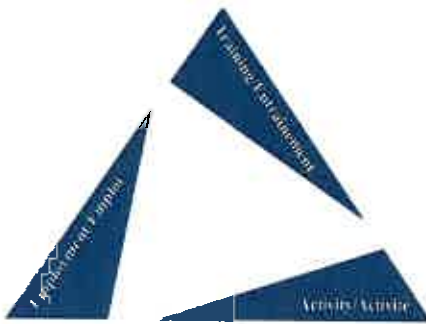


Moncton Employment & Training Services, Inc.



2023 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

2023

AGENDA

1. PRESIDENT'S WELCOME
2. APPROVAL OF AGENDA
3. APPROVAL OF 2022 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. CONFIRMATION OF PROCEEDINGS
7. ADJOURNMENT



Moncton Employment and Training Services, Inc.

Annual General Meeting 2022

Minutes

June 13, 2022, 7:00pm – via Zoom

Attendance: David Richard, Andrea Cowan, Sheila Bennett, Aaron McLean, Gary Rouse, Ozzie Babineau, Jason Dempsey, Debbie MacDonald, Barb Michaud, Debbie Vaughan, Joanne Cormier, Marc Lebans, John Eatmon, , John Beaudin, Shannon Beaudin, Shirley Henry, Sean Greene

Chair: Andrea Cowan, Board President

Acting Secretary: Aaron McLean

- 1) Meeting started 7:01. Opening remarks by Andrea Cowan, President
- 2) Approval of Agenda
 - Moved by Jason Dempsey
 - Seconded by Ozzie Babineau
 - Motion Carried
- 3) Approval of Minutes from 2021 Annual Meeting Minutes
 - Moved by Gary Rouse
 - Seconded by Debbie Vaughan
 - Motion Carried
- 4) President's Report – Andrea Cowan
- 5) Executive Director's Report – David Richard
- 6) Auditor's Report – Sean Greene of Thiel Greene
 - Moved by Jason Dempsey
 - Seconded by Sheila Bennett
 - Motion Carried
- 7) Re-Appointment of auditors, Thiel Greene, for Fiscal 2023
 - Moved by Jason Dempsey
 - Seconded by Ozzie Babineau
 - Motion Carried
- 8) Nominating Committee Report – Sheila Bennett
 - Moved by Gary Rouse
 - Seconded by Ozzie Babineau
 - Motion Carried
- 9) Motion to elect 2 standing directors
 - Moved by Ozzie
 - Seconded by Gary
 - Motion Carried
- 10) Confirmation of Proceedings – Resolved that since June 7, 2021, all unresolved minutes have been approved, ratified, sanctioned, and confirmed.
- 11) Adjournment
 - Moved by Gary Rouse



President's Report

For the past two years I have served as the President of the Board of Directors for METS and I can tell you that it has been a pleasure to volunteer my time for such a valuable and much needed organization. Our board has a team of dedicated volunteers, many of which have been involved with this organization for several years. Each board member brings with them an open mind and a wealth of knowledge as we all have our areas of expertise gained from our varied work and life experience. Our diverse experience and knowledge are an asset to METS as it enables us to solve problems and make important decisions as a well-rounded team. I feel we have worked very well together this year and believe our discussions and thoughtful questions have led us to making well-informed choices which have positively impacted both the clients and the staff at METS. I want to thank the board for their service and for being such a pleasant team to work with.

For the past two years our board has been holding our monthly meetings virtually. The health and safety of METS clients and staff have been at the forefront of this decision. I have to say that I am impressed with how quickly we were able to pivot and navigate not only one, but two virtual platforms. We all deserve a round of applause for the success we have had in doing this and believe that it demonstrates not only our resilience, but our adaptability as a team. Now that the Covid precautions have been lifted, we are very much looking forward to returning to in person meetings in the fall.

Our duty as the board of directors is to make sound decisions for the organization. We rely on our Executive Director, Dave Richard, to provide us with all the operational information to do so. Provincial policies, guidelines and regulations change regularly, and it is Dave's responsibility to stay up to date with these and keep us informed. He and his team have had to face many challenges over the past few years with the pandemic and they continue to make sure that METS runs smoothly for the clients and families they serve. This is a huge undertaking! I want to thank Dave, his management team, and their staff for their dedication to METS.

Warm regards,
Andrea Cowan
President of METS Board of Directors



Executive Director Report

Welcome to Moncton Employment & Training Services, Inc. 2023 Annual General Meeting. It is my pleasure to present an update as to another successful year in providing supports to over 200 individuals in the Greater Moncton area and Southeast New Brunswick.

Regardless of health or economic obstacles that we've all experienced over the past year, METS has continued to thrive. To meet the needs of the people we support and this community we need to adapt and explore innovative and meaningful programs. In this past year METS continued to overcome challenges resulting in better supports and successful outcomes for many people participating at METS.

