

Moncton Employment & Training Services, Inc.



2021 Annual Meeting Report

Serving the Greater Moncton Area Since 1953

1250 St. George Blvd Moncton, NB E1E 3S1

www.metsinc.ca

Moncton Employment & Training Services, Inc.

ANNUAL GENERAL MEETING 2021

AGENDA

1. PRESIDENT'S WELCOME
2. APPROVAL OF AGENDA
3. APPROVAL OF 2020 ANNUAL MEETING MINUTES
4. PRESENTATION OF REPORTS
 - President's Report
 - Executive Director's Report
 - Auditor's Report: Sean Greene - ThielGreene Chartered Professional Accountants
 - Nominating Committee Report
5. GUEST SPEAKER: Carol Simpson - NBASSE Executive Director
6. CONFIRMATION OF PROCEEDINGS
7. ADJOURNMENT





**Moncton Employment and Training Service
Annual General Meeting 2019/2020
Minutes
January 25th, 2021 7:00 pm – All of our homes, via Zoom**

Attendance: Aaron Maclean, Gary Rouse, Sheila Bennett, Michelle Legere, Kathy Heppell, Kathy Sather, Andrea Cowan, Marc Lebans, David Richard, Sean Greene, Hugh Murphy, Ozzie Babineau, Debbie Vaughan, Barb Michaud, John Eatmon, Pam Grover, Florence Buchanan, Pat Barry, Mario Leger, Carolyn Letourneau, Julie Doherty, Diane Johnson, Yolande Chiasson, Patsy MacFarlane, Pat Browne, Frank Bourgeois, Diane Bourgeois.

Chair: President Gary Rouse

Recording Secretary: Sheila Bennett

1. Agenda

- Motion to approve the agenda was made by Andrea Cowan, seconded by Ozzie Babineau. Motion Carried. □

2. Approval of the minutes of the 2019 Annual General Meeting

- Motion to accept minutes of our June 3rd, 2019 meeting made by Hugh Murphy, seconded by Aaron McLean. Motion Carried

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3. President's Report

4. Executive Director's Report

5. Auditor's Report

6. Confirmation of proceedings

- Motion of approval made by Aaron McLean, seconded by Kathy Heppell. Motion Carried

7. 2020/2021 Nomination Committee Report

- Motion of approval made by Hugh Murphy, seconded by John Eatmon. Motion carried

8. Motion to approve Directors by Acclamations

- Motion made by Aaron McLean, seconded by Hugh Murphy. Motion Carried

9. Approval of Auditors, Thiel Greene CPA for 2020/2021

- Motion made by Andrea Cowan, seconded by Aaron Mclean. Motion carried

10. Adjournment

- Motion made by Hugh Murphy at 7:32pm



President's Report

It has indeed been a pleasure to serve as President of The Board of Directors of Moncton Employment Training Service (METS) for the past two years.

It has been my pleasure to work with our Board of Directors; volunteers from various facets of business and industry, donating their time, bringing various abilities and skill sets to support the METS business arena and all that it means to the local community and province. We appreciate the work that happens at METS day in and day out; it has been a valued entity since 1953.

My personal experience with METS began in the early 1970's. As supervisor of the Food Service Department, of the New Brunswick Institute of Technology (NBIT), we participated with METS and their "on-the-job" training for clients. The relationship continued with my involvement with the PROBUS Club when it required more meeting space and METS was able to meet our requirements. I acted as liaison with METS. Right Choice Catering played a large part for the PROBUS Club's monthly meetings, providing lunches for club members, and catering several of our club events!

Our Executive Director, David Richard, leads the team at METS, exemplifying the term Leadership. It is a pleasure to work with Dave, and he makes our positions at the Board table easy tasks. Thank you, Dave, for your support and Leadership.

Kudos must be given all around at METS; staff, management, parents and families for jobs extremely well done. I look forward to continuing to support the Board in the role of Past President.

Sincerely

Gary G. Rouse

President



Executive Director Report

Welcome to Moncton Employment & Training Services, Inc. 2021 Annual General Meeting. Once again, we come together virtually in order to include the community and remain safe.

