

Annual Report 2002-2003

First Nations
of Quebec
and Labrador
Economic
Development
Commission

FNQEDC



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First Nations of Quebec and Labrador Economic Development
Commission (FNQLEDC)

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Table of contents

A NOTE FROM THE PRESIDENT	4
A NOTE FROM THE DIRECTOR GENERAL.....	5
2002-2003 ACTIVITY REPORT	6
THE BOARD OF DIRECTORS OF FNQLEDC	8
THE EMPLOYEES OF FNQLEDC	9
AUDITORS' REPORT	10
FINANCIAL STATEMENTS	
Statement of operations	11
Statement of changes in net assets	12
Balance sheet.....	13
NOTES TO FINANCIAL STATEMENTS.....	14
AUDITORS' REPORT ON THE ADDITIONAL INFORMATION	16
ADDITIONAL INFORMATION	
Summary statement of segment operations	17
Statement of segment operations.....	18
Operations financing - 2702	18
Symposium - 2813.....	19
Training - 2672	20
Advisory committee	21
Information and promotional material	21
National Summit.....	22
Consultant - economic development.....	22

A note from the President

It is with great pride that I bring my contribution to the realisation of this annual report of the First Nations of Quebec and Labrador Economic Development Commission.

I participated to the foundation of the FNQLEDC and I have accepted the mandate and the responsibility of presidency since November 2002. This important task, added to my duties of Director General of the Société de développement économique de Betsiamites, was an opportunity for me to realize the importance of consulting each other, of being informed and most of all of upgrading our skills in various sectors of activity. Consequently, each one of us is faced daily with numerous challenges to pick up and it is vital to believe in our abilities, our expertise and our concerted willingness.

The consolidation of efforts of all interveners involved in aboriginal and Inuit community economic development allows me to be optimistic and to contemplate a promising future for our members. We participate in a consultation process and we will make it our goal to collaborate to the development of a better future for the communities. From now on, we will no longer speak of the economic development of Aboriginal and Inuit people but time has come to talk about Aboriginal and Inuit economy.



I would like to thank all the interveners who contributed their expertise to the benefit of our regional organization. I am thinking of the faith of government levels that is increasingly apparent. I would also like to underline the participation of all Aboriginal and Inuit organizations, of the different Commissions of the Assembly of First Nations of Quebec and Labrador who devoted countless efforts to the establishment and promotion of the FNQLEDC. Without their generous advisory and financial contributions and endowment in human resources, we would not have witnessed the creation and the blossoming of our organization.

This document comes as the fruit of much work from the members of the FNQLEDC, but also from a working team who turn to good account their knowledge for the improvement of services that are offered by the FNQLEDC in the Province and in Labrador. This is a mandate which, in the present economic and political situation can turn out laborious. Consequently we shall not concentrate on the drawbacks but rather congratulate ourselves on our daily successes, our involvement and our creativity.

Finally, our success story is due to the strength of our network, to the good will of the First Nations and community members to take their future into their hands. We are there to discover new horizons that will secure the economic and social advancement of our nations in respect with self-sufficient economic development, faithful to our culture!

Tshinashkumitnan!
Thanks to all

A handwritten signature in black ink, appearing to read 'Normand Bacon'. The signature is fluid and cursive.

Normand Bacon
President

A note from the Director General

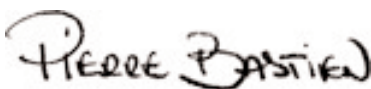
The Executive Office of the First Nations of Quebec and Labrador Economic Development Commission (FNQLEDC) has been in operation since September 2001 and thenceforth several requests for assistance were addressed to potential sponsors. However, it was difficult to get some receptivity on the part of these guarantors. This explains why the year 2002-2003 was devoted on the search for funding.

In order for the mandates to comply with the FNQLEDC strategic plan of development, which was accepted by the Chiefs' Assembly in Essipit in June of 2002, the FNQLEDC would have had to achieve very costly activities right on the very first year of its operations. Consequently it is only in September 2002 that the FNQLEDC concluded a first contribution agreement for its operations. Nevertheless, in spite of limited human and financial resources, the FNQLEDC still achieved many activities that complied with its strategic plan of development and others are in progress.

Although the work was concentrated on the establishment of an administrative structure, the holding in November 2002 of a symposium under the theme of "Concerted economy - together towards a common goal" allowed the FNQLEDC to consolidate its identity and its image in the First Nations business circle. An evaluation of training needs and a consultation of the economic development officers and representatives on the subject allowed the elaboration of a training policy and a training plan which is already under way for them.

