

10

A Decade of Continued Prosperity



TEWATOHNHI'SAKTHA

KAHNAWAKE ECONOMIC DEVELOPMENT COMMISSION

10th ANNUAL REPORT 04/01/09 - 03/31/10



10th Annual Report

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TEWATOHNNI'SAKTHA

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Going Green

We continue our efforts of "Going Green" by making simple and practical changes in our work habits to do our part to "green" our office. Some of our efforts included reducing the amount of energy we use, reusing and recycling, purchasing eco-friendly supplies and products, sharing documents electronically when appropriate and printing double-sided for items that must be printed, etc. A greener workplace can mean a lighter ecological footprint, a healthier and more productive place to work, and good news for the bottom line.

Lionel Jacobs
Chairperson,
Board of Directors
Term ends 2011

Dwayne Kirby
Vice-Chairperson/Treasurer
Board of Directors
Term ends 2011

BOARD OF DIRECTORS

Jack Leclaire
Member, Board of Directors
Term ends 2013

Charles Barnett
Member, Board of Directors
Term ends 2013

Chibon T. Everstz
Member, Board of Directors
Term ends 2013

Terry Diabo
Member, Board of Directors
Term ends 2011

Tyler Diabo
Member, Board of Directors
Term ends 2011

Message from Lionel Jacobs Chairperson

In this, my first annual report message as Chairman of the Tewatohnhi'saktha Board of Directors, I would first like to congratulate the Tewatohnhi'saktha staff and other Board members, both past and present, on the organization's ten year anniversary. Within the first ten years of existence, Tewatohnhi'saktha has invested \$14.4 million in Kahnawakehrónon and Kahnawake businesses through our Small Business Services (SBS) and Employment & Training (E&T) divisions' programs and services, as well as lending \$2.1 million to business start-ups through the Tewatohnhi'saktha Business Loan Fund and Kahnawake Youth Business Fund.

These investments have led to the start-up of 145 businesses, which have created a total of 1,050 jobs, including those subsidized by E&T funding, non-subsidized jobs, through the Kahnawake Summer Student Employment Program, along with jobs created by the Kahnawake Office Complex and the Kahnawake Business Complex.

To achieve these results, SBS and E&T staff have provided services to over 8,000 clients. Our Revenue Generation (RG) division, has generated \$13.6 million in revenues that have been reinvested in the Kahnawake Business Complex, the Kahnawake Office Complex, and which will be used for future projects such as the wind energy project.

This past year alone, SBS and E&T have provided the community with \$1,382,144 in programs and services and have provided services to 1,027 clients. From April 2009 to March 2010, 14 businesses were started with the help of SBS, with \$348,855 being loaned through Tewatohnhi'saktha's Business Loan

Fund. Both E&T and SBS helped to create employment for 92 individuals during the year. As well, RG generated \$4,168,005 in profits with the help of SBS and the Organizational Services division.

Such results would not be possible without the help and support of Organizational Services, who helped ensure that staff of the SBS, E&T and RG divisions were well maintained: the accounting department ensuring clients received cheques on time and for the correct amount; the Information Technologies department ensuring

Looking ahead to 2010 and the beginning of 2011, we are excited by what Tewatohnhi'saktha is doing to ensure it will continue to serve the community. One session of E&T division's Career Building Skills program was held in 2010 and another two will be conducted in the coming year. The Introduction to Construction Trades program started in the spring of 2010. Another upcoming E&T initiative is the Strategic Community Health Careers program which will partner with the Kahnawake Education

The Board of Directors is responsible for ensuring that Tewatohnhi'saktha's goals and objectives are achieved. It has broad responsibilities to ensure that appropriate policies are set, that the organization is being managed well, and that finances are sound.



Board of Directors L-R: Terry Diabo, Jack Leclaire, Tyler Diabo, Lionel Jacobs, Charles Barnett. Missing: Dwayne Kirby, and Chibon T. Everstz.

computers were operating, and keeping the computer training classroom fully functional; and reception, ensuring clients were provided with information and booking appointments for Business Service Officers and Employment Counsellors.

As well, the Communications Department played its role, ensuring the community was well informed about the organization's programs and services and special projects.

Center and the Kateri Memorial Hospital Center. Both SBS and E&T are looking to conduct a socio-economic household survey this fall, as this study is done every five years. On the project side, Tewatohnhi'saktha submitted a bid for 24 megawatts of wind energy in response to a Hydro Quebec call for tenders from Aboriginal projects. We are also looking at the feasibility of a waste management center and a health care project. ↪

Mission:
Tewatohnhi'saktha exists to stimulate and enhance Kahnawake's economic growth by investing in people and businesses, as well as other economic opportunities.

OFFICE OF THE C.E.O.

John Bud Morris
Chief Executive Officer

Lisa Lahache
Executive Assistant

**Revenue Generation
Division**

**Employment & Training
Division**

**Small Business Services
Division**

**Organizational Services
Division**

To provide overall direction and leadership to the organization, ensure systems and processes are in place to achieve strategic results and manage the organization in a fiscally responsible manner. To create opportunities for business and employment and to generate revenue for Kahnawake and Tewatohnhi'saktha.

