

Native Women's Association of Canada
Financial Statements
March 31, 2024

Native Women's Association of Canada
Contents

For the year ended March 31, 2024

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Independent Auditor's Report

To the Members of Native Women's Association of Canada:

Qualified Opinion

We have audited the financial statements of Native Women's Association of Canada (the "Association"), which comprise the statement of financial position as at March 31, 2024, and the statements of operations, changes in net assets 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 possible effects of the matters 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 Association as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

The Association expenses certain capital asset purchases in the year of acquisition when there are specific programs to which they are related. In this respect, the financial statements are not in accordance with Canadian accounting standards for not-for-profit organizations. The effects of this failure on the financial statements have not been determined by management and we were not able to reasonably determine the effects of this departure from Canadian accounting standards for not-for-profit organizations.

As is common with many not-for-profit organizations, the Association derives revenue from cash donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Association. Therefore, we were not able to determine whether any adjustments might be necessary to donations revenue, excess of revenues over expenses, and cash flows from operations for the year ended March 31, 2024 and 2023, current assets as at March 31, 2024 and 2023, and net assets as at March 31, 2024 and 2023.

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 Association 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.

Other Matter

The financial statement for the year ended March 31, 2023 were audited by another Chartered Public Accountant who expressed a qualified opinion on those statements on June 22, 2023 for the reasons described in the Basis for Qualified opinion paragraph.

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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association'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 Association'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 Association'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 Association 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.

Montréal, Québec

November 12, 2024

MNP ¹ *LLP*

¹ By CPA auditor, public accountancy permit No. A124849

Native Women's Association of Canada
Statement of Financial Position
For the year ended March 31, 2024

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash	\$ 16,325,080	\$ 24,359,294
Term deposit, 5.25%, Maturing in May 2024	705,000	-
Accounts receivable	1,174,887	336,771
Grants and contributions receivable (Note 3)	2,898,808	4,799,271
Advances to Provincial and Territorial Member Associations (Note 4)	546,755	171,986
Deposit on property	137,500	100,000
Inventories (Note 5)	404,984	246,580
Prepaid expenses	5,156	980
	22,198,171	30,014,882
Capital assets (Note 6)	11,536,865	11,126,200
Collections	259,542	125,973
Term deposit, 5.25%, Maturing in May 2024	-	705,000
	11,796,407	11,957,173
	\$ 33,994,578	\$ 41,972,056
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities (Note 7)	\$ 17,815,046	\$ 3,029,331
Deferred grants and contributions (Note 8)	4,624,795	28,647,840
Current portion of long-term debt (Note 11)	122,327	133,082
	22,562,168	31,810,253
Long-term debt (Note 11)	6,181,334	6,303,620
Deferred restricted donation - The Michael Melancon-Koffend Awards (Note 9)	738,261	704,403
	6,919,596	7,008,022
	29,481,764	38,818,276
NET ASSETS		
Unrestricted	(811,618)	\$ (1,622,186)
Capital Asset Fund	5,233,203	4,689,498
Internal restrictions		
Replacement Reserve Fund	70,000	70,000
Scholarships Fund	21,230	16,468
	4,512,815	3,153,780
	\$ 33,994,578	\$ 41,972,056

Approved on behalf of the Board of Directors

e-Signed by Josie Nepinak
2024-10-31 21:29:39:39 EDT
Director

e-Signed by Amy Sock
2024-11-12 13:21:49:49 EST
Director

The accompanying notes are an integral part of these financial statements

Native Women's Association of Canada
Statement of Operations
For the year ended March 31, 2024