Due to the pandemic, it was necessary for METS to postpone the 2020 AGM until January of 2021, so it has only been a few months since the last AGM. As METS continues to provide services under strict guidelines, we felt that it was important to resume some normalcy when possible. So, as dictated by METS By-laws, we are having our 2021 AGM in the spring. Understanding that normal operations may look different for some time to come, it is important that we adhere to our policy and procedures.

Maintaining services is vital for the people we support, as well as adopting new and innovative programs. For the last few years, I've spoken about the new standards introduced by the New Brunswick department of Social Development for agency-based programs like METS, and the transition to an Employment First program. The pandemic hampered this transition but also gave us the opportunity to create a detailed plan for this transition period. As METS enters a new fiscal year, these plans will be unveiled to stakeholders in the upcoming months. As I've stated in the past, the Employment First model is not designed to limit services to employment only, but to increase and enhance individual opportunities and existing programs. As with any change there will be a period of adjustment, and staff and management appreciate everyone's patience and understanding as we embark on next steps.

As our agency-based services strive towards increasing employment skills, METS employment service, the Community Employment Agency (CEA), continues to find people employment opportunities. Despite the pandemic, CEA was able to exceed their goals in employment opportunities for our clientele within the south-east region of New Brunswick over the last twelve months. This demonstrates initiative and valued skills of both staff and clients in their ability to move forward during some very challenging situations this year.

I want to thank all METS staff and management for their determination and ingenuity over the past year. This year has been especially challenging and I greatly appreciate everyone's willingness to maintain services in whatever way possible.

My thanks to our funders, Social Development and WorkingNB who have been very supportive and understanding of the need to maintain services during an unprecedented time.

In conclusion, my sincerest thank you to METS Board of Directors who have continued to volunteer their time in supporting this organization. I want to especially thank Kathy Heppell for her contributions to the Board for the last 6 years. Her expertise and support have been very valuable to myself and the organization.

David Richard
Executive Director

**MONCTON EMPLOYMENT &
TRAINING SERVICES INC.**

Financial Statements
For the year ended
March 31, 2021

Draft for discussion purposes only

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Index to Financial Statements

For the year ended March 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Moncton Employment & Training Services Inc.

Opinion

We have audited the financial statements of Moncton Employment & Training Services Inc., which comprise the statement of financial position as at March 31, 2021, 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, 2021, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

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 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 the financial statements in accordance with ASNPO, 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 related 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.

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 organization's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Sean Greene CPA CA Michael Thiel CPA CA Bruce Wood FCPA FCA

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INDEPENDENT AUDITOR'S REPORT, continued

- 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 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 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.

CHARTERED PROFESSIONAL ACCOUNTANTS
Moncton, NB
June 7, 2021

Draft for discussion purposes only

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Financial Position

1

As at March 31,	2021	2020	2019
ASSETS			
Current assets			
Cash (note 3)	\$ 152,057	\$ 187,273	\$ 99,139
Accounts receivable	140,476	113,537	168,449
Inventory	83,326	53,062	63,557
Prepaid expenses	29,590	21,999	20,872
	405,449	376,071	352,017
Capital assets (note 4)	1,037,705	1,030,475	1,067,889
	\$ 1,443,154	1,406,546	\$ 1,419,906
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities (note 5)	\$ 407,270	\$ 374,707	\$ 380,306
Current portion of long-term debt	-	15,590	41,486
	407,270	390,297	421,792
Long-term debt (note 6)	-	-	15,590
	407,270	390,297	437,382
NET ASSETS			
Investment in capital assets (note 7)	1,037,705	1,014,885	1,010,813
Unrestricted	(1,821)	1,364	(28,289)
	1,035,884	1,016,249	982,524
	\$ 1,443,154	\$ 1,406,546	\$ 1,419,906

Signed on Behalf of the Board

_____ Member

_____ Member

See accompanying notes

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Changes in Net Assets

2

For the year ended March 31,

	Investment in capital assets	Unrestricted	Total 2021	Total 2020
BALANCE, BEGINNING OF YEAR	\$ 1,014,885	\$ 1,364	\$ 1,016,249	\$ 982,524
Excess (deficiency) of revenues over expenditures	(63,404)	83,039	19,635	33,725
Principal payments on long-term debt	15,590	(15,590)	-	-
Purchase of capital assets	70,634	(70,634)	-	-
BALANCE, END OF YEAR	\$ 1,037,705	\$ (1,821)	\$ 1,035,884	\$ 1,016,249