Message from John Bud Morris Chief Executive Officer

The 2009-2010 fiscal year marked our tenth year of operations and for the first time in our short history, we have the financial capacity to leverage investments in larger scale projects, for which Tewatohnhi'saktha was created. It is now a matter of selecting the investments that fit best with Kahnawake. This means choosing investments that provide the right balance between risk and return on investment, job creation and prof-

studied, wind generated electricity looks to be where we should commit to invest. Three principal factors helped us draw this conclusion. The first is timing - Hydro Quebec Distribution set a specific date of July 6, 2010 to submit a bid and they will enter into a 20-year purchase agreement for the supply of wind generated electricity with the winning bidders. Secondly, it is a relatively low risk area, generating a good return with the backing of a 20-year contract. And thirdly, it is a form of renewable energy that has a net impact of lowering CO2 emissions.

have the opportunity of leveraging our investment to bring back to the community a significant annual revenue stream. This annual revenue stream can then be reinvested into new projects and new or existing programs for the community.

In other developments, our Employment and Training division is approaching a cross road. Since 1998, funding for this division has remained relatively constant under federal funding. For the first time, Tewatohnhi'saktha estimates that it may be required to turn away applicants for lack of funds in 2011-2012. This prediction is based on the increasing cost of delivering the program due to price escalators (increased tuition and living costs multiplied by an increasing number of clientele).

In response to this scenario, Tewatohnhi'saktha has approached the Mohawk Council of Kahnawake to initiate a dialogue on possible solutions and has initiated a program review to determine if there are any program elements which are not cost effective. Over a longer period, some of Tewatohnhi'saktha's proposed revenue generating investments could be used to offset program costs but we are still a few years away from that scenario.

Thus, we begin our new decade with the optimism brought on by the prospect of having the ability to fulfill our mandate to invest in large scale projects, but it is tempered by the short term financial requirements of our other programs. Tewatohnhi'saktha will always endeavour to find the right balance between this internal competition for resources, but one thing is clear, the longer term prospects of the next decade are bright. 🍀



Chief Executive Officer John Bud Morris, is optimistic about Tewatohnhi'saktha's prospects.

itability, and feasibility and community acceptance.

Over the past year, we have focused on a number of projects including wind generated electricity, waste-to-energy, a pharmacy and intermodal transportation. Of all the investment opportunities we have

The major trade off is that the project is not a very strong job generator. Of course, being that the call for tenders by Hydro Quebec Distribution is a competitive process, there are no guarantees that our bid will be selected. However, if it is selected, we will



Nancy Stacey
Director HR/Administration
Organizational Services
Division

Leslie Morris
Executive Assistant

ORGANIZATIONAL SERVICES

Penny Kane
Secretary/Receptionist

***Bonnie Jacobs**
PR/Communications Officer

Cathy Diabo
Accounting Manager

Diane Stacey
Financial Clerk

****Erica McComber**
Maintenance

*Currently on medical leave. **Replacing Deidre Lahache, leave of absence.

Message from Nancy Stacey Director

It is my pleasure to provide you with a brief overview about some of our work and activities in 2009/10.

Strategic & Operational Plan

Every three years, OSD prepares a Three-Year Strategic and Operational Plan based on the strategic framework set by the organization. This planning process requires employees to develop the best approach to support the organization in reaching its desired future.

On March 31, we closed the first chapter of our Three-Year Plan. We declared our accomplishments, identified our shortfalls, and reflected on our key learnings.

Of the 11 strategies that OSD worked on, seven were fully accomplished and four were carried over to our Year Two Plan.

With a declared set of organizational strategies, we have a clear understanding of the organization's direction and the connection between how the work we do at a divisional level connects and contributes to our organizational results.

Employee Recruitment & Retention:

Of the 30 employees we employ, we are pleased to report that we had no voluntary departures last year. Maintaining a stable workforce put us in a position to keep a steady pace in our delivery of services and on our progress carrying out our strategic and operational plans.

Newest hires:

- ◆ Marcy Delisle, Economic Development Analyst/ External Consultant
- ◆ Jessica Dearhouse, Information Technology Technician
- ◆ Michael Jacobs, Building Maintenance Superintendent
- ◆ Erica McComber, Cleaning/Maintenance

Talent Management

Last year, I reported that we would be developing a Talent Management Strategy & System (TMS) at Tewatohnhi'saktha. Today I am pleased to report that we did. We put into place a system that will ensure we have a continuous supply of highly pro-

ductive individuals to achieve our organizational results.

This is a continuous process intended to facilitate being strategic and deliberate in how we attract, source, select, train, develop, promote, and move our employees through the organization.

A 5-Year Talent Management Strategic Plan was prepared containing seven key strategies:

- ◆ Recruitment and Selection
- ◆ On-Boarding
- ◆ Training and Development
- ◆ Career Planning
- ◆ Succession Planning
- ◆ Recognition and Reward
- ◆ Retention

Our mission is to support the strategic direction and priorities of Tewatohnhi'saktha. We strive to meet and exceed the needs and expectations of our clients and stakeholders by continuously improving our timely, efficient and essential support services.



Continued on page 4



OSD Team, L-R: Nancy Stacey, Diane Stacey, Penny Kane, Leslie Morris, Cathy Diabo. Missing: Bonnie Jacobs and Deidre Lahache.

