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NUNAVUT FISHERIES  
TRAINING CONSORTIUM

# Annual | 2010 Report | 2011



# Table of Contents

Chairman's Report	1
Executive Director's Report	2
Who is Nunavut Fisheries Training Consortium?	4
Our Partners	4
Staff and Board Members	6
Program Activities	7
Auditor's Report	11
Financial Statements	12
Notes to the Financial Statements	15

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# Chairman's Report

Welcome to the sixth Annual Report for Nunavut Fisheries Training Consortium which reports on the activities of the organization for the 2010-2011 fiscal year. This was my sixth year on the Board and my second full year as Chair of the Board. It has been an honour to work on this Board and to serve as its Chair. The organization has evolved over the years in terms of training programs, numbers of individuals participating and also in the operations of the organization.

NFTC had another very busy year – our busiest yet – 253 individuals participated in training and 32 training programs were delivered. For the first time, we offered a Fishing Masters IV program. We can report that we have the first three fully certified Fishing Masters IV fully trained in Nunavut. Congratulations to these individuals! We also now have two fully trained individuals with an Engine Room Rating (Marine Diesel Mechanics). Seven individuals attained the Bridgwatch certification. New courses were delivered with excellent results – Small Engine Repair and Vessel Maintenance, being offered in communities across Nunavut to allow participation without leaving home. Training was also delivered in the processing plants in Cambridge Bay and Pangnirtung. With these newer courses, we also offered Presea Trawler, Netmaking and Small Vessel Operator Proficiency. In the past year, we successfully offered courses in all Regions of Nunavut.

Unfortunately, we had to say good-bye to our Job Retention Officer in January of this year. We thank Adamee for the work that he did while with our organization. Our Community Liaison Officer, Project Officer and Executive Director have not changed. Continuity of staff is very important for the successful operation of the organization and we have indeed been fortunate to have this continuity in our team to serve the needs of our trainees and partners. On behalf of the Board, I would like to thank our staff for their hard work during the past year in ensuring that we were able to successfully deliver as many courses as we did. This requires course planning, recruitment of students, logistics for

course delivery and assisting trainees to find employment opportunities. A job well done!

I would like to take this opportunity to recognize and thank all the partners that form the Nunavut Fisheries Training Consortium. The Consortium consists of partners from various levels of government (both federal and territorial), various Inuit training organizations and from the private sector – organizations that are invested and operating in the fishing industry. Without your generous support and assistance, the Consortium would not exist.

We are moving into our last year of funding under the Aboriginal Skills and Employment Partnership program. As a Board, we are committed to seeking additional funding to continue the work of NFTC past 2012. Our training focus for this year will include advancement of individuals already involved in the fishing industry as well as some introductory courses. We will also develop a retention strategy to be used by all our Industry partners. Training for Small Vessel Operators will also be offered across Nunavut. The goal of our training is to increase the participation of Inuit in the fishing industry in Nunavut, thus leading to a stronger home-grown fishing industry.

I regret to report that, at the writing of this report, I have resigned my position at Nunavut Tunngavik Inc. to become Chief Operating Officer of Baffin Fisheries Coalition. My appointment on the NFTC Board was as the NTI representative and therefore I have had to resign as Chairman and Director of NFTC. I have thoroughly enjoyed being on the Board and am very proud of the work that the NFTC has accomplished to date and look forward to the NFTC continuing its success, as they work to build capacity among Inuit beneficiaries of the Nunavut Land Claim Agreement in the fishing industry.



Jeffrey Maurice  
Chair





# Executive Director's Report

This year marks the sixth Annual Report that Nunavut Fisheries Training Consortium has produced. It is the second year of our new three-year funding arrangement with our various partners. Many accomplishments were realized and many challenges were met as we had another successful and busy year – the year with the most training deliveries yet.

In this Annual Report, you will discover what Nunavut Fisheries Training Consortium has been doing over the past fiscal year, as well as our plans for the future. None of this work could be done without the support, both financial and advisory, from the many partners that NFTC is proud to have. This past year, we partnered with thirteen different organizations and/or government departments to deliver training in the fishing industry for Inuit beneficiaries. For further details as to the partnership structure of NFTC, please see the section entitled “Our Partners”.

