

Saskatchewan Indian Training Assessment Group Inc.

**Financial statements
March 31, 2025**



**Shape the future
with confidence**

Independent auditor's report

To the Board of Directors of
Saskatchewan Indian Training Assessment Group Inc.

Opinion

We have audited the financial statements of **Saskatchewan Indian Training Assessment Group Inc.** [the "Organization"], which comprise the statement of financial position as at March 31, 2025, and the statement of operations and surplus (deficit) and statement of 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, 2025, and its results of 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 *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.

Other matter

The financial statements for the year ended March 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on July 24, 2024.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Operational Update, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Annual Operational Update prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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.
- 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.

Saskatoon, Canada
July 30, 2025

Ernst & Young LLP

Chartered Professional Accountants



Saskatchewan Indian Training Assessment Group Inc.

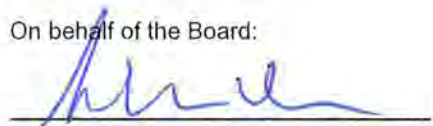
Statement of financial position

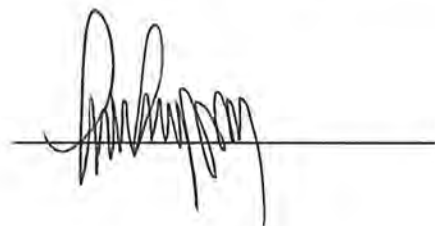
As at March 31

	2025 \$	2024 \$
Assets		
Current		
Cash	15,810,210	11,954,818
Accounts receivable <i>[notes 3 & 6]</i>		
Labour Force Development Agencies	2,902,564	1,155,112
Child Care Agencies	40,237	40,237
Indigenous Services Canada	1,282,188	-
	<u>20,035,199</u>	<u>13,150,167</u>
Liabilities and surplus (deficit)		
Current		
Accounts payable <i>[notes 4 & 6]</i>		
Labour Force Development Agencies	4,208,163	3,700,927
Saskatchewan Indian Institute of Technologies	740,400	889,811
Employment and Social Development Canada	369,758	-
Deferred contributions <i>[note 5]</i>	14,716,878	8,783,288
Total liabilities	<u>20,035,199</u>	<u>13,374,026</u>
Surplus (deficit)	-	(223,859)
	<u>20,035,199</u>	<u>13,150,167</u>

See accompanying notes

On behalf of the Board:

 Director

 Director

Saskatchewan Indian Training Assessment Group Inc.

Statement of operations and surplus (deficit)

Year ended March 31

	2025 \$	2024 \$
Revenues [Schedule 3 & note 5]		
Employment and Social Development Canada		
First Nation Labour Market Strategy	33,726,847	32,658,939
Community Workforce Development Program	1,019,744	489,698
Interest revenue	1,090,128	1,015,469
	<u>35,836,719</u>	<u>34,164,106</u>
Expenses [Schedule 3 & note 6]		
Labour Market Programs and Services [Schedule 1]	30,746,337	31,543,172
Coordination and Operations Unit [Schedule 2]	1,814,281	1,728,932
Projects and Initiatives [Schedule 2]	3,052,242	1,115,861
	<u>35,612,860</u>	<u>34,387,965</u>
Excess (deficiency) of revenues over expenses for the year	223,859	(223,859)
Surplus (deficit), beginning of year	(223,859)	-
Surplus (deficit), end of year	<u>-</u>	<u>(223,859)</u>

See accompanying notes

Saskatchewan Indian Training Assessment Group Inc.

Statement of cash flows

Year ended March 31

	2025 \$	2024 \$
Operating activities		
Excess (deficiency) of revenues over expenses for the year	223,859	(223,859)
Change in non-cash operating working capital:		
Accounts receivable from/accounts payable to:		
Labour Force Development Agencies	(1,240,216)	2,313,651
Saskatchewan Indian Institute of Technologies	(149,411)	(617,815)
Indigenous Services Canada	(1,282,188)	-
Employment and Social Development Canada	369,758	-
Deferred contributions	5,933,590	1,848,360
Net increase in cash during the year	3,855,392	3,320,337
Cash, beginning of year	11,954,818	8,634,481
Cash, end of year	15,810,210	11,954,818

See accompanying notes

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

1. Nature of operations

Saskatchewan Indian Training Assessment Group Inc. [the "Organization"] ["SITAG"] was incorporated on December 11, 1987 under the *Non-Profit Corporations Act* of Saskatchewan. The Organization qualifies as a tax exempt entity from income taxes under section 149 of the *Income Tax Act* (Canada).