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See accompanying notes

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Operations

3

For the year ended March 31	2021	2020	2019
REVENUES			
ADAPT			
Grants, Prov of NB	\$ 1,351,268	\$ 1,265,384	\$ 1,265,384
Fees for service	566,810	601,411	562,327
Community Employment Agency	408,057	423,499	406,925
BC Innovations	13,317	23,157	33,325
Moncton Pallet	233,308	357,375	309,414
The Right Choice Catering	23,261	87,403	83,419
Donations	459	1,981	4,312
Transportation	56,709	73,590	65,920
Summer student grants	22,067	14,375	22,812
Miscellaneous	26,899	2,655	935
	2,701,959	2,850,530	2,754,773
EXPENDITURES			
Amortization	63,404	57,528	53,559
Interest and bank charges	4,823	9,823	12,853
Interest on long-term debt	-	386	2,513
Other expenses, Schedule 1	2,614,093	2,749,068	2,661,887
	2,682,320	2,816,805	2,730,812
EXCESS OF REVENUES OVER EXPENDITURES FOR THE YEAR	\$ 19,635	\$ 33,725	\$ 23,961

See accompanying notes

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Cash Flows

4

For the year ended March 31	2021	2020	2019
OPERATING ACTIVITIES			
Excess of revenues over expenditures for the year	\$ 19,635	\$ 33,725	\$ 23,961
Adjustment for Amortization	63,404	57,528	53,559
	83,039	91,253	77,520
Change in non-cash working capital items			
Accounts receivable	(26,939)	54,912	(28,794)
Inventory	(30,064)	10,295	(12,343)
Prepaid expenses	(7,591)	(1,127)	(715)
Accounts payable and accrued liabilities	32,563	(5,599)	52,253
	51,008	149,734	87,921
FINANCING ACTIVITY			
Repayment of long-term debt	(15,590)	(41,486)	(63,388)
INVESTING ACTIVITY			
Purchase of capital assets	(70,634)	(20,114)	(5,180)
(DECREASE) INCREASE IN CASH	(35,216)	88,134	19,353
CASH, BEGINNING OF YEAR	187,273	99,139	79,786
CASH, END OF YEAR	\$ 152,057	\$ 187,273	\$ 99,139

Draft for discussion purposes only

See accompanying notes

For the year ended March 31, 2021

1. STATUS AND NATURE OF ACTIVITIES

Moncton Employment & Training Services Inc. is incorporated, without share capital, under the New Brunswick Companies Act and its principal activities include the provision of training and other services for intellectually disabled adults in Moncton, New Brunswick. The Corporation operates without profit, gain or equity for its members.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Cash and cash equivalents

Cash and cash equivalents consist of petty cash, balances in bank accounts, term deposits and a line of credit.

Inventory

Inventories consist primarily of workshop materials and catering supplies. Raw materials are valued at the lower of average cost and replacement cost. Finished goods are valued at the lower of average raw material cost and net realizable value.

Capital assets

Land, buildings and equipment are stated at cost. Amortization is provided using the straight-line method at the following annual rates:

Buildings	2.5%
Equipment	10%, 12.5% and 25%
Motor vehicles	10% and 20%

Revenue recognition

The Corporation follows the deferral method of accounting for contributions, which include government grants.

Contributions are recorded as revenue in the period to which they relate. Contributions approved but not received at the end of an accounting period are accrued. Where a portion of a contributions relates to a future period, it is deferred and recognized in the subsequent period.

Revenue from fees, contracts and other services is recognized when the services are provided.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Notes to the Financial Statements

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For the year ended March 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets, with actively traded markets, are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of financial instruments are expensed when incurred.

3. BANK INDEBTEDNESS

The Corporation has access to a line of credit with its bank to a maximum of \$75,000, with interest at the bank's prime lending rate plus 1%.