This year was an especially busy year in the delivery of more than thirty courses to more than 250 participants. These students come from all of Nunavut's Regions. It was good to see increased participation from the Kivalliq and Kitikmeot region. Several of our graduates from those areas have gone to work in the off-shore fishing industry. Program activities detailing the who and what of our training programs are included in this Annual Report in the section entitled “Program Activities”.

During the past year, our staff worked diligently to increase Inuit participation in the fledgling fishing industry in Nunavut. This included providing individuals with the skills and knowledge they require to become part of and to advance in the fishing industry. To accomplish this vision requires several activities. Recruitment is always a difficult aspect of the training program and we continue to work toward finding even better ways of recruiting –



through contacting different agencies, using different criteria and increasing the profile of NFTC. Delivery of the courses requires a great deal of coordination, planning and support. Our staff have become experts in logistics – between finding appropriate classroom facilities, ensuring instructors and equipment arrived on time, dealing with weather issues and dealing with our most important quantity – people. Much time was spent with students and former students to assist them in their journey to full-time sustainable employment. With the high number of course deliveries and participants, the administrative work load increased proportionately. It has definitely been a busy year for our staff. I would like to say that having a Co-ordinating Instructor from the Marine Institute on the ground here in Nunavut has made a huge difference and the work of Captain Randy Pittman must be acknowledged. Thank you.

Special mention should also be made of one of our students – Elijah Pudlat completed his Marine Diesel Mechanic training, work term and Transport Canada examinations, making him our second graduate from this program. Congratulations, Elijah!

NFTC achieved another first – at the writing of this report, we can advise that three of our students have become the first class of fully certified Fishing Masters (Class 4) that were trained fully in Nunavut. This is a huge accomplishment and we congratulate Rocky Aula, Johnny Itulu and Mike Netser! Way to go, gentlemen!

We have also spent a great deal of time planning for our last year of our three-year funding arrangement. This includes ensuring we have the best possible course deliveries with the best possible students in the 2011-12 fiscal year. As well, we will be exploring different avenues to acquire the necessary resources to have our

training programs continue post 2012. NFTC has made great strides and continues to do so – the training has really just begun for this new commercial sector for Nunavummiut.

Thank you to all our partners for their continued support. Also, to the Board of Directors who set the course for our journey as Nunavut Fisheries Training Consortium, a big thank you. And to the staff without whom the work could not get accomplished – thank you!

I look forward with great anticipation and expectation to another year of training which will lead to employment for Inuit beneficiaries.

**Elisabeth (Liz) Cayen**  
*Executive Director*





We acknowledge the trust our partners have placed in Nunavut Fisheries Training Consortium and we thank them for all their support in this endeavour. As we move into our last year of this current partnership funding arrangement, we look to the future with confidence that there is a need for continued training in this fledging industry and that a continued partnership will become more productive and mutually successful.

**Industry Partners**

Our Industry Partners are those organizations that have been awarded fishing quota by the Department of Fisheries and Ocean and those organizations that have interests in the handling and processing plants. This year, we are again specifically focusing on the turbot fish quota, but this may change in future years to include shrimp or other species. For the 2011-2012 year, the NFTC Industry Partners are:



**Educational Institution**

Nunavut Arctic College, is our educational institution partner. NAC facilitates the delivery of our training courses from other education institutions, such as the Marine Institute and others. The Marine Institute has recognized the large amount of training that is delivered here in Nunavut and has appointed a Co-ordinating Instructor who assists in all Nunavut training. This has resulted in a more efficient and effective training plan and also delivery of courses. We continue to work towards building capacity at the College in order to have courses delivered directly through NAC.