CORE VALUES

RESULTS ORIENTED ACCOUNTABLE PROGRESSIVE & INNOVATIVE PROFESSIONAL CUSTOMER FOCUSED EMPLOYEE FOCUSED TEAMWORK ORIENTED OPEN & HONEST

EMPLOYEE DEVELOPMENT

A few examples of the training and development opportunities Tewatohnhi'saktha sponsored for its employees last year:

Critical Elements of Customer Service

Communication Strategies for Frontline Workers

Partnering with your boss: strategic skills for administrative professionals

Management Skills for New Supervisors and Managers
Giving and Receiving Feedback

Uncovering the Genius Within You

Intervention Approach for Employment Counselors

Fundraising Training

Principles of Persuasions

Statistics Canada – Surveys Start to Finish

Native Economic Management System Training

Virtualization Technologies: A Comprehensive Hands-On Introduction

Basic First Aid/CPR training (including automated external defibrillator)

Operational Auditing

Beginner Tools for Internal Auditors

Managing Economic Development Organizations

Leadership Summit

Tax and Corporate Planning for First Nations SMEs

Employment Readiness Scale (ERS) Counseling Software

I remain passionately enthusiastic about Tewatohnhi'saktha's future and look forward to being a part of it in the years ahead. You have my personal commitment that the OSD Team will make you proud of how our continued dedication to our organization and community delivers value to everyone that we touch.



Tewatohnhi'saktha sponsors training and development opportunities for its employees to ensure high productivity and to reach our organizational goals.



Employees are encouraged to participate in community events such as the annual community dragon boat festival at Onake Paddling Club.

Each strategy has a number of Strategic Action Initiatives associated with it. This year, focus is on implementing two of the work plans developed under the strategies of Recruitment and Selection and Recognition and Reward.

Closing

I am incredibly proud of the people I work with; their loyalty, commitment, and tireless efforts to provide quality customer services to our organization and community. On behalf of the OSD team, I offer my sincere thanks to the Senior Management Team and Board of Directors for your strong leadership and continued support, and to our customers - for inviting us into your lives and giving us the opportunity to work with you.

We look forward to serving you in the year ahead! ✍️

Our goal is to enable our people to excel in their current jobs as well as develop them for future roles and responsibilities. Investing in learning opportunities is vital for continuous growth. Employees need to be equipped so that they can continue to provide quality services to our customers and community.

Barbara McComber
Director
Small Business Services

SMALL BUSINESS SERVICES

Angela Deer
Loans Officer

Tammy Delaronde
Business Services Officer/
Manager of Facilities Lease
Contracts

Daryl Leclaire
Business Services Officer

Message from Barbara McComber Director

This year marked a special milestone for Tewaohnni'saktha in that we celebrated our 10th anniversary serving Kahnawake's business community. We would like to take this opportunity to not only report on Small Business Services' (SBS) activities during the past year, but also what we have accomplished overall during the last ten.

Heads-Up Summer Program

I am very pleased to tell you about an exciting new project that we embarked upon last summer which was geared specifically toward our future entrepreneurs. Although this was the second summer the Heads Up Program was sponsored by Employment & Training for Kahnawake youth, SBS had the privilege of co-managing this past summer's program for the first time with E&T.

During the first half of the program, community youth between the ages of 14-17 were offered the chance to learn life skills, business skills, and to learn about the work environment. Their newly acquired knowledge and skills were put into action in the second half of the program as they participated in running an actual business and were the direct recipients of the sizeable profits generated by their tireless efforts. The business was titled "Kahnawake's Largest Yard Sale and BBQ".

The program was structured to also provide activities and day trips that allowed the youth to have fun and become acquainted with one another. Our participants were also given the invaluable opportunity of visiting local businesses and organizations to get the

feel of potential employment or proprietorship of a business, and an idea of possible career opportunities in both the public and private sectors. A total of 30 youth participated in this rewarding and successful two-week program.

Grant Programs

This past year, SBS invested \$179,962 in direct contributions to community businesses through the

In addition to the benefits that these contributions have made to our business community, I believe the most important challenge for SBS is providing programs and services that meet the needs of our existing and future entrepreneurs in light of the fact that we have a dynamic economy which is constantly changing, both locally and globally.



SBS Team, L-R: Daryl Leclaire, Barbara McComber, Angela Deer and Tammy Delaronde.

following non-repayable grant programs:

- ◆ Business Assistance Fund
\$46,673
- ◆ Marketing Program Fund
\$102,413
- ◆ Professional Services Fund
\$30,876
- ◆ Indirect contributions
\$24,013

Celebrating Our 10th Year of Support to the Community

The most significant accomplishment of SBS over the past ten years was the loan activity in our Tewaohnni'saktha Business Loan Fund (TBLF) portfolio. The number of direct loans approved for the support of our business community since the inception of the loan fund

*The primary objective of SBS
is to ensure that all*

*Kahnawa'kehró:non who
choose self-employment as a
career path have access to all
the managerial, professional,
financial and technical serv-
ices necessary for the suc-
cessful operation of their
businesses.*



Continued on page 6

To the following clients who are still in business or have expanded their businesses within the past five to 10 year period and beyond, may we offer our heartiest congratulations.

1988

Kahkotsi:io Salon

Kahnawake's only beauty salon serving the community for 22 years.

1992

The Eastern Door

Kahnawake's only printed and on-line weekly newspaper providing the latest news for 18 years.

1995

Eileen's Cakes & Pastries

Bakery and pastry, meals and catering shop open 7 days a week, in business for 14 years.

1998

Millennium Productions

Video production.

1998

Favors

Gift wrapping, party favors, decorations, occasion cards, balloons and party services.

1999

Twincutters Tree Service

Tree cutting and trimming services.

1999

Tammy Beauvais Designs

Designer of Native inspired clothing for men, women and children.

2002

OCR Necessities

Convenience store and gas bar.