In just a few months the FNQLEDC was successful in proving the importance and the viability of such an organization by asserting itself with the First Nations organizations and by creating credible links with the different government levels. All these efforts were made possible thanks to the collaboration of a dynamic team and I wish to express my most sincere gratitude to the staff members of the FNQLEDC who believe in its success and who demonstrate enthusiasm for work without taking into account the time and energy required for the development of FNQLEDC.

Also, I wish to thank the members of the Board of Directors for their moral support and their decision-makings, and also for their trust, their principles which proved essential to the smooth running of the FNQLEDC operations. Finally, I must stress the support of our financial partners who believed and whom I hope will continue to believe in the First Nations economic development and in the expansion of the FNQLEDC.



Pierre Bastien
Director General



2002-2003 Activity Report

6

In 2002-2003, our activities were directed mainly towards the search for funding to implement the strategic plan of development. You will find hereunder the initiatives achieved during this fiscal year.

Also listed more elaborately, the accomplishments related to the administrative follow-up and the activities tied to the mandates of the First Nations of Quebec and

Labrador Economic Development Commission (FNQLEDC).

satisfaction of all participants. Ms Michèle Audette, president of the Quebec Native Women, chaired the meeting. The symposium “Concerted Economy – Together towards a common goal” was held during the two following days. The consultation result of this event allowed to consolidate our orientations and to understand the type of short-term needs for our respective mandates.

The Board of Directors met on three occasions and was able to take up the challenges linked to the start-up and structuring of the organization. The Board proceeded to the hiring of a new director general. As recommended in the strategic plan an information officer was also hired. In collaboration with the different commissions of the Assembly of First Nations of Quebec and Labrador (AFNQL) and under the expertise of a consultant referred by the École Nationale d’Administration Publique (ENAP), we elaborated a personnel manual. This manual is already ratified by the Board of Directors and allows us to apply soundly and fairly the relevant policies to the personnel in place.

The elaboration of an accounting system adapted to the needs of our organization will allow us upon its implementation, to achieve an appropriate follow-up and to meet the needs of the sponsors. An auditor will conduct a rigorous control of the financial activities. Also, as the funding of our organization was included in the banking activities of AFNQL for the start-up costs, steps were undertaken to open our own banking system. In order to separate our activities, the transactions will be made with the Bank of Montreal, as of fiscal year 2003.

Administration

In order to be able to review the statutes and to ensure the structuring of the FNQLEDC, we had to modify the Constitution and by-laws, more specifically concerning the general assembly, the role and responsibilities of the key players. A new voting system was also put in place by the administrators to assure some continuity in the decisional orientation of our files.

In fiscal year 2001-2002, the annual general assembly was held on November 19, 2002, and was attended by a very large number of participants. This event allowed us to implement the new voting system, to the great

Information

In order to keep our members well informed and to set the grounds for consultation, various tools were created. In September 2002, a first newsletter was carried through. Since then, with each edition we keep improving the variety of information. Also a press kit was created which can be used for insertion of information leaflets, letters and documents and we feel it reflects a dynamic and professional image of our organization. An information brochure of general interest was also achieved for promotion of the community economic development officers (CEDO). It should be perceived as a reference document for the different departments and organizations involved in the field of our activities.

One long-awaited last tool was developed at the end of this fiscal year: the Web site. Presently at the trial level, it will provide on-line information, and consulting and training services for our members. By keeping a section aside for chatting, we hope that it will meet the expectations of our members.

Training and research

In association with ENAP, we have undertaken a process pertaining to the definition of needs information wise. In order to prepare a continuous plan for our members, we have elaborated a questionnaire that was used as a preamble to a consultation session. This session which took place on February 18 2003 allowed our members to define their specific needs in training for the next three years. In order to adopt a process that would lead to training in compliance with its content, we thought it was a wise thing to develop a training policy to better define the role and responsibilities of all those involved. This process will allow an easier association of sponsors.

Subsequently, our organization got involved in the organization of an information session on the implementation of the Wage Parity Law (a subject that will become more present in the future). A regional committee on wage parity, of which we are part, was put in place and we will be elaborating an information process to assist the communities in need of help for the implementation of the Law.

Representation

As far as representation is concerned, at the request of the members, we now sit on a national committee responsible to evaluate the Community Economic Development Program of Indian and Northern Affairs. This involvement will allow us to be aware ahead of time of Treasury Board's position on this program, due to the fact that modifications are expected to be made in 2005.