Since the introduction of the new Employment and Support Services Program (ESSP) standards in 2019 and the recent announcement in November of 2022 of the New Brunswick government's legislative amendment to the Employment Standards Act, individuals with disabilities receiving wages below minimum wage will discontinue. Discontinuing the use of stipends to participants within METS social enterprises has been a financial challenge although METS has been successful in complying with the new ESSP standards and the Employment Standards act. As of January of 2023, any individual participating in METS ESSP agency-based programs, including Moncton Pallet, METS cafeteria services, janitorial and groundskeeping duties, or have an employment placement within the community supported by METS, will earn minimum wage or better. This required METS to make significant changes with its social enterprises, but it also created positive opportunities in program development and training, and an increased focus on community involvement.

METS ESSP program and Employment Assistance Services program through the Community Employment Agency will continue to work together giving METS a greater ability to provide person centered, community-based options. Management and staff continue to develop programs that will increase opportunities available in both agency and community-based settings.

To maintain this momentum will require additional supports and as we enter a new fiscal year management is introducing plans to improve and increase supports regarding human resources and staff training opportunities. Recruiting and retaining trained and competent staff is vital in providing a valued service, and I am very pleased in the performance demonstrated by METS staff and their ability to adapt and provide the best service possible to the people we support.

I also want to thank our funders, Social Development and avenueNB, for their support and confidence in our service delivery. Their recognition in the value of our programs and services is greatly appreciated and we look forward to a very productive and ongoing relationship.

I would also like to express my sincerest thank you to METS Board of Directors for their support and dedication. As a volunteer Board they give their time and expertise to ensure METS remains a valued resource for the community as it has over the last 70 years since its conception.

Sincerely,
David Richard
Executive Director

**MONCTON EMPLOYMENT &
TRAINING SERVICES INC.**

Financial Statements
For the year ended
March 31, 2023

Draft for discussion purposes only

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Index to Financial Statements

For the year ended March 31, 2023

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Draft for discussion purposes only

INDEPENDENT AUDITOR'S REPORT

To the members of Moncton Employment & Training Services Inc.

Qualified Opinion

We have audited the financial statements of Moncton Employment & Training Services Inc., 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with ASNPO.

Basis for Qualified Opinion

The organization has recorded a provision for building maintenance to be performed in a future period, which constitutes a departure from ASNPO. In addition, current year maintenance expenditures were charged directly to internally restricted net assets rather than recorded as operating expenses in the year. As both the provision and the expenditures charged to net assets were \$80,000, the net impact on the excess of revenues over expenditures for the year was nil.

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 qualified 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:

INDEPENDENT AUDITOR'S REPORT, continued

- ◆ 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 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 5, 2023

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Financial Position

1

As at March 31,	2023	2022	2021
ASSETS			
Current assets			
Cash	\$ 136,037	\$ 232,414	\$ 153,738
Term deposits	201,189		
Accounts receivable	143,904	193,930	138,795
Inventory	54,457	104,580	83,326
Prepaid expenses	34,287	32,900	29,590
	569,874	563,824	405,449
Capital assets (note 3)	944,477	1,001,142	1,037,705
	\$ 1,514,351	\$ 1,564,966	\$ 1,443,154
LIABILITY			
Current liability			
Accounts payable and accrued liabilities (note 4)	\$ 391,313	\$ 447,094	\$ 407,270
NET ASSETS			
Investment in capital assets	944,477	1,001,142	1,037,705
Internally restricted	80,000	80,000	-
Unrestricted	98,561	36,730	(1,821)
	1,123,038	1,117,872	1,035,884
	\$ 1,514,351	\$ 1,564,966	\$ 1,443,154

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	Internally restricted	Unrestricted	Total 2023	Total 2022
BALANCE, BEGINNING OF YEAR	\$ 1,001,142	\$ 80,000	\$ 36,730	\$ 1,117,872	\$ 1,035,884
Excess (deficiency) of revenues over expenditures	(56,340)	-	61,506	5,166	1,988
Equipment replacement and building maintenance	-	(80,000)	-	(80,000)	-
Purchase of capital assets	12,903	-	(12,903)	-	-
Appropriation from operations	-	80,000	-	80,000	80,000
Disposal of capital assets	(13,228)	-	13,228	-	-
BALANCE, END OF YEAR	\$ 944,477	\$ 80,000	\$ 98,561	\$ 1,123,038	\$ 1,117,872

See accompanying notes

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Operations

3

For the year ended March 31,	2023	2022	2021
REVENUES			
Community Employment Agency	\$ 497,809	\$ 464,987	\$ 408,057
BC Innovations	-	5,838	13,317
Moncton Pallet	577,068	551,982	233,308
The Right Choice Catering	70,407	41,217	23,261
Donations	33,787	3,764	459
Transportation	53,823	59,947	56,709
Employment grants	25,289	35,131	22,067
Miscellaneous	36,414	955	26,899
ADAPT			
Grants, Prov of NB	1,521,864	1,420,455	1,351,268
Fees for service	380,962	435,407	566,610
	3,197,423	3,019,683	2,701,955
EXPENDITURES			
Amortization	56,340	61,479	63,404
Interest and bank charges	5,577	4,543	4,823
Other expenses, Schedule 1	3,130,340	2,951,673	2,614,093
	3,192,257	3,017,695	2,682,320
EXCESS OF REVENUES OVER EXPENDITURES FOR THE YEAR	\$ 5,166	\$ 1,988	\$ 19,635