2002

Patton's Glen

Par 3 golf course.

2004

Sequoia Native Arts

Boutique specializing in home-made soaps, candles, and other assorted products.

2004

Fun Bounce Inflatables

Rental of inflatable bounce units for children's parties.

2004

The Learning Centre

Specializing in private tutoring for all ages, languages, adult literacy, & many more services.

2005

The Edgewater Café

Popular restaurant, outdoor café and entertainment venue.

The most significant accomplishment of SBS over the past 10 years was the loan activity in our Business Loan Fund portfolio.

Continued from page 5

in 1998 is 126, totaling \$2,567,976. Of this, 51 were awarded from our Kahnawake Youth Business Fund, 11 from the National Aboriginal Capital Corporation Association Fund, and 64 from the TBLF.

One of the unique features of our youth fund is that we are able to offer a 'forgiveness benefit' of 25% of the loan once 75% is repaid in a timely manner. The total amount of this benefit provided to our youth loan clients since 1998 is \$129,237.

In keeping with this year's theme, we would like to share the names of some of our Kahnawake businesses (*listed at left*) that have withstood the 'test of success' rite of passage (five to ten years and beyond) by overcoming and surpassing significant obstacles associated with owning and/or expanding a business.

Some examples of these hurdles would be acquiring adequate business expertise, lack of sufficient equity or collateral, overcoming lean operational circumstances, human resources challenges, in many circumstances juggling demanding family life and business, and many more. We had the privilege and honor of providing them with entrepreneurship training, business plan preparation, business loans, financial support for marketing and professional services, grants, on-going mentoring, aftercare, accounting services, business consulting and business seminars, to name a few.

Here are some of the accomplishments that SBS initiated and completed for the business community over the last ten years:

- ◆ SBS reported the effects of leakage to the community from the 2005 Household Survey



SBS initiated the Annual Business Peoples' Golf Tournament and is proud to report that proceeds from these tournaments go toward helping community organizations in need.

- ◆ New \$100,000 TBLF business loan feature in addition to loan guarantees and youth loans
- ◆ Business People's Forum
- ◆ Training Seminars for business people
- ◆ Community business expansions
- ◆ Customer Service Video
- ◆ Kahnawake Business Directory
- ◆ Business People's Exhibition
- ◆ Business People's Golf Tournament
- ◆ Tourism Office
- ◆ Business Incubator
- ◆ Entrepreneurship Training Course
- ◆ Shop Kahnawake Website
- ◆ Shop Kahnawake Map
- ◆ Tourism Guide
- ◆ Aftercare services

Client Satisfaction Survey

Our goal for 2010 is to be guided by the results of our 2009 Client Satisfaction survey to improve our products and services. This survey was conducted

within the community by an independent consultant over a period of two months, from December 14, 2009 to February 12, 2010.

We are pleased to have this crucial data to use as a tool for direction and as a measurement of our improvement. Although the results showed that our clients are relatively content, there are areas which need fine-tuning. In order to respond to the comments contained in the survey report, SBS will be holding focus groups in 2010 to gather feedback directly from the business community.

Our SBS staff has been serving the business community through Tewatohnhi'saktha for a combined total of 43 and a half years: Barbara - 14 years; Angela - 11 years; Tammy - ten years; and Daryl - eight and a half years. It is with pride I reiterate that our accomplishments in 2009, as well as over the past ten years, would not have been possible without the stability, long-term dedication and hard work of our SBS team. Niá:wen ko:wa. 🌊

SMALL BUSINESS SERVICES MAKING SUCCESS HAPPEN

A second chance

With the help of Small Business Services, Kanenhontie Picard got a second chance with her business Simple Pleasures. "We were open two years ago, but had to close down because the catering was busier," Picard explained, who, having offered catering services for about seven years, sought Tewatohnhi'saktha for help. She recently re-opened the luncheonette which offers a healthy menu with ingredients straight from the garden.



PHOTO: JESSICA DEER

Simple Pleasures strives to offer a healthy menu for Kahnawa'kero:non.

"I went into their Entrepreneurship Training program, but I had a baby, so it was really hard to complete the whole process," said Picard. Still determined, she approached Tewatohnhi'saktha a second time. "They said I could start back where I left off."

Shortly after finishing the program and equipped with a loan, Simple Pleasures' establishment was reborn. "Tewatohnhi'saktha helped me accomplish a goal I didn't think I was going to ever complete."

Picard shares this advice to budding entrepreneurs, "If you want to open your own business, ask Tewatohnhi'saktha for help. Whatever kind of help I need from them, they are always there; I just have to pick up the phone and ask."

Helping business succeed

The Eastern Door has been providing news to Kahnawake since 1992. At 18 years old, the business accesses the many programs and services offered by Tewatohnhi'saktha.

"We try to take advantage of whatever they offer because we know they are well versed in what they do," said Steve Bonspiel, Editor and Publisher of The Eastern Door. "If we have any questions related to finances or day-to-day operations of the business, they are always there for us. We appreciate their help."

The Eastern Door also uses the Kahnawake Summer Student Employment Program and Part-Time Post-Secondary Employment Program, giving students experience for future employment.

"My advice for entrepreneurs is to use Tewatohnhi'saktha's services as much as you can. There is no other organization in town that helps small business this much," said Bonspiel.

Planning for success

Car enthusiast Donald Phillips opened Central Station Customs in the summer of 2009 and business has since been thriving.