# Staff and Board Members

## Board Members

*Chair* – Jeffrey Maurice, Fisheries Advisor, Nunavut Tunngavik Inc. (resigned May 13, 2011)

*Vice-Chair* – David Alexander, Crewing Manager, Baffin Fisheries Coalition

*Secretary-Treasurer* – Lootie Toomasie, Chairman & Chief Executive Officer, Arctic Fishery Alliance

Jerry Ward, Chief Executive Officer, Baffin Fisheries Coalition

Peter Keenainak, Director of Fisheries, Qikiqtaaluk Corporation

Don Cunningham, General Manager, Cumberland Sound Fisheries/Pangnirtung Fisheries Partnership

Wayne Lynch, Director of Fisheries & Sealing Division, Department of Environment, Government of Nunavut

Tony Bird, Senior Program Advisor, Economic Development & Transportation, Government of Nunavut (non-voting representative)

Annie Alexander, Training and Employment Manager, Kakivak Association (ex-officio)

Cindy Cowan, Director Academic Studies and Community Programs, Nunavut Arctic College (ex-officio)

Linda Ham, Economic Development Advisor, Canadian Northern Economic Development Agency (ex-officio)

Angela Briscoe, Senior Program Analyst, ASEP, Skills and Employment Branch, Human Resource and Skills Development Canada (ex-officio)

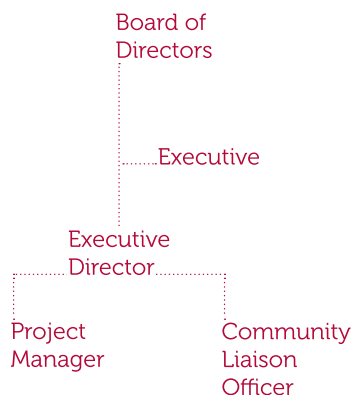
## Staff

Elisabeth (Liz) Cayen  
Executive Director  
ecayen@nftconsortium.ca

Michael Walsh  
Project Officer  
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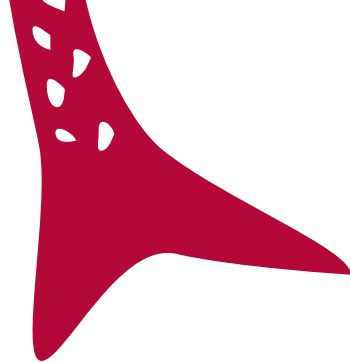
Qavavow Mikijuk  
Community Liaison Officer  
training@nftconsortium.ca

## Organization Chart





# Program Activities



This last year has been the busiest for the Nunavut Fisheries Training Consortium since its creation. From April 1, 2010 until March 31, 2011, the NFTC offered 32 courses in 15 communities. We enrolled 253 students. Of these, 231 completed their training giving a completion rate of 91%. These courses ranged from basic safety and first-aid to advanced

stability and navigation. We offered courses for the inshore, offshore and processing sectors and facilitated several technology transfer workshops. The following table gives course locations, dates and numbers of students enrolled. Following this are brief descriptions of each program type.

Course	Location	Date	# enrolled
Longline Technology Transfer	Pangnirtung	April	8
Netmaking	Pond Inlet	April	12
Pre-Sea Trawlworker	Iqaluit	May	9
First Aid	Pangnirtung	May	9
Basic Vessel Maintenance	Iqaluit	June	9
Fishing Masters IV	Iqaluit	June – March	7
Summer Turbot	Pangnirtung	June – August	6
Small Vessel Operator Proficiency	Iqaluit	June	6
Netmaking	Arviat	August	12
Processing	Pangnirtung	August	6
Small Vessel Operator Proficiency	Whale Cove	August	2
Small Vessel Operator Proficiency	Cape Dorset	August	5
Pre-Sea Trawlworker	Iqaluit	September	12
Small Vessel Operator Proficiency	Iqaluit	October	7
Vessel Building	Glovertown, NL	October	2
Small Vessel Operator Proficiency	Kimmirut	November	8
Small Engine Repair	Rankin Inlet	November	9
Processing	Cambridge Bay	November	7
SVOP + Navigation	Cambridge Bay	November	10
Offshore Shrimp Processing	Iqaluit	November	6
Bridgework	Iqaluit	December	10
Small Engine Repair	Clyde River	December	9
Marine Diesel Mechanic Workterm	On board Vessel	April – June	3
Pre-Sea Trawlworker	Iqaluit	January	9
Basic Vessel Maintenance	Cambridge Bay	January	13
Small Vessel Operator Proficiency	Taloyoak	January	6
Small Vessel Operator Proficiency	Kugaaruk	February	12
Small Vessel Operator Proficiency	Baker Lake	February	10
SVOP + Navigation	Qiqiktartujuaq	March	6
Small Engine Repair	Hall Beach	March	11
Longline & Gillnet	Iqaluit	March	5
STCW – Advanced Marine Emergency Training	Stephenville, NL	March	7