See accompanying notes

MONCTON EMPLOYMENT & TRAINING SERVICES INC.
Statement of Cash Flows

4

For the year ended March 31,	2023	2022	2021
OPERATING ACTIVITIES			
Excess of revenues over expenditures for the year	\$ 5,166	\$ 1,988	\$ 19,635
Adjustments for			
Amortization	56,340	61,479	63,404
Gain on disposal of asset	(2,072)	-	-
Transfer to internally restricted funds	-	80,000	-
	59,434	143,467	83,039
Change in non-cash working capital items			
Accounts receivable	50,026	(55,135)	(25,258)
Inventory	50,123	(21,254)	(30,064)
Prepaid expenses	(1,387)	(3,310)	(7,591)
Accounts payable and accrued liabilities	(55,781)	39,824	32,563
	102,415	103,592	52,689
FINANCING ACTIVITY			
Repayment of long-term debt	-	-	(15,590)
INVESTING ACTIVITIES			
Proceeds on disposal of asset	15,300	-	-
Purchase of capital assets	(12,903)	(24,916)	(70,634)
	2,397	(24,916)	(70,634)
INCREASE (DECREASE) IN CASH	104,812	78,676	(33,535)
CASH, BEGINNING OF YEAR	232,414	153,738	187,273
CASH, END OF YEAR	\$ 337,226	\$ 232,414	\$ 153,738
CASH CONSISTS OF:			
Cash	\$ 136,037	\$ 232,414	\$ 153,738
Term deposits	201,189	-	-
	\$ 337,226	\$ 232,414	\$ 153,738

See accompanying notes

For the year ended March 31, 2023

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 with a maturity of less than one year 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, 2023

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. CAPITAL ASSETS

	2023		2022		2021	
	Cost	Accumulated amortization	Net	Net	Net	Net
Land and land improvements	\$ 244,524	\$ -	\$ 244,524	\$ 244,524	\$ 244,524	\$ 244,524
Buildings	1,358,579	714,959	643,620	677,584	701,837	701,837
Equipment	251,296	229,759	21,537	21,032	15,978	15,978
Motor vehicles	113,083	78,287	34,796	58,002	75,366	75,366
	\$ 1,967,482	\$ 1,023,005	\$ 944,477	\$ 1,001,142	\$ 1,037,705	\$ 1,037,705

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	2023		2022		2021	
HST	\$ 19,503	\$ 24,019	\$ 30,260	\$ 30,260	\$ 30,260	\$ 30,260
Employee deductions	48,660	47,123	43,280	43,280	43,280	43,280
	\$ 68,163	\$ 71,142	\$ 73,540	\$ 73,540	\$ 73,540	\$ 73,540

5. 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.

For the year ended March 31, 2023

5. FINANCIAL INSTRUMENTS, continued

(a) 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.

(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) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Corporation is not exposed to significant market risk at this time.

6. 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.

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

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For the year ended March 31,

	Schedule 1		
	2023	2022	2021
Vehicle	\$ 26,611	\$ 31,777	\$ 14,935
Conferences and staff training	5,266	10,323	4,665
Employees' stipends and incentives	36,729	48,278	74,878
Heat, light and water	53,261	51,414	46,050
Insurance	24,983	21,182	19,136
Maintenance on building and equipment	78,006	44,202	33,707
Professional fees	8,850	8,250	7,900
Staff salaries and benefits	2,260,457	2,083,475	2,068,992
Telephone	19,756	20,828	20,186
Travel	8,460	5,003	4,754
Bad debts	4,802	(6)	213
Rental	32,622	25,043	24,000
Provision for building maintenance	80,000	80,000	-
Supplies and materials			
Moncton Pallet	325,563	378,435	142,991
BC Innovations	1,558	1,483	594
The Right Choice Catering	64,593	39,982	30,315
Office	98,823	102,004	120,777
	\$ 3,130,340	\$ 2,951,673	\$ 2,614,093

Draft for discussion purposes only



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 2023 – 2024 fiscal year, the Board consist of the following Directors:

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

Sheila Bennett
Jason Dempsey
Ozzie Babineau
Aaron McLean
Gary Rouse
Kathy Sather
Debbie MacDonald

The following individual has agreed to let their name stand for an additional term:

Andrea Cowan

Michelle Legere is a retiring Board member having completed 3 terms as a Board member, for a total of 9 years. During this time Michelle also served as Vice-President, President, and Past President.

Ozzie Babineau will remain as the Parent's Group Representative for the 2023 – 2024 fiscal year.

The Executive Committee for the fiscal year 2023 / 2024 is as follows:

Sheila Bennett– President
 – Vice-President
Aaron McLean – Treasurer
Kathy Sather – Secretary
Andrea Cowan – Past President

Respectfully Submitted,
Nominating Committee