	2024	2023
REVENUES		
Grants and contributions (Note 12)	\$ 24,416,939	\$ 21,752,737
Donations	748,782	723,856
Interest	1,226,609	448,946
Sales	1,237,788	720,977
Rental	380,513	214,348
Other	41,547	156,565
	28,052,179	24,017,429
EXPENSES		
Projects and programs		
Economic development	10,473,932	6,683,747
Resiliency	1,613,919	2,733,904
Operations	2,553,845	2,305,146
Health	2,367,020	1,474,757
Legal	722,087	858,494
Environment	724,201	807,084
Policy and social development	447,004	570,280
	18,902,008	15,433,412
Provincial and Territorial Member Associations (PTMA)		
PTMA Core	1,439,755	1,446,569
Core Administration		
Administration	5,503,554	6,211,513
Cost of sales	697,484	304,247
Communications	155,104	238,337
New building costs	-	268,489
	7,795,897	8,469,155
	26,697,906	23,902,568
EXCESS OF REVENUES OVER EXPENSES	\$ 1,354,273	\$ 114,861

The accompanying notes are an integral part of these financial statements

Native Women's Association of Canada
Statement of Changes in Net Assets
For the year ended March 31, 2024

	<i>Unrestricted</i>	<i>Capital Asset Fund</i>	<i>Replacement Reserve Fund</i>	<i>Scholarships Fund</i>	2024	2023
Net assets, beginning of year	- 1,622,186	4,689,498	70,000	16,468	3,153,780	3,038,919
Excess of revenues over expenses	1,999,268 -	644,995	-	-	1,354,273	114,861
Invested in capital assets	- 1,188,701	1,188,701	-	-	-	-
Restricted donations received for scholarships	-	-	-	10,762	10,762	-
Scholarships disbursed	-	-	- -	6,000 -	6,000	-
Net assets, end of year	- 811,618	5,233,203	70,000	21,230	4,512,815	3,153,780

The accompanying notes are an integral part of these financial statements

Native Women's Association of Canada
Statement of Cash Flows
For the year ended March 31, 2024

	2024	2023
Cash provided for (used by) the following activities		
Operating		
Excess of revenue over expenses	\$ 1,354,273	\$ 114,861
Amortization	644,995	413,883
	1,999,268	528,744
Changes in working capital accounts		
Accounts receivable	(838,117)	274,250
Grants and contributions receivable	1,900,463	(1,937,642)
Advances to Provincial and Territorial Member Associations	(374,769)	153,547
Inventories	(158,404)	(122,648)
Prepaid expenses	(4,176)	20,938
Accounts payable and accrued liabilities	14,785,717	17,293
Deferred grants and contributions	(24,023,045)	25,029,429
Deferred restricted donation	33,858	(11,000)
Restricted donations received for scholarships	10,762	-
Scholarships disbursed	(6,000)	-
	(6,674,443)	23,952,911
Financing		
Advances of long-term debt	-	1,046,464
Repayment of long-term debt	(133,041)	(81,249)
	(133,041)	965,215
Investing		
Deposit on property	(37,500)	(100,000)
Purchases of capital assets	(1,055,662)	(1,183,422)
Purchases of collections	(133,569)	(125,973)
Net change in term deposits	-	(705,000)
	(1,226,731)	(2,114,395)
Increase (decrease) in cash	(8,034,214)	22,803,731
Cash, beginning of year	24,359,294	1,555,563
Cash, end of year	\$ 16,325,080	\$ 24,359,294

The accompanying notes are an integral part of these financial statements

Native Women's Association of Canada

Notes to the Financial Statements

For the year ended March 31, 2024

1. Incorporation and nature of operations

Native Women's Association of Canada (the "Association") was incorporated as a not-for-profit organization under the Canada Not-for-Profit Corporations Act and is exempt from taxation under the Income tax Act.

The Association's objectives are to be the national voice for Indigenous women, address issues in a manner which reflects the changing needs of Indigenous women in Canada, assist and promote common goals towards self-determination and self-sufficiency for Indigenous people in their roles as mothers and leaders, promote equal opportunities for Indigenous women in programs and activities, serve as a resource among their constituency and Indigenous Community, cultivate and teach the characteristics that are unique aspects of their cultural and historical traditions, assist Indigenous women's organizations and community initiatives in the development of their local projects, advance issues and concerns of Indigenous women, and link with other Indigenous organizations with common goals.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

Fund accounting

The Association follows the deferral method of accounting for contributions and reports using fund accounting, and maintains four funds: Unrestricted Fund, Capital Asset Fund, Replacement Reserve Fund, and Scholarships Fund.