Furthermore, our involvement in the Technology and Telecommunication Committee makes us understand the action undertaken by Industry Canada. It also allows us to evaluate the infrastructural needs required for the "broad band project" in communities.

Finally, our accountability to the Chiefs of the First Nations of Quebec and Labrador brings us to deliver them continuous information to keep them up to date on all the files affecting economic development. We have therefore attended different meetings to present our files and our activities to the Chiefs. These meetings were an occasion to put on the agenda our perceptions on the economic development trends at the regional and local scale.

Conclusion

Based on the accomplishments realized by our team in the administrative sector at FNQLEDC, it is possible to believe in an improvement of the output of direct services to our members. Consequently, our five main mandates will be completed in a more structured way in the upcoming year. In summary a high quality organization, an efficient management and an accrued customers services will materialize for the next activity report.

The Board of Directors of the FNQLEDC

Communities and economic development organizations of First Nations and Inuits of Quebec and Labrador can become members of the FNQLEDC and get a seat at the general assembly. Since its creation, the FNQLEDC has been representing the economic interests of aboriginal communities and Inuit villages of Quebec and Labrador, that is to say over 45 000 members of the First Nations.

The officers and representatives in community economic development (CEDO) gather in a general assembly to appoint a Board of Directors formed of one representative per nation: Abenakis, Innu, Algonquin, Huron-Wendat, Cree, Attikamek, Inuit, Malecite, Micmac, Mohawk and Naskapis.

The Board of Directors indicates the priorities to the FNQLEDC Executive office, and oversees the implementation. The Board is supported by an Executive Council, namely the president, the vice-president and the secretary-treasurer who make sure that the mandates are followed through efficiently by updating CEDOs regularly; by providing training and support throughout the projects; by representing their interests; by carrying out researches and by promoting their development.

The FNQLEDC would like to thank all those who participated to the decisional process since its inception. Without their contribution, this consultation organization would not be available.

FNQLEDC Board of Directors members

Name	Position	Nation	Alternate
Normand Bacon	President	Innu	Marc Genest
Alfred Loon	Vice-President	Cree	Marlene I. Kitchen
Major Kistabish	Secretary-Treasurer	Algonquin	Elgin Côté
Réjean Gros-Louis	Member	Huron-Wendat	Raymond Picard
Diane Brière	Member	Malecite	Carol Dallaire
Denis Gill	Member	Abenakis	Daniel G. Nolett
Jeannette Boivin	Member	Attikamek	Christian Awashish
Sampson Einish	Member	Naskapis	Coco Calderhead

The employees of FNQLEDC

Formed according to the strategic plan, endorsed by the First Nations of Quebec and Labrador Assembly of Chiefs, the FNQLEDC team may be new, but their enthusiasm is stimulating! The employees deploy all the energy required to reach the goals that have been set. Attentive to the needs of members, the team has a wealth of experience and the determination to promote the growth of the organization put in place for the Aboriginal and Inuit economic development officers and representatives.

Economic Development Adviser

(to be filled)

Once hired, the economic development adviser will offer support to the community economic development officers and representatives by visiting communities and offering them concrete business expertise.



Pierre Bastien

Director General

Appointed as Director General in September 2002, Pierre Bastien is responsible to ensure the implementation of the FNQLEDC strategic plan. Supported by his team, Mr. Bastien paved the way for his organization to soar on solid bases towards a long term development.



Lorraine Rhéaume

Executive Secretary

Lorraine has been ensuring energetically the coordination of all activities linked to secretariat and customers service, since December 2001.



Caroline Nepton-Hotte

Information Officer

Since July 2002, Caroline has been responsible to circulate community economic development information and her creativity has been an asset in meeting the members' communication needs.

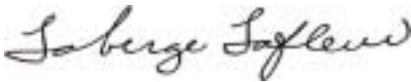
Auditors' Report

To the members of
First Nations of Quebec and Labrador
Economic Development Commission

We have audited the balance sheet of First Nations of Quebec and Labrador Economic Development Commission as at March 31, 2003 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the commission as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles and in accordance with the guidelines included in the year end Manual of the Department of Indian Affairs and Northern Development as described in the accounting policies note 2.