**TOTAL**

**253**

### Pre-Sea Trawlworker

This course serves as our introduction to the off-shore shrimp and turbot fisheries. It provides basic safety and seamanship training, and prepares students for entry level positions in Nunavut's offshore fishing industry. Course components include basic twine work, career orientation, basic first aid, firefighting and marine emergency duty training. We offered Pre-Sea Trawlworker training to 30 students, in three courses. This training is held in Iqaluit, as it is the only place in the territory with the required facilities.

### First Aid

This was a basic first-aid course offered to employees of Pangnirtung Fisheries in May of 2010.

### Longline Technology Transfer

This course was intended to provide training in longline construction and use for the Cumberland Sound winter turbot fishery. Participants were shown how to construct and utilize longlines through the ice.

### Netmaking

Three netmaking courses were offered across the territory over the last year. The first two were held in Pond Inlet and Arviat, with a third in Iqaluit. The Iqaluit course also contained a longline component. During these courses, students are shown how to construct and repair fishing gear. This provides them with the skills necessary to maintain their own equipment and to effectively pursue small-scale, inshore fisheries. A total of 29 people received netmaking training over the last year.

### Basic Vessel Maintenance

This course provides the skills necessary to maintain and repair small fishing vessels. With the high cost and low availability of parts and service in much of Nunavut, this course enables participants to do much of the basic work required for their boats themselves. It gives the basics of wiring, hydraulics, hull repair, engine service and other skills. There were two offerings last year, one in Iqaluit and one in Cambridge Bay.

### Fourth-Class Fishing Master

This was our most ambitious course of the year. It began in June, with an introduction to the course material and got going properly in September. Seven students took the course, which consisted of several components, each with a separate Transport Canada



examination required. Over 6 months, courses and examinations were given in Simulated Electronic Navigation, Stability, Chartwork & Pilotage, and Navigation Safety. Two students were certified with their Officer of the Watch rating, and 3 obtained their Fourth-Class Fishing Master certificates. These are the first of both these certifications in Nunavut.

### Processing

These courses provided training to processing facilities in Pangnirtung and Cambridge Bay. They were offered to staff and management and were focussed on best practices, hygiene, and overall plant operations.

### Small Engine Repair

Similar to our Basic Vessel Maintenance training, these courses were meant to provide participants with the skills required to perform basic maintenance and repairs on their equipment. Training focussed mainly on two-stroke outboard motors. Overall, 29 students were registered in 3 courses in Rankin Inlet, Clyde River and Hall Beach.

### Offshore Shrimp Processing

This training was held in Iqaluit in December, and provided training to experienced offshore factory workers. Similar to the training provided to the processing facilities in Pangnirtung and Cambridge Bay it focussed on hygiene and food quality, but was meant for people working in factory-freezer shrimp trawlers.

### Bridgewatch

This course provides training to enable participants to sit their Bridgewatch Rating Exam. It was offered to experienced offshore shrimp and turbot harvesters to enable them to advance in their careers. Ten students were registered and eight successfully completed their Transport Canada examinations.

### STCW - Advanced Marine Emergency Duties

This training was offered in conjunction with, and is required for, our Bridgewatch course. In order to receive their certification, students had to complete Basic Safety and Survival Craft courses. This course was undertaken in Stephenville, NL, and provided training up to the international Standards of Training and Certification of Watchkeepers. Seven students began and five successfully completed.

### Vessel Building

This was a work-experience program offered to coincide with the construction of the Government of Nunavut's new fisheries research vessel in Glovertown, NL. In October, two students travelled to the shipyard to work on the vessel, and as of the end of March, one student is still working.