"Without Tewatohnhi'saktha's Small Business Services and their help with my business plan, I would not have received grants from Aboriginal Business Canada. Without that, I would not have my shop," said Phillips.

Central Station Customs specializes in vehicles' audio, security, and performance needs. "It is the most awesome car stereo shop ever," added Phillips.

In addition to aiding Phillips in preparing



PHOTO: JESSICA DEER

Steve Bonspiel and Tracey Deer purchased The Eastern Door in 2008 from founder Kenneth Deer.

a business plan, Small Business Services included receiving financing and teaching the basics of being an entrepreneur.

"The experience was long and tedious, but in the end, worth it. You do not see a lot of businesses a year after opening because of improper planning," said Phillips.

He shares this advice to entrepreneurs, "Be ready for a lot more paper work than you expect to do; nothing is going to happen as fast as you want it to. You have to do a lot of work and planning. Go to Tewatohnhi'saktha because they are the experts. You really do need every bit of extra help you can get."



PHOTO: JESSICA DEER

Donald Phillips with his employee Skyler Taylor at Central Station Customs, located on Route 138.

EMPLOYMENT & TRAINING

Leslie Morris
Executive Assistant

Steven Horne
Director
Employment & Training

Angie Marquis
Employment & Training
Counselor / Youth Programs
Coordinator

Herb Rice
Employment & Training
Officer

Helen Watso
Employment & Training
Counselor

Gene Montour
Employment & Training
Counselor

Kara Paul
CBS Coordinator

Christine Diabo
Administrative Assistant

Sandra Jacco
Administrative Clerk

Our mission is to help develop Kahnawake's human resources by providing effective labour market integration services to individuals, groups and businesses.



E&T team (L-R): Sandra Jacco, Angie Marquis, Herb Rice, Helen Watso, Gene Montour, Petal MComber, Steven Horne. Missing: Kara Paul, Christine Diabo, Leslie Morris.

Message from Steven O. Horne Director

Investing in our People

Sewakwe:kon. Investing in businesses, investing in opportunities, and investing in people are the main pillars on which Tewatohnhi'saktha is built. The Employment and Training division (E&T) focuses on the latter: investing in our people.

Within the community, E&T has become synonymous with vocational and adult education. We have invested significantly in these fields, supporting hundreds of community members in one

fashion or another. These may have been through career counseling, assessments and development plans that have led to formal training and finally to meaningful jobs.

This past year witnessed a very high level of activity in the E&T unit as we served over 700 community members and partnered with over 50 community organizations and businesses in one form or another. All of these efforts are aimed at the economic development and self-sufficiency of Kahnawa'kehró:nnon by improving employability through our employment and training services and programs.

In the past year we were successful in accessing Canada's Economic Action Plan, which allowed us to develop and implement two unique projects:

Introduction to Construction Trades

This unique hybrid of academic and vocational studies, including welding, carpentry, electrical and plumbing, will prepare students to enter a vocational training program while transferring up to 200 accumulated training hours towards accreditation. The academic portion will ensure each student is fully pre-

pared academically to accept the challenges of further intensive vocational training.

Career Building Skills

This program has been underway since January of 2010. We began with a group of passionate and motivated individuals who were ready to take on the challenge of preparing themselves for the current labor market by learning new skills and techniques.

Students will complete four weeks of in-class instruction, followed by two weeks of academic sampling where each student has the opportunity to visit local training centers and schools. Participants will then enter the labor market on a six-week internship, which will allow them to confidently start on a great path to success.

Finally, E&T continues to participate and represent the human resource development interests of Kahnawà:ke at the First Nations Human Resource Development Commission of Quebec (FNHRD-CQ). This alliance is important to our community as it ensures both information and financial support for the present and in future years, to meet our human resource development needs.

We are confident that we will continue to work productively with the businesses community, public organizations, and our existing and upcoming workforce, in order to consistently provide for ourselves and to maintain the prosperity and wealth of Kahnawake. Sken:nen. 🌿



Some of the 22 participants of the Actua Science camp enjoying a science experiment.



*“Go confidently in the direction of your dreams.
Live the life you have imagined”.*

Henry David Thoreau

Message from Angie Marquis Youth Programs Coordinator

The Kahnawake Summer Student Employment Program provided jobs for 43 students during the months of May to August, 2009. There were 17 High School students, two Adult Education students, 12 CEGEP, 11 University and one student from the Ratiwenna'ni:rats Program.

New to the program this year was part-time employment (25 hours per

week). Career development workshops offered during the summer were Microsoft Word and Excel, Professionalism in the Workplace, and Labour Market Information.

The Heads Up Program was in its second year of “business.” The participants learned valuable life, career, and business skills during the 13-day program. A lucky 30 youth went home with their profits from Kahnawake's Largest Yard Sale & BBQ, which was held in the parking lot of the Kahnawà:ke Services complex.

New this year was an Employee for a Day experience for participants, who had an opportunity to work within local organizations and businesses for a day, to gain insight into the world of employment.