CHARTERED ACCOUNTANTS

Statement of Operations for the Year Ended March 31, 2003

REVENUES

Indian Affairs and Northern Development	266,495	
Secretariat of the Assembly of the First Nations of Quebec and Labrador	6,422	
Aboriginal Business Canada	24,730	
Canada Economic Development	71,823	
Secrétariat aux affaires autochtones	45,000	
First Nations Human Resources Development Commission of Quebec	50,000	
Registration	5,145	
Rent-kiosks	1,575	
Sponsors	4,500	
		475,690
Deferred revenues		137,329
		338,361

EXPENSES

Operations financing	209,972	
Symposium	65,034	
Training	32,539	
Advisory committee	214	
Information and promotional material	12,995	
National Summit	5,000	
Consultant - economic development	45	
		325,799

EXCESS OF REVENUES OVER EXPENSES \$12,562

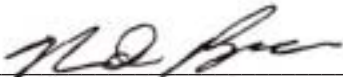
Statement of Changes in Net Assets for the year ended March 31, 2003

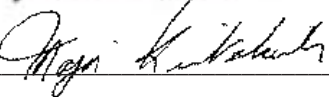
	Invested in capital assets	Unrestricted	Total
	\$	\$	\$
Excess of revenues over expenses	-	12,562	12,562
Capital assets -			
Purchase	25,666	-	25,666
Amortization	(2,888)	-	(2,888)
BALANCE - END OF YEAR	22,778	12,562	35,340

Balance Sheet
as at March 31, 2003

ASSETS		
CURRENT ASSETS		
Grant receivable -		
Indian Affairs and Northern Development	31,000	
Secrétariat aux affaires autochtones	40,000	
Aboriginal Business Canada	5,110	
Advances - Secretariat of the Assembly of the First Nations of Quebec and Labrador	98,849	<u>174,959</u>
CAPITAL ASSETS (note 4)		<u>22,778</u>
		<u><u>\$197,737</u></u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable		25,068
Deferred revenues (note 5)		137,329
		<u>162,397</u>
NET ASSETS		
NET ASSETS INVESTED IN CAPITAL ASSETS	22,778	
UNRESTRICTED NET ASSETS	12,562	<u>35,340</u>
		<u><u>\$197,737</u></u>

SIGNED ON BEHALF OF BOARD

 _____, director

 _____, director

Notes to Financial Statements for the Year ended March 31, 2003

1. STATUTES AND NATURE OF ACTIVITIES

The commission is constituted by the Assembly of First Nations of Quebec and Labrador and its mission is to promote, support and defend the interests of the economic development officers in flow of information, collaborative action and support for workers in economic development.

2. ACCOUNTING POLICIES

Use of estimates -

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires that the management make estimates and assumptions which affect reported amounts in the financial statements and notes to the financial statements. Actual results may differ from the estimates.

Revenue recognition -

The corporation follows the deferral method of accounting for revenue. Restricted contributions are recognized in the year which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

Capital assets and amortization -

Capital assets are recorded at cost and amortization is calculated using the straight-line method at the following rates :

Office equipment	10 %
Computer hardware	20 %

Purchase and disposal of capital assets are recorded in the statement of operations as revenues and expenses. The capital assets amortization is recorded directly in the net assets invested in capital assets. Therefore, the amortization is not recorded in the statement of operations which is not in accordance with Canadian generally accepted accounting principles, but in accordance with the guidelines included in the year end Manual of the Department of Indian Affairs and Northern Development.

3. CAPITAL ASSETS

	Cost	Accumulated amortization	Net value
	\$	\$	\$
Office equipment	22,449	2,245	20,204
Computer hardware	3,217	643	2,574
	25,666	2,888	22,778

4. DEFERRED REVENUES

Secrétariat aux affaires autochtones -	
Operations financing	40,000
Canada Economic Development -	
Training	47,374
First Nations Human Resources Development	
Commission of Quebec -	
Consultant - economic development	<u>49,955</u>
	<u><u>\$137,329</u></u>

5. FINANCIAL INSTRUMENTS

The fair value of grant receivable, advances and accounts payable is approximately equal to their book value due to their short-term maturity date.

6. STATEMENT OF CASH FLOWS

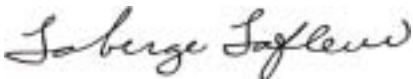
The statement of cash flows has not been prepared because it would not provide any additional useful information in understanding the cash flows for the year.

Auditors' Report on the Additional Information

16

To the directors of
First Nations of Quebec and Labrador
Economic Development Commission

The audited financial statements of First Nations of Quebec and Labrador Economic Development Commission and our report on these statements dated May 12, 2003 are presented separately. The additional information which follows is issued from the records that we have examined on a test basis which is part of the auditing procedures of the above mentioned financial statements and, in our opinion, this additional information is presented correctly under all its significant aspects compared to the financial statements taken as a whole. However, this additional information is not essential for the presentation of the financial position, the results of operations and the cash flows of First Nations of Quebec and Labrador Economic Development Commission.