### Marine Diesel Mechanic

At the beginning of the fiscal year we had three students who were still working through our Marine Diesel Mechanic program. This program began in 2008, and over the last year we have had all three of these students complete their work-terms and two have successfully passed their Engine Room Rating exams, administered by Transport Canada.

### Summer Inshore Turbot Fishery Program

This program provided the opportunity for 6 individuals to gain practical experience during the summer turbot fishery in Cumberland Sound. Participants took part in every facet of the fishery, working as deckhands, observers and crew.

### Small Vessel Operator Proficiency

This is the busiest of our community-based programs. We began offering it as result of Transport Canada regulations requiring mandatory safety training for crews of small, inshore commercial vessels. It actually consists of four separate components: SVOP, basic first aid, Marine Emergency Duties A3, and Marine Radio Operators certification (ROC-M). During the last year, we had 8 offerings and enrolled a total of 53 students.

The following table gives additional detail:

Community	SVOP	ROC-M	First Aid	MED A3	Registered Students
Whale Cove	2	2	2	2	2
Baker Lake	8	8	8	8	8
Iqaluit	7	n/a	7	7	7
Kimmirut	8	n/a	8	8	8
Kugaaruk	9	9	9	9	12
Taloyoak	2	2	2	2	6
Cape Dorset	4	4	4	4	4
Iqaluit	6	6	6	6	6
<b>Total</b>	<b>46</b>	<b>31</b>	<b>46</b>	<b>46</b>	<b>53</b>

### SVOP + Navigation

This is an enhanced SVOP. In addition to the regular components, students are also given basic navigation, chartwork and pilotage training. Basic GPS navigation is also taught. We offered this course in Qikiqtarjuaq and Cambridge Bay to a total of 16 students.



### Other Activities

The NFTC's outreach over the last year was focussed primarily on regional trade shows. We participated in the annual Baffin Regional Chamber of Commerce (BRCC) Trade Show in Iqaluit in September. We also had a presence at the Kivalliq Trade Show in Rankin Inlet in November and the Kitikmeot Trade Show in Cambridge Bay in February. In addition, we

travelled to the Labrador Expo at Goose Bay in June. We also attended the BRCC Community Economic Development shows in Resolute Bay, Grise Fiord and Clyde River. While this is less travel than in other years, we feel that the regional shows were particularly productive in terms of inter-organizational contact.



# Independent Auditors Report



*Members  
Nunavut Fisheries Training Consortium  
Iqaluit, Nunavut*

We have audited the accompanying financial statements of Nunavut Fisheries Training Consortium, which comprise the statement of financial position as at March 31, 2011, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

## Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the

auditor considers internal control relevant to the Consortium's preparation and fair presentation of the financial statements 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 Consortium's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Nunavut Fisheries Training Consortium as at March 31, 2011 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

## Other Matter

In our opinion, the costs claimed in these financial statements are in compliance, in all material respects, with eligible costs in accordance with the Aboriginal Skills and Employment Partnership agreement for the period April 1, 2010 to March 31, 2011.

