

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

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 the Council'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 Council'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 Council 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.


DAYE KELLY & ASSOCIATES
CHARTERED PROFESSIONAL ACCOUNTANTS

Fredericton, New Brunswick
July 25, 2020

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Statement of Financial Position

March 31	2020	2019
ASSETS		
CURRENT		
Cash	\$ 156,315	\$ 134,663
Accounts receivable (Note 2, Page 9)	<u>76,792</u>	<u>48,498</u>
	\$ 233,107	\$ 183,161
LIABILITIES		
CURRENT		
Accounts payable and accruals (Note 3, Page 9)	\$ 13,839	\$ 31,318
Due to related parties (Note 4, Page 10)	129,274	60,000
Deferred funding (Note 5, Page 10)	<u>39,849</u>	<u>39,475</u>
	<u>182,962</u>	<u>130,793</u>
NET ASSETS		
Internally restricted funds		
Capacity Building Fund (Note 6, Page 10)	-	3,000
Unrestricted funds	<u>50,145</u>	<u>49,368</u>
	<u>50,145</u>	<u>52,368</u>
	\$ 233,107	\$ 183,161

APPROVED BY

 Chief

 Financial Officer

DKA DAYE KELLY
& Associates
Chartered Professional Accountants

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Statement of Changes in Net Assets

For the Years Ended March 31	2020	2019
BALANCE - BEGINNING OF YEAR	\$ 52,368	\$ 52,120
EXCESS OF REVENUE OVER EXPENDITURES	777	248
TRANSFER FROM CAPACITY BUILDING RESERVE	<u>(3,000)</u>	<u>-</u>
BALANCE - END OF YEAR	\$ 50,145	\$ 52,368

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.

INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Statement of Operations

For the Years Ended March 31	2020	2019
REVENUE		
Province of NB - Employment Assistance Service Grant	\$ 234,276	\$ 245,809
Government of Canada - Consolidated Revenue Fund	339,546	185,274
Government of Canada - Employment Insurance Part II Fund	230,755	140,125
Congress of Aboriginal Peoples - Labour Market Development Agreement	147,912	138,708
Miscellaneous revenue (expense)	<u>(52)</u>	<u>2,100</u>
	<u>952,437</u>	<u>712,016</u>
EXPENDITURES		
Employee Assistance Service Grant		
Wages and benefits		
Salaries	210,117	198,796
Benefits	<u>18,748</u>	<u>16,699</u>
	<u>228,865</u>	<u>215,495</u>
Administration		
Rent	14,600	14,600
Service delivery costs	52,872	9,332
Travel	3,816	279
Office and supplies	<u>15,279</u>	<u>10,006</u>
	<u>86,567</u>	<u>34,217</u>
Consolidated Revenue Fund		
Wages subsidies	54,240	23,866
Institutional and training costs	49,587	51,488
Youth programs	<u>182,418</u>	<u>85,371</u>
	<u>286,245</u>	<u>160,725</u>
Employment Insurance Part II Fund		
Client living allowance	7,742	7,057
Training and tuition	160,155	127,857
Special needs	<u>30,106</u>	<u>22,396</u>
	<u>198,003</u>	<u>157,310</u>
Capacity Building Fund		
Staff training and skills development	<u>4,603</u>	<u>8,135</u>

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Statement of Operations

For the Years Ended March 31	2020	2019
Labour Market Development Fund		
Youth Programs	\$ 76,915	\$ 70,123
Wage Subsidy	11,933	18,442
Tuition	42,133	27,148
Training	2,459	3,858
Books and fees	7,937	10,315
Service delivery costs	<u>6,000</u>	<u>6,000</u>
	<u>147,377</u>	<u>135,886</u>
	<u>951,660</u>	<u>711,768</u>
EXCESS OF REVENUE OVER EXPENDITURES	\$ 777	\$ 248

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Statement of Cash Flow

For the Years Ended March 31	2020	2019
OPERATING ACTIVITIES		
Cash received from funders	\$ 924,517	\$ 780,118
Cash paid to clients, suppliers and employees	<u>(972,139)</u>	<u>(712,698)</u>
	<u>(47,622)</u>	<u>67,420</u>
FINANCING ACTIVITIES		
Advances from related party	<u>69,274</u>	<u>60,000</u>
INCREASE IN CASH	21,652	127,420
CASH - BEGINNING OF YEAR	<u>134,663</u>	<u>7,243</u>
CASH - END OF YEAR	<u>\$ 156,315</u>	<u>\$ 134,663</u>

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Notes to Financial Statements

March 31, 2020

New Brunswick Aboriginal Peoples Council Inc. is incorporated under the laws of the Province of New Brunswick. The primary objective of the Council is to respond to the demand and need for an effective advocacy voice for all Status and Non-Status Indians who live off reserve in the Province of New Brunswick.

