

Financial Statements of

UNION OF ONTARIO INDIANS
Anishinabek Educational Institute

Year ended March 31, 2022

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

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Year ended March 31, 2022

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INDEPENDENT AUDITORS' REPORT

To the Members of the Union of Ontario Indians

Opinion

We have audited the financial statements of The Union of Ontario Indians, Anishinabek Educational Institute (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2022
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and the notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibility under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other 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.

Responsibility 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 public sector accounting standards, 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 Entity'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 Entity or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 risk 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, internal 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 purposes of expressing an opinion on the effectiveness of the Entity'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 the events or conditions that may cast significant doubt on the Entity'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 Entity's 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.



- 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.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada
September 9, 2022

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

Statement of Financial Position

March 31, 2022, with comparative information for 2021

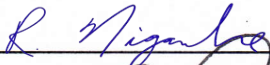
	2022	2021
Assets		
Current assets:		
Accounts and grants receivable	\$ 1,148,510	\$ 985,483
Prepaid expenses	21,635	8,548
Advances to/from related companies	1,997,137	1,499,508
	<u>3,167,282</u>	<u>2,493,539</u>
Capital assets (note 2)	-	905
	<u>\$ 3,167,282</u>	<u>\$ 2,494,444</u>

Liabilities, Deferred Contributions and Net Assets

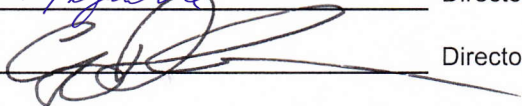
Current liabilities:		
Accounts payable and accrued liabilities	\$ 780,511	\$ 814,683
Deferred contributions (note 3)	2,386,771	1,679,761
	<u>3,167,282</u>	<u>2,494,444</u>
Contingency (note 5)		
Subsequent event (note 8)		
	<u>\$ 3,167,282</u>	<u>\$ 2,494,444</u>

See accompanying notes to financial statements.

On behalf of the Council:



Director



Director

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

Statement of Operations and Changes in Net Assets

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Government contributions (note 4)	\$ 4,792,962	\$ 3,835,473
Sales and other	543,795	95,987
	<u>5,336,757</u>	<u>3,931,460</u>
Expenses:		
Salaries and benefits	2,407,794	2,189,368
Administration fees	599,631	493,264
Consultation fees	547,531	583,198
Rent	294,959	202,086
Office and general	284,400	106,170
Travel	219,796	69,014
Professional fees	215,928	81,230
Payments to First Nations	81,589	-
Computer services	68,947	81,271
Communications support	25,083	35,459
Reception	22,083	27,417
Telephone	21,161	24,075
Scholarships	13,131	14,000
Training	11,246	870
Insurance	4,114	5,400
Amortization of capital assets	905	1,241
Bad debts	232	-
	<u>4,818,530</u>	<u>3,914,063</u>
Excess (deficiency) of revenue over expenses	518,227	17,397
Transfer from (to) Union of Ontario Indians	(518,227)	(17,397)
Net assets, beginning of year	-	-
Net assets, end of year	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

Statement of Cash Flows

Year ended March 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 518,227	\$ 17,397
Adjustments for:		
Amortization of capital assets	905	1,241
	519,132	18,638
Changes in non-cash operating working capital:		
Increase in accounts and grants receivable	(163,027)	(61,100)
Increase in prepaid expenses	(13,087)	(6,112)
Decrease (increase) in advances to/from related companies	(497,629)	(1,269,053)
Increase in accounts payable and accrued liabilities	(34,172)	15,399
Increase in deferred contributions	707,010	1,319,625
	518,227	17,397
Increase (decrease) in cash	518,227	17,397
Cash, beginning of year	-	-
Cash (bank indebtedness), held by UOI	(518,227)	(17,397)
Cash, end of year	\$ -	\$ -

See accompanying notes to financial statements.

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

Notes to Financial Statements

Year ended March 31, 2022

Union of Ontario Indians, Anishinabek Educational Institute ("AEI") operates as a department of the Union of Ontario Indians ("UOI"), The Union of Ontario Indians ("UOI") which is incorporated without share capital under the laws of the Province of Ontario. The membership of the UOI comprises thirty-nine (39) Anishinabek First Nations located in the Province of Ontario. The AEI has, as its principal business activity, the administration of quality education and training programs for those First Nation Anishinabek communities.

1. Significant accounting policies:

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards, including the 4200 standards for government not-for-profit organizations. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

(a) Revenue recognition:

The AEI accounts for contributions, which include tuition fees, sales, rental income and government grants, under the deferral method of accounting as follows:

Operating grants are recorded as revenue in the period to which they relate. Grants relating to future periods are deferred and recognized in the subsequent period when the related expense occurs. Grants approved but not received at the end of a period are accrued.

Tuition fees, sales and rental income are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recognized as revenue in the period in which the related expenses are recognized. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis at rates corresponding to those of the related capital assets.

Funding adjustments and the settlement of funding surpluses of prior years are recorded in the statement of operations in the year in which the settlement is made.

(b) Capital assets:

Capital assets are recorded at cost. Amortization is provided on the straight-line basis over their estimated useful lives at the following annual rates:

	Rates
Computers and equipment	20%

UNION OF ONTARIO INDIANS

Anishinabek Educational Institute

Notes to Financial Statements (continued)

Year ended March 31, 2022

5. Contingency:

Under the terms of its funding agreements with various governmental agencies, contributions received by the AEI could become repayable in certain circumstances if it is determined that funding was applied toward ineligible costs or if other terms of the agreement have not been met. Management is of the opinion that all conditions have been met.

6. Financial risks and concentration of risk:

(a) Liquidity risk:

Liquidity risk is the risk that the AEI will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The AEI manages its liquidity by monitoring its operating requirements. The AEI prepares budgets and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There is no change in the risk exposures from 2021.

(b) Credit and interest rate risk:

The AEI's financial instruments do not expose the AEI to a significant concentration of credit or interest rate risk.

(c) Financial risk management objectives:

The AEI manages its capital according to its cash needs, without compromising the maintenance of its capital.

7. Comparative information:

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2022 financial statements.

8. Subsequent event:

Subsequent to March 31, 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect on our business is not known at this time.