CHARTERED ACCOUNTANTS  
Iqaluit, Nunavut  
May 31, 2011

# Statement of Operations

For the year ended March 31, 2011

	Budget 2011 (Unaudited)	Actual 2011	Actual 2010
<b>Revenue</b>			
Government of Canada			
HRSDC (Note 5)	\$ 1,450,295	\$ 1,450,295	\$ 489,117
CanNor	0	0	40,060
Government of Nunavut			
Environment	150,000	150,000	150,000
ED&T	0	185,440	220,065
Other	0	7,500	5,570
Nunavut Fisheries Symposium	0	64,081	50,000
Industry Partners (Note 5)			
Arctic Fishery Alliance	92,066	92,066	28,037
Baffin Fisheries Coalition	294,073	294,073	93,463
Cumberland Sound Fisheries	119,706	119,706	37,337
Qikiqtaaluk Corporation	74,953	74,953	18,686
Kakivak Association	100,000	94,097	81,673
Kitikmeot Economic Development Commission	60,000	30,000	0
Kivalliq Partners in Development Ltd.	75,000	0	45,847
Nunavut Arctic College	47,850	196,400	40,725
Nunavut Development Corporation	15,000	15,820	15,000
Hunter and Trapper Organizations	64,050	9,340	8,100
Amortization of capital assistance	0	3,591	26,393
Interest	0	1,890	728
Expense recoveries and other	186,413	31,294	49,577
	2,729,406	2,820,546	1,400,378
<b>Expenses</b>			
Bad debts	0	0	377
Communications	15,000	54,527	63,189
Community outreach	12,000	226,645	33,479
Depreciation	0	10,551	29,731
Insurance	6,000	6,421	5,887
Interest and bank charges	900	1,058	528
Office	14,880	53,630	47,251
Professional fees	17,000	79,537	99,618
Rent	33,000	33,543	32,360
Salaries and wages	388,159	372,012	354,979
Telecommunications	9,600	9,037	10,307
Training programs	1,963,782	1,673,199	532,833
Training travel and accommodations	269,085	312,452	132,834
	2,729,406	2,832,612	1,343,373
<b>Excess Revenues (Expenses)</b>	<b>\$ 0</b>	<b>\$ (12,066)</b>	<b>\$ 57,005</b>

# Statement of Changes in Fund Balances

For the year ended March 31, 2011

	General Fund	Invested in Equipment	2011	2010
<b>Balance, Opening</b>	\$ 80,149	\$ 6,044	\$ 86,193	\$ 29,188
Excess revenues (expenses)	(12,066)	0	(12,066)	57,005
Purchase of equipment	(1,716)	1,716	0	0
Depreciation	10,551	(10,551)	0	0
Amortization of capital assistance	(3,591)	3,591	0	0
<b>Balance, Closing</b>	\$ 73,327	\$ 800	\$ 74,127	\$ 86,193

# Statement of Financial Position

As at March 31, 2011

	2011	2010
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 0	\$ 573,632
Accounts Receivable (Note 3)	177,023	198,741
Prepaid Expenses	2,905	5,751
	179,928	778,124
<b>Equipment</b> (Notes 2(d) And 4)	10,974	19,809
	\$ 190,902	\$ 797,933
<b>Liabilities</b>		
<b>Current</b>		
Bank Indebtedness	\$ 91,161	\$ 0
Accounts Payable And Accrued Liabilities	15,440	17,386
Deferred Revenue (Note 5)	0	680,589
	106,601	697,975
<b>Deferred Capital Assistance</b> (Notes 2(f) And 6)	10,174	13,765
	116,775	711,740
<b>Net Assets</b>		
<b>General Fund</b>	73,327	80,149
<b>Invested In Equipment</b>	800	6,044
	74,127	86,193
	\$ 190,902	\$ 797,933

# Statement of Cash Flows

For the year ended March 31, 2011

	2011	2010
<b>Operating Activities</b>		
Excess revenues (expenses)	\$ (12,066)	\$ 57,005
Items not requiring (providing) cash:		
Depreciation	10,551	29,731
Amortization of capital assistance	(3,591)	(26,393)
	(5,106)	60,343
<b>Cash provided by (used for) changes in non-cash working capital:</b>		
Accounts receivable	21,718	290,065
Prepaid expenses	2,846	1,187
Accounts payable and accrued liabilities	(1,946)	(647,874)
Deferred revenue	(680,589)	384,839
	(663,077)	88,560
<b>Financing Activities</b>		
Deferred capital assistance received	0	14,956
<b>Investing Activities</b>		
Purchase of capital assets	(1,716)	(14,956)
<b>Increase (Decrease) In Cash</b>	<b>(664,793)</b>	<b>88,560</b>
<b>Cash, Opening</b>	<b>573,632</b>	<b>485,072</b>
<b>Cash (Bank Indebtedness), Closing</b>	<b>\$ (91,161)</b>	<b>\$ 573,632</b>



# Notes to the Financial Statements

For the year ended March 31, 2011

## 1. Nature Of The Organization

The Nunavut Fisheries Training Consortium was incorporated October 28, 2004 as a not-for-profit corporation without share capital under the provisions of Part II of the Canada Corporations Act. The purpose of the Consortium is to facilitate the development of training profiles for fishery related occupations for the Inuit people of Nunavut.