The Council is a registered not-for-profit organization under the Income Tax Act, and, as such, is exempt from income tax.

These financial statements report only on the program Indigenous Skills and Employment Training Program.

The Indigenous Skills and Employment Training Program ("ISETP") is the federal government's successor strategy to the Aboriginal Skills and Employment Training Strategy ("ASETS") and is designed to help improve the employment opportunities of Aboriginal peoples and enable them to fully participate in the Canadian economy in a relationship based on mutual trust, respect and openness.

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

Revenue Recognition

The Council follows the deferral method of accounting for contributions, whereby restricted contributions related to expenses of future periods are deferred and recognized as revenue in the period in which the related expenses are incurred. All other contributions are reported as revenue of the current period.

Contributed Services

The work of the Council is dependent on the voluntary services of many members. Since these services are not purchased by the Council and because of the difficulty in determining their fair value, contributed services are not recorded in the financial statements.

Income Taxes

No provision has been made for corporate income taxes, as the Council is a not-for-profit organization.

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Notes to Financial Statements

March 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial Instruments

The Council initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash and accounts receivable. Financial liabilities subsequently measured at amortized cost include accounts payable and accrued liabilities.

Unless otherwise stated, it is management's view that the fair value of these items either approximates amortized cost, or cannot be readily determined.

Management believes the Council has no material risk of default by debtors or exposure to changes in exchange rates, interest rates, or other market prices.

Use of Estimates

Financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations require management to make estimates and assumptions that affect the reported amount of assets and liabilities that affect the reported amount of assets and liabilities as well as reported amounts of revenue and expenditures during the period. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

2. ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Accounts receivable	\$ 76,807	\$ 46,021
HST receivable	<u>(15)</u>	<u>2,477</u>
	<u>\$ 76,792</u>	<u>\$ 48,498</u>

3. ACCOUNTS PAYABLE AND ACCRUALS

	<u>2020</u>	<u>2019</u>
Accounts payable and accruals	\$ 8,516	\$ 26,231
Payroll remittances	<u>5,323</u>	<u>5,087</u>
	<u>\$ 13,839</u>	<u>\$ 31,318</u>

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Notes to Financial Statements

March 31, 2020

4. DUE TO RELATED PARTIES

	2020	2019
Aboriginal Seafood Network Inc.	\$ 60,200	\$ 60,000
New Brunswick Aboriginal Peoples Council Inc.	69,074	-
	\$ 129,274	\$ 60,000

During the year, rent of \$14,600 (2019 - \$14,600), administration charges of \$6,000 (2019 - \$6,000) for Labour Market Development and \$52,614 (2019 - \$0) for service delivery costs were paid to the New Brunswick Aboriginal Peoples Council Inc. These amounts were transacted at fair value per the funding agreements.

During the year \$200 (2019 - \$60,000) was borrowed from the Aboriginal Seafood Network Inc. and is expected to be repaid in the current year.

5. DEFERRED FUNDING

	2020	2019
Government of Canada - Consolidated Revenue Fund	\$ 12,414	\$ 8,346
Government of Canada		
- Employment Insurance Part II Fund	4,165	9,947
Congress of Aboriginal Peoples		
- Labour Market Development Agreement	23,270	21,182
	\$ 39,849	\$ 39,475

6. CAPACITY BUILDING RESTRICTED FUNDS

	2020	2019
Balance - beginning of year	\$ 3,000	\$ 3,000
Additions to fund:		
Transfer from (to) operating	(3,000)	-
Balance - end of year	\$ -	\$ 3,000

NEW BRUNSWICK ABORIGINAL PEOPLES COUNCIL INC.
INDIGENOUS SKILLS AND EMPLOYMENT TRAINING PROGRAM

Notes to Financial Statements

March 31, 2020

7. SUBSEQUENT EVENT

Subsequent to the year end, the novel coronavirus ("COVID-19") outbreak was declared as a pandemic by the World Health Organization. This pandemic has resulted in a widespread health crisis that has affected the economies and financial markets around the world resulting in an economic downturn. The Council is continually monitoring the potential impact on its operations and, to the date of the authorization of these financial statements, has not been significantly impacted. However, COVID-19 may affect the ability to continue at its current level of operations. The full extent of the impact on the Council's future financial results is uncertain, given the length and severity of these developments and cannot be reliably estimated.

8. COMPARATIVE FIGURES

Prior year figures may have been reclassified where applicable to conform to current presentation.