SITAG enters into management agreements with Labour Force Development Agencies and Child Care Agencies ["Agencies"] to develop and implement labour market development programs that are designed to assist First Nations people to prepare for, obtain and maintain employment. Funds are received by SITAG under contract with Employment and Social Development Canada ["ESDC"] and Indigenous Services Canada ["ISC"] and transferred to the Agencies based on cost recovery claims under the following funding categories: Labour Market Programs and Services which include Consolidated Revenue Funds ["CRF"] and Employment Insurance Funds ["EI"]; Projects and Initiatives which include the Initiatives & Opportunity, Indigenous Labour Market Information & Skills Inventory Initiative ["ILMI"], Supporting Partnerships, Community Workforce Development Program ["CWDP"] and Water Operator Training ["WOT"] projects; and First Nations / Inuit Child Care Initiative ["FNICCI"]. The expenses for claims made by the Agencies are aggregated in SITAG's financial statements by program and service.

SITAG signed amendments to a 2019 agreement with ESDC and Canada Employment Insurance Commission to add the Initiatives & Opportunity and ILMI projects during the year ended March 31, 2023 and the Supporting Partnerships project during the year ended March 31, 2024. The Initiatives & Opportunity project expired March 31, 2024 while the ILMI and Supporting Partnerships projects are extended to March 31, 2026.

On August 7, 2023, SITAG entered into an agreement with ESDC for the CWDP project. The contributions for CWDP that were set to expire at the end of the project period of March 31, 2024 were extended to March 31, 2025.

On March 27, 2025, SITAG entered into an agreement with ISC for the WOT project which focuses on training First Nations Water Operators in Saskatchewan.

2. Summary of significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations.

(a) 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 statement of financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Significant estimates include reported amounts of revenue and expenditures during the reporting period and are based on claims submitted by the Agencies, the eligibility of which are monitored by SITAG and ESDC. This monitoring process may identify ineligible claims subsequent to the reporting period. Other significant estimates include the recoverable amounts of accounts receivable. Accounts receivable for program funding includes amounts related to prior and current years. These amounts are subject to final approval by funding agencies and amounts may change.

(b) Cash

Cash consists of bank balances and balances with financial institutions which have a term to maturity of three months or less from the date of acquisition.

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

(c) Financial instruments

The Organization initially records a financial instrument that was originated, issued or assumed in an arm's length transaction at fair value.

Related party financial instruments that have repayment terms are initially recorded at cost, representing the undiscounted cash flows of that instrument, excluding interest and dividend payments.

Transaction costs are recognized in net income in the period incurred. However, arm's length financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs and financing fees that are directly attributable to their origination, issuance or assumption. In the case of financial instruments subsequently measured at amortized cost, these transaction costs and financing fees are amortized on a straight-line basis.

Subsequently, the Organization measures financial instruments as follows:

- The amounts due from and to related parties using the cost method less impairment;
- All other financial assets, which include cash and accounts receivable, at amortized cost; and
- All other financial liabilities, which include accounts payable, at amortized cost.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at cost or amortized cost is reduced to the greater of:

- [i] For an arm's length financial asset, the present value of the cash flows expected to be generated by holding the asset, discounted using a current market rate of interest appropriate to that asset, and for a related party debt instrument, the undiscounted cash flows expected to be generated by holding the asset, excluding interest and dividend payments;
- [ii] The amount that could be realized by selling the asset at the balance sheet date; and
- [iii] The amount the Organization expects to realize by exercising its right to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized, but the adjusted carrying amount of the financial asset shall be no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized.

(d) Revenue recognition

The Organization follows the deferral method of accounting for grants and contributions. Grants and contributions for expenses of future periods are deferred and recognized as revenue in the year in which the related expenses are incurred. Interest earned on restricted contributions is recognized as revenue in the year in which the related expenses are incurred.