Actua Science Camp 2009

Tewatohnhi'saktha was pleased to host a science camp in August of 2009. An enthusiastic 22 participants had fun learning and doing science experiments. The camp was geared for students aged eight to 12 years old. Fun was had by all! 🌿

SUMMER YOUTH PROGRAMS 2009

KSSEP Statistics:

| | |
|-----------------|-----|
| # of applicants | 103 |
| # of jobs | 43 |

42 % of applicants received jobs

Average age 21.1 yrs

Total KSSEP Budget 2009:

| Org./Dept. | Total \$ |
|--------------------|-------------------|
| Education Center | 52,955.00 |
| Canada Summer Jobs | 2,906.00 |
| MCK | \$18,400.00 |
| SBS | \$9,175.99 |
| E&T | 63,435.60 |
| Total | 146,872.59 |

Heads Up 2009

of participants 30

Average age 14 yrs

Profits from Kahnawake's Largest Yard Sale & BBQ \$5,089.54

Heads Up Budget \$9,896.98



Jordan Diabo of the Heads Up Program was the Employee for a Day at Tammy Beauvais Designs.

EMPLOYMENT & TRAINING CREATING OPPORTUNITIES



PHOTO: JESSICA DEER

Jonathan Phillips went to Tewatohnni'saktha for training following a recommendation from a friend.

Help with mechanics training

For Jonathan Phillips, Tewatohnni'saktha's services aided in accomplishing his goals. "They helped me by funding me to go to NOVA Career Centre for mechanics," said Phillips.

"At mechanics, they taught me how to weld, speak to the engines and basically diagnose every problem that happens to vehicles."

Six years after receiving his diploma, Phillips is working for Two In One Construction and Riverside Transport. Although currently working mainly in construction, Phillips uses his mechanics training when maintaining dump trucks and other heavy equipment.

Tewatohnni'saktha also helped Phillips obtain his driver's license, in order to operate those vehicles. "They sent me to Tecnic Driving School so I could get my class three driver's license."



PHOTO: JESSICA DEER

Cody Diabo has been working for J. Diabo Electric for one year.

Career wise, Phillips believes he would not be where he is without Tewatohnni'saktha. "I didn't have the funding to take the course because it was so expensive, that is why I turned to Tewatohnni'saktha and they helped me out a lot."

Furthermore, Phillips plans to attend Tewatohnni'saktha's Entrepreneurship Training in hopes to start his own business.

Phillips recommends to others, "You can always turn to Tewatohnni'saktha. Apply and they will

most likely accept you if you have the drive, motivation and are passionate about something."

Training future employees

Without the help of Tewatohnni'saktha's services, Cody Diabo believes he probably would not be working as an electrician apprentice.

Tewatohnni'saktha funded Diabo to attend an Introduction to Trades course at the Iohahiio Adult Education Facility in Akwesasne. "While attending the course, they (Tewatohnni'saktha) checked in now and then, called and asked how it was going and made site visits a few times. They give good support besides the funding," said Diabo.

During the 38-week course, Diabo was taught carpentry, plumbing, and electrical. "I really got attached to the electrical when I started learning about it."

After finishing the course in May 2008, he obtained his current job with J. Diabo Electric as an electrician apprentice. "Without Tewatohnni'saktha, I probably would not have the job. I wouldn't have been able to travel back and forth from Akwesasne without them helping me out financially."

Diabo believes if you are interested in a program, you should "go for it" and ask Tewatohnni'saktha for guidance and financial support. "I just went for it and wasn't sure what would happen. I ended up getting a job. Stuff works out as long as you try."

On-the-job experience

With the help of Tewatohnni'saktha's Employment and Training Job Creation Initiative and a lot of self-determination, Carla Monson gained knowledge and training and found her choice employment.

"My Employment Counselor, Helen Watso, helped me when I was home and getting my son into daycare; I wanted to work," explained Monson.

Previously, after taking adult education and secretarial studies at the NOVA Career Centre, Monson had a baby. "I finished on May 25th and my son was born on May 27th," said Monson.

Being home to raise her son for two years, Monson lacked on-the-job training since receiving her diploma. "This program helped me get that experience and it helped me get my foot in the door. They saw my determination, that I wanted to work."



PHOTO: JESSICA DEER

Carla Monson is the friendly voice on the other side of the phone line when calling the Social Development Unit.

Through the Job Creation Initiative, Monson began her employment at the Mohawk Council of Kahnawake's Social Development Unit as a receptionist on a six-month contract. She has since been employed there for a year and recently received an additional year-long contract.

Monson shares this advice with Kahnawake's employment seekers, "Ask questions and go see an employment counselor; they are there to help you."

REVENUE GENERATION

Kyle Delisle
Director
Revenue Generation

Lisa Lahache
Executive Assistant

Amy Rice
Economic Development
Analyst/Internal Consultant

Marcy Delisle
Economic Development
Analyst/External Consultant

Sose Canadian
Information Systems
Manager

Jessica Dearhouse
Information Systems
Technician

Tammy Delaronde
Business Services Officer/
Manager of Facilities Lease
Contracts

Marvin McComber
Facilities Operations &
Security Manager

Darren Stacey
Security Guard
Kahnawake Office Complex

Daniel Paige
Security Guard
Kahnawake Office Complex

Peter Diabo
Security Guard
Kahnawake Office Complex

Wayne Rice
Security Guard
Kahnawake Office Complex

Message from Kyle Delisle Director

Revenue Generation was initiated as a division of Tewatohnhi'saktha on April 1, 2009. The mission of the division is to generate revenue for the community by managing and growing community-owned business ventures and assets. The division performs this mission through the following:

Internal audits: conducting operational audits of the Tewatohnhi'saktha divisions and departments and functions to ensure that the organization is providing its programs and services to the community in the most efficient, effective and economical manner.

Community projects: to oversee the development of community projects that will create jobs, spin-off business opportunities and revenues for Kahnawake.