The Unrestricted Fund reports the Association's unrestricted resources.

The Capital Fund is the fund that reports the Association's investment in capital assets net of accumulated amortization and long-term debt.

The Replacement Reserve Fund is an internally restricted fund that was established to fund the major repairs and replacements of the Association's assets.

The Bassett Scholarship Fund is an internally restricted fund and accounts for the amounts received from the trust fund of Helen Izola Bassett net of any scholarships awarded or related expenses incurred.

Inventories

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the specific identification method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling costs. Reversals of previously written down inventories is recognized in excess of revenues over expenses.

Grants and contributions receivable

A grant receivable is recognized as an asset when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured.

2. Significant accounting policies *(Continued from previous page)*

Capital assets

Capital assets purchased and funded under program agreements are expensed in the year of acquisition.

Capital assets purchased with internal funds are recorded at cost.

Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives. When a capital asset no longer contributes to the Association's ability to provide services, its carrying amount is written down to residual value, if any. The excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

	Method	Rate
Buildings	straight-line	25 years
Automotive	straight-line	5 years
Computer equipment	straight-line	3 years
Computer software	straight-line	3 years
Equipment	straight-line	5 years
Furniture and fixtures	straight-line	5 years

Revenue recognition

The Association uses the deferral method of accounting for grants, contributions, and donations and reports on a fund accounting basis. Restricted grants, contributions, and donations are deferred and recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted grants and contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Donations are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Sales are recognized when the goods are sold, the price is fixed or determinable, and collection is reasonably assured.

Rental and other revenues are recognized when services have been rendered.

Allocation of expenses

The Association engages in various programs and projects. The Association allocates its salaries and benefits to the projects and programs based on estimated time spent on each program or based on actual time worked on projects and programs.

Financial instruments

The Association recognizes financial instruments when the Association becomes party to the contractual provisions of the financial instrument.

Arm's length financial instruments

Financial instruments originated/acquired or issued/assumed in an arm's length transaction ("arm's length financial instruments") are initially recorded at their fair value.

At initial recognition, the Association may irrevocably elect to subsequently measure any arm's length financial instrument at fair value. The Association has not made such an election during the year.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in excess of revenues over expenses. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

Native Women's Association of Canada

Notes to the Financial Statements

For the year ended March 31, 2024

2. Significant accounting policies (Continued from previous page)

Financial instruments (Continued from previous page)

Financial asset impairment

The Association assesses impairment of all its financial assets measured at cost or amortized cost. The Association groups assets for impairment testing when available information is not sufficient to permit identification of each individually impaired financial asset in the group; there are numerous assets affected by the same factors; no asset is individually significant. Management considers whether the issuer is having significant financial difficulty; whether there has been a breach in contract, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year.

The Association reduces the carrying amount of any impaired financial assets to the highest of: the present value of cash flows expected to be generated by holding the assets; the amount that could be realized by selling the assets at the statement of financial position date; and the amount expected to be realized by exercising any rights to collateral held against those assets.

Any impairment, which is not considered temporary, is included in current year excess of revenues over expenses.

The Association reverses impairment losses on financial assets when there is a decrease in impairment and the decrease can be objectively related to an event occurring after the impairment loss was recognized. The amount of the reversal is recognized in excess of revenues over expenses in the year the reversal occurs.

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 date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Provisions are made for slow moving and obsolete inventory. Amortization is based on the estimated useful lives of capital assets. Accruals are an estimate of the costs related to the year-end, for which the Association has not been billed.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the year in which they become known.

3. Grants and contribution receivable

The grants and contributions receivable balance consists of the following:

	2024	2023
Crown-Indigenous Relations and Northern Affairs Canada	2,186,491	-
Impact Agency of Canada	267,689	-
Be the Drum	205,143	-
Health Canada	133,983	-
Other	105,502	4,799,271
	2,898,808	4,799,271

Native Women's Association of Canada

Notes to the Financial Statements

For the year ended March 31, 2024

4. Advances to Provincial and Territorial Member Associations

The advances to Provincial and Territorial Member Associations (PTMAs) balance represents funding received from the Federal and Provincial funders that are required to allocate the funds to the various PTMAs. These advances have no specific repayment and are not interest bearing.