The Consortium is exempt from income tax under Sec. 149(1)(l) of the Income Tax Act (Canada).

## 2. Significant Accounting Policies

The accounting policies followed by the Consortium are in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies:

### (a) Use of Estimates

The preparation of the financial statements of the Consortium requires management to make estimates and assumptions based on information available as of the date of the financial statements. Therefore, actual results could differ from those estimates.

### (b) Financial Instruments

The Consortium's financial instruments consist of cash (bank indebtedness), accounts receivable, and accounts payable and accrued liabilities.

Cash (bank indebtedness), accounts receivable, and accounts payable and accrued liabilities are reported at their fair values on the balance sheet. The fair values are the same as the carrying values due to their short-term nature.

It is management's opinion that the Consortium is not exposed to significant interest, currency or credit risks arising

from these financial instruments unless otherwise noted.

### (c) Revenue Recognition

The deferral method of revenue recognition is followed. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

### (d) Equipment

Equipment is recorded at cost. Depreciation is provided annually at rates calculated to write-off the assets over their estimated useful lives as follows:

Training equipment

*5 year straight line*

Computer and office equipment

*5 year straight line*

Leasehold improvements

*5 year straight line*

### (e) Contributed Materials and Services

The Consortium receives contributed materials and services in the normal course of operations. Where the value can be reasonably determined the contributed materials and services are recorded at their estimated fair value.

### (f) Government and Industry Assistance

Government and industry assistance towards equipment is recorded as deferred capital assistance. Deferred capital assistance is amortized into revenue on a straight line basis at the same rate as the corresponding capital asset is depreciated. Forgivable loans are recorded as revenue in the year of forgiveness. Government assistance towards expenditures is recorded as revenue using the accrual basis.

### 3. Accounts Receivable

	2011	2010
Canadian Northern Economic Development Agency	\$ 0	\$ 5,000
Government of Nunavut	47,487	109,013
Kakivak Association	51,890	49,436
Kitikmeot Economic Development Commission	30,000	0
Other	47,646	35,292
	<b>\$ 177,023</b>	<b>\$ 198,741</b>

### 4. Equipment

	2011			2010
	Cost	Accumulated Depreciation	Net Book Value	Net Book Value
Training equipment	\$ 142,575	\$ 142,575	\$ 0	\$ 0
Computer and office equipment	74,516	66,037	8,479	16,481
Leasehold improvements	4,160	1,665	2,495	3,328
	<b>\$ 221,251</b>	<b>\$ 210,277</b>	<b>\$ 10,974</b>	<b>\$ 19,809</b>

### 5. Deferred Revenue

Deferred revenue consists of contributions from funding agencies that have not been expended as follows:

	2011	2010
<b>Human Resources and Skills Development Canada</b>		
Balance, opening	\$ 480,589	\$ 0
Contributions	969,706	969,706
Contributions utilized and/or repaid	(1,450,295)	(489,117)
Balance, closing	0	480,589
<b>Baffin Fisheries Coalition</b>		
Balance, opening	0	295,750
Contributions (repayments)	0	(295,750)
Balance, closing	0	0
<b>Industry Partners</b>		
Balance, opening	200,000	0
Contributions	380,798	382,538
Contributions utilized	(580,798)	(182,538)
	0	200,000
	<b>\$ 0</b>	<b>\$ 680,589</b>

## 6. Deferred Capital Assistance

	2011			2010
	Original Amount	Accumulated Amortization	Unamortized Amount	Unamortized Amount
Canadian Northern Economic Development Agency	\$ 194,831	\$ 188,867	\$ 5,964	\$ 7,952
Industry Partners	8,016	3,806	4,210	5,813
	\$ 202,847	\$ 192,673	\$ 10,174	\$ 13,765

## 7. Economic Dependence

The Consortium receives the majority of its funding from Human Resources and Skills Development Canada. Without continued funding from the Government of Canada, it is unlikely that the Consortium's operations would be able to continue.