Business investments: by exploring business investment opportunities, the primary goal of the division is to create revenues for Tewatohnhi'saktha and the community as a passive investor, not as the developer or operator of a business or project.

The Kahnawake Office Complex and Kahnawake Business Complex: the division is responsible to oversee the maintenance, operations and security of these two commercial buildings owned by Tewatohnhi'saktha.

Mohawk Internet Technologies (MIT): Revenue Generation is responsible to oversee the management of MIT by appointing the division Director as MIT's CEO and as the Chairman of MIT's Board of Supervisors.

Tewatohnhi'saktha Consulting: providing consulting services to Aboriginal businesses and Aboriginal government agencies. Tewatohnhi'saktha Consulting also has the following associates:

- **Marlene Anderson**, Masters of Arts, Human Systems Intervention & Certified Management Consultant

Our mission is to generate revenue for the community by managing and growing community-owned business ventures and assets.

- **Robert Friend**, Certified Management Consultant, Chartered Administrator, and Masters of Business Administration
- **Ron Abaira**, Masters of Business Administration
- **Karen Diaz**, Masters of Education
- **Andrew Daleigh**, Chartered Accountant
- **Howard Gosselin**, Masters of Business Administration

Information Technologies: this department falls under Revenue Generation as it has the secondary objective of generating revenues through the sale of the department's services.

The primary mission of Revenue Generation is to seek out and develop business opportunities that will generate monies and jobs for Kahnawake. Tewatohnhi'saktha

Continued on page 12



Revenue Generation team (L-R): Bud Morris, Sose Canadian, Jessica Dearhouse, Lisa Lahache, Tammy Delaronde, Marvin McComber, Marcy Delisle, Amy Rice, Kyle Delisle.

MOHAWK INTERNET TECHNOLOGIES

STATEMENT OF OPERATIONS

(in thousands of dollars)

| FOR THE YEAR ENDED MARCH 31, 2009 | 2010 | 2009 |
|--|-------------------|-------------------|
| (in Canadian Dollars) | | |
| Revenue | \$ 6,551 | \$ 7,560 |
| Cost of Revenue | 3,726 | 4,554 |
| Gross Profit | 2,825 | 3,006 |
| Expenses | | |
| Selling, marketing and administration | 1,122 | 1,315 |
| Amortization | 2,935 | 2,975 |
| | 4,057 | 4,290 |
| Net loss | \$ (1,232) | \$ (1,284) |

BALANCE SHEET

(in thousands of dollars)

AS AT MARCH 31, 2009 (in Canadian Dollars)

ASSETS

Current

| | | |
|-------------------------------|---------------|---------------|
| Cash | \$ 881 | \$ 984 |
| Accounts Receivable | 62 | 98 |
| Prepaid expenses and deposits | 264 | 207 |
| | 1,207 | 1,289 |

Prepaid rent

| | | |
|--|------------|----------|
| | 293 | - |
|--|------------|----------|

Capital assets

| | | |
|--|---------------|---------------|
| | 13,225 | 15,341 |
|--|---------------|---------------|

| | | |
|--------------------------|-----------------|---------------|
| Intangible assets | 1,884 | 2,198 |
| | \$16,609 | 18,828 |

LIABILITIES AND EQUITY

Current

| | | |
|--|-----------------|-----------------|
| Accounts payable and accrued liabilities | \$ 1,160 | \$ 1,272 |
| Current portion of loan payable | 1,373 | 1,653 |
| | 2,533 | 2,925 |

Loan payable

| | | |
|--|---------------|---------------|
| | 7,602 | 8,176 |
| | 10,135 | 11,101 |

Equity

| | | |
|--|-----------------|---------------|
| | 6,474 | 7,727 |
| | \$16,609 | 18,828 |

Continued from page 11

does not receive any funding from federal or provincial agencies for this function.

For the first few years of operations, Tewatohnhi'saktha had to receive funding from the Mohawk Council of Kahnawake to cover costs of Project Development. The Revenue Generation division was started to cover the costs of this function by generating various revenues through both the management of the commercial buildings, and revenues generated by Tewatohnhi'saktha.

Revenues generated by the division are used for the following:

◆ **Costs of operating the division:** These costs include the salaries of the Director and of the two Economic Development Analysts/Consultants and half the salary of the Executive Assistant to the CEO and Director of Revenue Generation. Other costs include training, travel costs and the division's share of Organizational Services costs to provide administrative support to the division.

◆ **Investments and studies for community projects:** Revenues are used to cover costs of any related studies to carry out a community project, as well as Kahnawake's investment into the project.

◆ **Short-falls of other divisions:** If needed, excess revenues generated by the division are used to cover budget shortfalls that Small Business Services or Employment and Training might have, to ensure no community member is denied access to our programs or services because of a lack of money.

Continued on page 13





Mohawk Internet Technologies gives back to the community. This year, MIT provided donations to the following:

1. Kahnawake Minor Lacrosse
2. Kahnawake Library-Operations
3. MCK – language and Cultural program
4. Kahnawake figure skating
5. Kahnawake Library – Extreme penny fair
6. Kahnawake Pow-wow
7. Quebec Native Women – Fundraising golf
8. Kahnawake Lacrosse Association – Tyke team
9. Team Iroquois - Lacrosse
10. Kahnawake Condors
11. Melanie and Carol Morrison – Billboards
12. Kahnawake Mohawks Bantam B hockey
13. Bantam B girls hockey

Continued from page 12

Highlights for the Revenue Generation division's first year include:

◆ **Staffing:** Marcy Delisle joined the division in September 2009 as Economic Development Analyst/ External Consultant. Marcy has a Bachelor of Commerce degree from Concordia University and was previously employed at the Mohawk Council of Kahnawake as Director of Financial Services.