5. Inventories

Inventories at year-end consists of gift shop items and art. The cost of inventories recognized as an expense and included in cost of sales amounted to \$231,645 (2023 – \$62,839).

6. Capital assets

These capital assets were purchased with internal funds, and thus these amounts were capitalized.

	Cost	Accumulated amortization	2024 Net book value	2023 Net book value
Land	925,126	-	925,126	925,126
Buildings	10,623,909	625,353	9,998,556	9,557,440
Automotive	96,389	38,232	58,157	18,131
Computer equipment	318,934	275,476	43,458	117,661
Computer software	85,366	55,649	29,717	41,513
Equipment	105,613	42,245	63,368	84,490
Furniture and fixtures	787,922	369,439	418,483	381,839
	12,943,259	1,406,394	11,536,865	11,126,200

The amortization expense recognized for the year and included in administration expense is \$644,995 (2023 - \$413,883)

7. Accounts payable and accrued liabilities

The accounts payable and accrued liabilities consists of the following:

	2024	2023
Accounts payable and accrued liabilities	2,492,253	2,613,490
Salaries and vacations payable	96,802	322,372
Repayment of funding	15,225,991	93,469
	17,815,046	3,029,331

Native Women's Association of Canada
Notes to the Financial Statements
For the year ended March 31, 2024

8. Deferred grants and contributions

The deferred grants and contributions represent restricted funding that is related to the subsequent year and are detailed as follows:

	2024	2023
Balance, beginning of year	28,647,840	3,618,411
Plus: Amount received during the year	15,371,439	46,782,166
Less: Amount recognized as revenue during the year	(24,416,939)	(21,752,737)
Less: Reversal of prior year grants and contributions receivable	(2,882,070)	-
Less: Deferrals for closed projects reclassified to accounts payable and accrued liabilities	(14,994,283)	-
Plus: Current year grants and contributions receivable	2,898,808	-
Balance, end of year	4,624,795	28,647,840

9. Deferred restricted donation

The deferred restricted donation consists of a donation received from the Estate of Marie Melancon. Funds will be used in future periods to provide bursaries to enable Indigenous students of Canada to pursue educational goals under The Michael Melancon-Koffend Awards.

10. Bank loan

The Association has an authorized line of credit of \$800,000 bearing interest at prime plus 0.5%. The line of credit is secured by a general security agreement. As of March 31, 2024, the line of credit is unused.

11. Long-term debt

	2024	2023
Mortgage loan bearing interest at 4.15%, due on demand, payable in monthly blended instalments of \$3,559, renewable in December 2024	593,344	610,981
Mortgage loan bearing interest at prime plus 2%, payable in monthly blended instalments of \$37,714, renewable in August 2027	5,710,317	5,825,721
	6,303,661	6,436,702
Less: Current portion	122,327	133,082
	6,181,334	6,303,620

The cost of interest on long-term debt recognized as an expense and included in administration expenses amounted to \$371,879 (2023 – \$343,083).

Native Women's Association of Canada
Notes to the Financial Statements
For the year ended March 31, 2024

11. Long-term debt *(Continued from previous page)*

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed and all term debt is subject to contractual terms of repayment are estimated as follows:

	<i>Principal</i>
2025	122,327
2026	148,870
2027	157,461
2028	166,552
2029	176,175
Total	771,385
Thereafter	5,409,949

Long-term debts are subject to the following securities:

1. First rank collateral mortgage in the amount of \$850,000 on a property with a net book value of \$741,100 (2023 - \$776,390);
2. First rank collateral mortgage in the amount of \$8,000,000 on a property with a net book value of \$8,781,386 (9,077,533);
3. First rank hypothec on all present and future property in the amount of \$8,352,000.