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

3. Accounts receivable

	Labour Market Programs and Services \$	Projects and Initiatives \$	FNICCI \$	2025 \$	2024 \$
Labour Force Development Agencies: Tribal Council and Urban Agencies	773,943	1,471,424	-	2,245,367	994,186
Independent First Nations	62,383	594,814	-	657,197	160,926
	<u>836,326</u>	<u>2,066,238</u>	<u>-</u>	<u>2,902,564</u>	<u>1,155,112</u>
Child Care Agencies	-	-	40,237	40,237	40,237
Indigenous Services Canada	-	1,282,188	-	1,282,188	-
	<u>836,326</u>	<u>3,348,426</u>	<u>40,237</u>	<u>4,224,989</u>	<u>1,195,349</u>

4. Accounts payable

	Labour Market Programs and Services \$	Projects and Initiatives \$	2025 \$	2024 \$
Labour Force Development Agencies: Tribal Council and Urban Agencies	2,743,694	333,150	3,076,844	2,623,716
Independent First Nations	1,008,776	122,544	1,131,319	1,077,211
	<u>3,752,470</u>	<u>455,694</u>	<u>4,208,163</u>	<u>3,700,927</u>
Saskatchewan Indian Institute of Technologies ["SIIT"]: SITAG Coordination	302,692	-	302,692	402,584
Skills training program	437,708	-	437,708	472,227
JobConnections Mobile	-	-	-	15,000
	<u>740,400</u>	<u>-</u>	<u>740,400</u>	<u>889,811</u>
Employment and Social Development Canada	369,758	-	369,758	-
	<u>4,862,628</u>	<u>455,694</u>	<u>5,318,321</u>	<u>4,590,738</u>

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

5. Deferred contributions

	Labour Market Programs and Services \$	Projects and Initiatives \$	2025 \$	2024 \$
Balance, beginning of year	-	8,783,288	8,783,288	6,934,928
Funding for the year	34,030,335	6,649,846	40,680,181	34,996,997
Interest revenue	1,090,128	-	1,090,128	1,015,469
Net funding recognized as revenue in the year	(32,784,477)	(3,052,242)	(35,836,719)	(34,164,106)
Balance, end of year	2,335,986	12,380,892	14,716,878	8,783,288

6. Related party transactions

SITAG is related to the Federation of Sovereign Indigenous Nations ["FSIN"] as the FSIN appoints member representatives to the SITAG Board of Directors. Other related parties include:

- First Nations and Tribal Councils [including their Labour Force Development Agencies and Child Care Agencies ["Agencies"]] that are members of the FSIN and also independently appoint representatives to the Board of Directors;
- Other First Nations controlled entities related through the FSIN; and
- Saskatchewan Indian Institute of Technologies ["SIIT"], as it has an appointee to the Board of Directors.

Amounts receivable from, or payable to, related parties are disclosed separately in notes 3 and 4 to the financial statements.

SITAG has contracted SIIT for the provision of administrative services as well as for the provision of certain skills training programs. The amounts paid to SIIT are included in expenses on the statement of operations and surplus (deficit) and are itemized as follows:

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

	2025 \$	2024 \$
Base funding:		
SIIT Regional Training Plan Delivery:		
Skills training program	4,725,227	4,725,227
SITAG /SIIT Regional Wrap Around Support Partnerships:		
JobConnections Centres	510,687	510,687
Mental Wellness	200,000	200,000
JobConnections Mobile	150,000	150,000
JobSeries	76,388	76,388
	937,075	937,075
SITAG Agreement Regional Coordination:		
Operations Unit	626,320	716,479
Community Relations	484,367	446,700
Professional services	364,442	229,259
Non-salary operating	278,491	270,857
Capacity building	60,660	65,638
	1,814,280	1,728,933
Provisional funding:		
Projects and Initiatives:		
Community Workforce Development Program	462,809	220,818
Labour Market Information and Skills Inventory	443,338	255,591
Supporting Partnerships	358,385	-
Strategic Initiatives	-	262,430
Operations Unit Relocation	-	77,570
	1,264,532	816,409
	8,741,114	8,207,644

All related party transactions are in the normal course of operations and are measured at the agreed upon exchange amount.

7. Financial instruments and risk management

Liquidity risk

The Organization does have liquidity risk with respect to its accounts payable. Liquidity risk is the risk that the Organization cannot repay its obligations when they become due to its creditors. The Organization reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due. In the opinion of management the liquidity risk exposure to the Organization is low and is not material.

Credit risk

The Organization does have credit risk with respect to its accounts receivable. Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk related to accounts receivable is considered minimal as amounts receivable are due from ESDC and other Agencies. Amounts are recovered as Agencies expend the funds on qualifying programs.