4. CAPITAL ASSETS

	2021		2020		2019	
	Cost	Accumulated amortization	Net	Net	Net	Net
Land and land improvements	\$ 244,524	\$ -	\$ 244,524	\$ 244,524	\$ 244,524	\$ 244,524
Buildings	1,348,867	647,030	701,837	726,320	754,135	754,135
Equipment	228,826	212,848	15,978	18,669	13,957	13,957
Motor vehicles	178,070	102,704	75,366	40,962	55,273	55,273
	\$ 2,000,287	\$ 962,582	\$ 1,037,705	\$ 1,030,475	\$ 1,067,889	\$ 1,067,889

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Government remittances are included in accounts payable and accrued liabilities. The following government remittances were payable at year end:

	2021		2020		2019	
HST	\$ 30,260	\$ 40,606	\$ 33,224	\$ 39,500	\$ 34,277	\$ 34,277
Employee deductions	43,280	39,500	34,277	39,500	34,277	34,277
	\$ 73,540	\$ 80,106	\$ 67,501	\$ 79,000	\$ 68,554	\$ 68,554

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Notes to the Financial Statements

For the year ended March 31, 2021

6. LONG-TERM DEBT

	2021	2020	2019
Term bank loans, repaid during the year	\$ -	\$ 15,590	\$ 57,076
Less current portion	-	15,590	41,486
	\$ -	\$ -	\$ 15,590

7. INVESTMENT IN CAPITAL ASSETS

	2021	2020	2019
Capital assets	\$ 1,037,705	\$ 1,030,475	\$ 1,067,889
Less amount funded by long-term debt	-	(15,590)	(57,076)
	\$ 1,037,705	\$ 1,014,885	\$ 1,010,813

8. FINANCIAL INSTRUMENTS

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Corporation is mainly exposed to interest rate risk.

(b) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Corporation is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Corporation has a significant number of customers which minimizes concentration of credit risk.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Corporation is exposed to this risk mainly in respect of its receipts of funds from its customers and other related sources, and accounts payable and accrued liabilities.

For the year ended March 31, 2021

8. FINANCIAL INSTRUMENTS, continued

(d) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Corporation manages exposure through its normal operating and financing activities. The Corporation is exposed to interest rate risk primarily through its floating interest rate bank indebtedness and credit facilities.

9. INCOME TAX STATUS

The Corporation is registered with Canada Revenue Agency as a charitable organization under the Income Tax Act and as such, is not subject to income tax.

10. COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Corporation's environment and in the global markets, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Corporation's operations.

The Corporation has applied for and received \$25,000 in wage subsidy in the current year.

The extent of the impact of this outbreak and related containment measures on the Corporation's operations cannot be reliably estimated at this time.

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MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Schedule to the Financial Statements

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For the year ended March 31

SCHEDULE OF OTHER EXPENSES

Schedule 1

	2021	2020	2019
Bad debts	\$ 213	\$ 598	\$ 585
Conferences and staff training	4,665	10,057	6,929
Employees' stipends and incentives	74,878	103,827	99,341
Heat, light and water	46,050	58,076	63,674
Insurance	19,136	17,614	17,016
Maintenance on building and equipment	33,707	54,148	33,993
Professional fees	7,900	7,700	7,900
Staff salaries and benefits	2,068,991	2,037,867	1,983,567
Telephone	20,186	20,156	20,221
Vehicle	14,938	49,513	33,416
Travel	4,754	7,644	6,644
Rental	24,000	24,000	24,000
Supplies and materials			
Moncton Pallet	142,991	179,312	192,360
BC Innovations	594	1,926	4,807
The Right Choice Catering	30,315	71,038	67,898
Office	120,777	105,592	99,536
	2,614,093	\$ 2,749,068	\$ 2,661,887

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NOMINATING COMMITTEE REPORT

In accordance with the Constitution and By-Laws, all directors are elected for a 3-year term and are eligible to be re-elected for 2 additional terms. It is the recommendation of the Nominating Committee that for the 2021 – 2022 fiscal year, the Board consist of the following Directors:

3 Board Members will be returning, as their terms have not yet expired:

Sheila Bennett
Andrea Cowan
Michelle Legere

The following individuals have agreed to let their name stand for an additional term:

Ozzie Babineau
Aaron McLean
Gary Rouse
Kathy Sather

Kathy Heppell will not be completing her 2nd term and is resigning her position as a Board member.

Ozzie Babineau will remain as the Parent's Group Representative for the 2021 – 2022 fiscal year.

Respectfully Submitted,

Nominating Committee