Long-term debt is subject to certain financial covenants with respect to the Association's debt service coverage ratio and review of the financial statements. As at March 31, 2024, the Association is not in compliance with all such covenants. The covenant violation was disclosed to BMO and an amendment to the credit agreement to waive the covenant violation was executed subsequent to year-end. It is management's opinion that the Association is likely to remain in compliance with all long-term debt covenants throughout the next twelve months subsequent to March 31, 2024.

Native Women's Association of Canada

Notes to the Financial Statements

For the year ended March 31, 2024

12. Grants and contributions

	2024	2023
Employment and Social Development Canada	12,422,103	8,633,037
Crown-Indigenous Relations and Northern Affairs Canada	3,973,674	3,806,583
First Nations and Inuit Health Branch	2,017,520	1,311,302
Indigenous Services Canada	1,366,495	2,387,815
Innovation, Science and Economic Development Canada	1,105,568	383,672
Health Canada	798,145	200,043
Women and Gender Equality Canada	467,220	566,124
Public Health Agency of Canada	420,735	628,026
Justice Canada	263,784	416,348
Environment and Climate Change Canada	287,493	369,127
Impact Agency of Canada	267,689	-
Fisheries and Oceans Canada	240,001	277,469
Canadian Women's Foundation	154,271	-
Canadian Mortgage and Housing Corporation	149,042	250,797
Canadian Human Rights Commission	117,135	8,441
Department of National Defence	73,939	-
The Trust for the Americas	69,974	-
Agriculture and Agri-Food Canada	57,385	69,502
Canadian Heritage	56,517	707,543
TD Canada Trust	55,405	75,817
Atlantic Canada Opportunities Agency	23,410	228,290
Elections Canada	21,935	-
Transport Canada	4,000	118,856
Other	3,499	80
Government of Quebec	-	30,549
Quebec Tourism	-	22,500
Canada New Brunswick Infrastructure Program	-	1,260,816
	24,416,939	21,752,737

13. Allocated expenses

Salaries and benefits have been allocated as follows:

	2024	2023
Economic development	3,652,714	2,383,911
Resiliency	632,554	1,234,879
Operations	1,555,267	1,179,039
Health	1,564,804	951,222
Legal	471,661	721,605
Environment	442,576	490,547
Policy and social development	285,191	264,625
	8,604,767	7,225,828

14. Employee benefit plan

Multi-employer plans

The Association participates in the Retired Benefit Authority Defined Contribution Plan on behalf of its employees. Total cash payments for the employee future benefits, consisting of cash contributed by the Association to its funded pension plan during the year ended March 31, 2024, were \$292,144 (2023 - \$308,446). This amount is included in operations expense in the statement of operations.

15. Financial instruments

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

The Association provides credit to its clients in the normal course of operations. It carries out, on a continuing basis, credit checks on its clients and maintains provisions for contingent credit losses which, once they materialize, are consistent with management's forecasts. There is no existing account receivable that represents a substantial risk for the Association.

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. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Association is exposed to interest rate risk primarily relating to the following financial assets and liabilities.

16. Contingencies

The Organization has been named as defendant in various lawsuits for employment related matters. These lawsuits remain at an early stage, and as litigation is subject to many uncertainties, it is not possible to predict the ultimate outcome of these lawsuits. Any amount awarded as a result of these actions will be recorded when reasonably estimable.

In the normal course of operations, the Association signs agreements under which amounts are granted for the execution of projects which are subject to restrictions as to the use of the funds. The sponsors of these projects can execute an audit of the financial records of the Association to ensure compliance with the project requirements. In the event that amounts to be reimbursed to the sponsors of a project are identified, the necessary adjustments will be recognized in the year they are identified.

17. Economic dependence

The Association receives a significant portion of its grants and contributions from Employment and Social Development Canada and Indian & Northern Affairs. During the year, the Association received \$16,395,777 (2023 - \$12,439,620) from this funder. This source of revenue represents 67% (2023 - 57%) of the Association's total grants and contributions. Economic dependence arises from the fact that the viability of the Association would be affected by the loss of this revenue.

18. Comparative figures

Certain comparative figures have been reclassified to conform with current year presentation.