Saskatchewan Indian Training Assessment Group Inc.

Notes to financial statements

March 31, 2025

Interest rate risk

The Organization is exposed to interest rate risk arising from fluctuations in interest rates on amounts invested in interest bearing cash accounts. The Organization believes that it is not exposed to significant interest rate risk arising from its financial instruments.

8. Economic dependence

SITAG is economically dependent on government funding. A contract with ESDC has been signed on April 1, 2019 under the ISET program to March 31, 2029.

9. Contractual obligations

SITAG is signatory to various agreements whereby it will be obligated to make future payments as goods are received or services rendered. ESDC has either provided or committed to provide adequate funding to cover these commitments.

10. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

Schedule of expenses - Labour Market Program and Services

Year ended March 31

	CRF	EI	2025	2024
	\$	\$	\$	\$
Training purchases	11,682,474	1,225,270	12,907,744	13,086,792
Income support - trainees	6,100,783	2,235,137	8,335,920	9,000,405
Personnel	2,644,717	2,771,899	5,416,616	5,435,563
Materials and supplies	767,493	551,960	1,319,454	1,370,124
Travel	433,314	663,176	1,096,489	1,280,379
Facility	562,689	515,703	1,078,392	862,961
Other	333,296	180,816	514,112	402,759
Furnishings and equipment	50,532	27,077	77,610	104,189
	22,575,298	8,171,038	30,746,337	31,543,172

Schedule of expenses - Coordination and Operations Unit and Project and Initiatives

Year ended March 31

Expenses - Coordination and Operations Unit

	CRF	EI	2025	2024
	\$	\$	\$	\$
Personnel	45,065	1,044,427	1,089,492	1,170,953
Other	-	322,382	322,382	170,392
Travel	-	241,509	241,509	228,811
Facility	-	87,053	87,053	90,316
Furnishings and equipment	-	66,338	66,338	59,427
Materials and supplies	-	7,507	7,507	9,033
	45,065	1,769,216	1,814,281	1,728,932

Expenses - Projects and Initiatives

	CRF	CWDP	2025	2024
	\$	\$	\$	\$
Personnel	1,199,779	156,069	1,355,848	392,351
Materials and supplies	296,042	206,593	502,635	52,838
Other	64,859	358,395	423,254	265,877
Income support - trainees	217,354	187,963	405,317	112,178
Travel	185,704	42,178	227,882	60,209
Furnishings and equipment	27,553	31,391	58,944	218,153
Facility	21,876	19,836	41,712	14,255
Training purchases	19,331	17,319	36,650	-
	2,032,498	1,019,744	3,052,242	1,115,861

Schedule of Government of Canada Agreements - Revenue and Expenses

Year ended March 31

	CRF	EI	ILMI Project	Supporting Partnerships Project	CWDP Project	WOT Project	2024
	\$	\$	\$	\$	\$	\$	\$
Revenue:							
Deferred contributions, beginning of year	-	-	5,728,786	1,665,000	1,389,502	-	8,783,288
Annual allocation	20,512,542	9,940,255	-	-	-	-	30,452,797
New funding amendments (repayments)	1,944,558	1,632,980	3,388,820	2,348,594	(369,758)	1,282,190	10,227,384
Interest and ancillary revenue	1,090,128	-	-	-	-	-	1,015,459
Deferred contributions, end of year	(703,006)	(1,632,980)	(7,773,479)	(3,325,223)	-	(1,282,190)	(8,783,288)
Revenue recognized	22,844,222	9,940,255	1,344,127	688,371	1,019,744	-	35,836,719
							34,164,106
Expenses:							
Funded programs	19,073,810	4,164,394	1,027,625	501,366	969,903	-	25,737,098
Core services	213,576	4,491,012	-	-	-	-	4,704,588
Regional wrap around supports	426,388	-	-	-	-	-	426,388
Administration	2,329,624	1,284,849	316,502	187,005	49,841	-	4,167,821
Partnership development	576,965	-	-	-	-	-	576,965
Expenses	22,620,363	9,940,255	1,344,127	688,371	1,019,744	-	35,612,860
							34,387,965
Excess (deficiency) of revenue over expenses	223,859	-	-	-	-	-	(223,859)
Surplus (deficit), beginning of year	(223,859)	-	-	-	-	-	-
Surplus (deficit), end of year	-	-	-	-	-	-	(223,859)