CHARTERED ACCOUNTANTS

Summary Statement of Segment Operations for the year ended March 31, 2003

	Revenues	Expenses	Excess
	\$	\$	\$
Operations financing	219,581	216,142	3,439
Symposium	74,157	65,034	9,123
Training	32,539	32,539	-
Advisory committee	214	214	-
Information and promotional material	12,995	12,995	-
National Summit	5,000	5,000	-
Consultant - economic development	45	45	-
	344,531	331,969	12,562
Revenues and expenses inter-segment	6,170	6,170	-
	<u>338,361</u>	<u>325,799</u>	<u>12,562</u>

Statement of Segment Operations Operations Financing - 2702 for the year ended March 31, 2003

REVENUES

Indian Affairs and Northern Development	211,495
Secrétariat aux affaires autochtones	40,000
Secretariat of the Assembly of the First Nations of Quebec and Labrador	6,422
Inter-segment administration expenses - National Summit	1,664
	<hr/>
	259,581
Deferred revenues	40,000
	<hr/>
	219,581

EXPENSES

Salaries and fringe benefits	117,843
Rent	5,000
Travelling expenses	21,213
Translating expenses	9,747
Training	686
Telecommunications	3,647
Web site expenses	1,300
Advertising and promotional expenses	1,025
Entertainment expenses	660
Office supplies	3,930
Maintenance and repairs	217
Management fees	4,800
Audit fees	3,000
Inter-segment -	
Information and promotional material	1,202
Training	3,304
Purchase of capital assets	25,666
Contribution - Secretariat of the Assembly of the First Nations of Quebec and Labrador	11,495
Miscellaneous	1,407
	<hr/>
	216,142
	<hr/>
EXCESS OF REVENUES OVER EXPENSES	\$3,439
	<hr/> <hr/>

**Statement of Segment Operations
Symposium - 2813
for the year ended March 31, 2003**

REVENUES

Indian Affairs and Northern Development	50,000
Aboriginal Business Canada	12,937
Registration	5,145
Rent-kiosks	1,575
Sponsors	4,500
	<hr/>
	74,157

EXPENSES

Salaries and fringe benefits	4,251
Meeting expenses	15,542
Consultation and professional fees	3,396
Travelling expenses	17,792
Translating expenses	15,546
Telecommunications	964
Advertising and promotional expenses	5,552
Office supplies	1,326
Miscellaneous	665
	<hr/>
	65,034

EXCESS OF REVENUES OVER EXPENSES

\$9,123

Statement of Segment Operations
Training - 2672
for the Year Ended March 31, 2003

REVENUES

Indian Affairs and Northern Development	5,000
Canada Economic Development	71,609
Inter-segment - operations financing	<u>3,304</u>
	79,913
Deferred revenues	<u>47,374</u>
	32,539

EXPENSES

Salaries and fringe benefits	2,348
Rent	1,000
Meeting expenses	1,234
Consultation and professional fees	8,200
Travelling expenses	12,292
Translating expenses	3,103
Training	914
Telecommunications	800
Advertising and promotional expenses	595
Office supplies	<u>2,053</u>
	<u>32,539</u>

EXCESS OF REVENUES OVER EXPENSES

\$ -

**Statement of Segment Operations
Advisory Committee
for the year ended March 31, 2003**

REVENUES	
Canada Economic Development	214
EXPENSES	
Travelling expenses	<u>214</u>
EXCESS OF REVENUES OVER EXPENSES	<u><u>\$ -</u></u>

**Statement of Segment Operations
Information and Promotional Material
for the year ended March 31, 2003**

REVENUES	
Aboriginal Business Canada	11,793
Inter-segment - operations financing	<u>1,202</u>
	12,995
EXPENSES	
Advertising and promotional expenses	<u>12,995</u>
EXCESS OF REVENUES OVER EXPENSES	<u><u>\$ -</u></u>

Statement of Segment Operations
National Summit
for the year ended March 31, 2003

REVENUES

Secrétariat aux affaires autochtones 5,000

EXPENSES

Travelling expenses 3,336

Inter-segment administration expenses -

Operations financing 1,664

5,000

EXCESS OF REVENUES OVER EXPENSES

\$ -

Statement of Segment Operations
Consultant - Economic Development
for the year ended March 31, 2003

REVENUES

First Nations Human Resources Development

Commission of Quebec 50,000

Deferred revenues 49,955

45

EXPENSES

Translating expenses 45

EXCESS OF REVENUES OVER EXPENSES

\$ -