The Consortium has entered into a new agreement with Human Resources and Skills Development Canada and other industry partners for the period April 1, 2009 to March 31, 2012. Human Resources and Skills Development Canada will provide maximum funding of \$2,909,115 over the term of the agreement.

## 8. Commitments

The Consortium is committed to annual lease payments for office space as follows:

2012	<u>\$32,725</u>
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## 9. Comparative Amounts

Certain 2010 comparative amounts have been reclassified to conform to the financial statement presentation adopted in the current year.

# Statement of Operations by Project

For the year ended March 31, 2011

	NFTC Admin	Bridge Watch & Factory	Longline & Inshore Fishery	Marine Diesel Mechanic	Mentoring & Recruiting	Navigation Courses	Net Making	Pre FMIV & FMIV	Pre-sea	Processing Courses	Small Engine	SVOP Courses	Fisheries Symposium	Vessel Courses	Total
<b>Revenues</b>															
HRSDC	\$ 145,456	\$ 163,555	\$ 45,062	\$ 27,706	\$ 94,564	\$ 24,732	\$ 134,416	\$ 345,250	\$ 208,171	\$ 53,929	\$ 71,825	\$ 0	\$ 0	\$ 135,629	\$1,450,295
GN	150,000	0	0	0	0	0	0	0	0	0	7,500	185,440	0	0	342,940
Industry Partners	178,647	35,744	4,149	0	86,296	79,030	57,892	23,312	58,588	0	28,196	0	0	28,944	580,798
Kakivak	0	7,731	0	2,750	0	0	0	53,150	3,300	0	0	27,166	0	0	94,097
HTOs	0	0	0	0	9,340	0	0	0	0	0	0	0	0	0	9,340
NDC	0	0	0	0	0	0	0	0	0	6,328	0	0	0	9,492	15,820
NAC	21,600	13,500	0	3,000	50,000	7,500	7,500	51,000	18,000	0	6,300	18,000	0	0	196,400
Other	3,591	0	0	0	0	0	0	10,200	0	0	21,094	0	64,081	30,000	128,966
Interest	1,890	0	0	0	0	0	0	0	0	0	0	0	0	0	1,890
	501,184	220,530	49,211	33,456	240,200	111,262	199,808	482,912	288,059	60,257	134,915	230,606	64,081	204,065	2,820,546
<b>Expenses</b>															
Communications	11,422	0	0	0	42,985	0	0	0	0	48	0	0	0	72	54,527
Depreciation	10,551	0	0	0	0	0	0	0	0	0	0	0	0	0	10,551
Insurance	6,421	0	0	0	0	0	0	0	0	0	0	0	0	0	6,421
Bank charges	1,058	0	0	0	0	0	0	0	0	0	0	0	0	0	1,058
Office	38,296	0	0	58	12,715	0	0	0	0	880	0	0	361	1,320	53,630
Outreach	7,759	13,500	0	3,000	54,683	7,500	7,500	51,000	18,000	5,400	6,300	18,000	25,903	8,100	226,645
Professional fees	18,430	0	0	0	0	0	0	0	0	0	0	23,290	37,817	0	79,537
Rent	33,543	0	0	0	0	0	0	0	0	0	0	0	0	0	33,543
Telephone	9,037	0	0	0	0	0	0	0	0	0	0	0	0	0	9,037
Training	0	146,518	49,211	27,953	69,028	103,738	188,391	401,343	222,973	53,929	103,552	189,316	0	117,247	1,673,199
Travel	0	60,512	0	2,445	60,789	24	3,917	35,290	47,086	0	25,063	0	0	77,326	312,452
Wages	372,012	0	0	0	0	0	0	0	0	0	0	0	0	0	372,012
	508,529	220,530	49,211	33,456	240,200	111,262	199,808	487,633	288,059	60,257	134,915	230,606	64,081	204,065	2,832,612
	\$ (7,345)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (4,721)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (12,066)