Jessica Dearhouse joined the IT Department in October 2009 as an IT Technician. Jessica has completed her Collegial Studies in Help Desk Specialist - Computer Support from Champlain College

and was employed at Mohawk Internet Technologies prior to joining Tewatohnni'saktha.

◆ **Internal audits:** The division conducted an internal audit of the Information Technologies and the Communications departments.

◆ **Community projects:** The division was involved in developing the following community projects:

- **Wind Farm Project:** In partnership with the company Air Energy TCI, we are looking to submit a bid for a Hydro Quebec - Request for Proposal for 25 Mega Watts from Aboriginal Projects. This project, if we are a successful bidder, would not be located within Kahnawake but within the Monteregie Region. It would be approximately a \$70 million project, of which Kahnawake would need to invest \$20 million cash and would be a 100% owner of the business. It is estimated this project would generate approximately \$2 million a year for Kahnawake over a 20 year period.

- **Waste Management Facility:** This project was mandated to Tewatohnni'saktha by the Mohawk Council of Kahnawake to find ways to decrease the amount of money Kahnawake spends on waste management, specifically recycling pick-up and household waste pick-up and disposal. We are working with Pyrogenesis, a developer of waste management technology, to determine if having a facility within Kahnawake is feasible.

- **Kahnawake Terminal One:** The Kahnawake Terminal One (KT1) project evolved as a result of discussions between CP Rail and Tewatohnni'saktha, wherein it was determined there was a demand for a transportation facility in the Montreal area

with specific handling capabilities. Initial research indicated the project would generate revenue for Kahnawake as well as providing approximately 50-60 quality jobs for community members. The project would be a transportation terminal to service both rail and truck operations. The proposed site is located at the north-east end of the territory, adjacent to the St Lawrence Seaway.

- **Business Investments:** We have received a number of proposals to invest in businesses but none have been feasible, or they have not met Tewatohnni'saktha's investment criteria.

- **Kahnawake Office Complex (KOC) and Kahnawake Business Complex (KBC):** Both the KOC and KBC buildings are currently 100% occupied. Mohawk Media moved out of the KBC first floor in July 2009 and replaced by Clinique Liu as the new tenant. A satisfaction survey was conducted of the KOC tenants to determine ways in which we could better service our clients. A similar survey will be conducted with our KBC tenants.

- **Mohawk Internet Technologies:** Although MIT lost a major client, Full Tilt, the MIT facility is almost at 100% capacity. We have received interest from various non-gaming companies and Environment Canada about using the unfinished Phase III facility. Hopefully, in 2010/2011, this will expand into an opportunity to complete Phase III and make the facility fully operational.

- **Tewatohnni'saktha Consulting:** Tewatohnni'saktha Consulting performed the following contracts throughout 2009/10: *Mistissini Lodge* - performed an assessment on how to increase profitability of the Mistissini

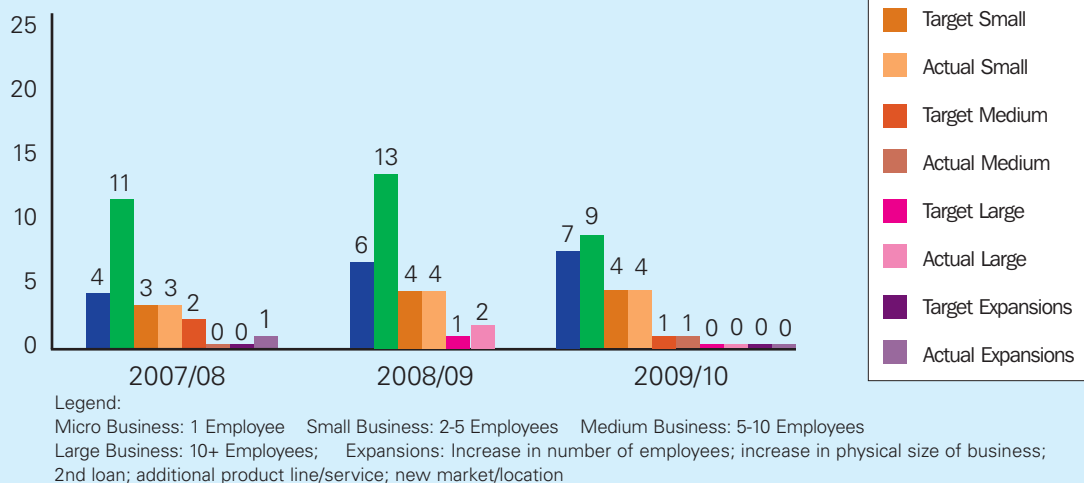
Lodge; Mistissini Economic Development Department - conducted an assessment of the Economic Development Department to determine how it should be structured to best meet the needs of the community of Mistissini; *Kahnawake Gaming Commission* - conducted an operational assessment of KGC administration to determine the most effective and efficient manner for KGC administration to operate. *INAC Third Party Management* - Tewatohnni'saktha Consulting was selected by Indian and Northern Affairs Canada as a third-party manager for any First Nations that might enter into third-party management in the Quebec and Eastern Ontario region. *Kanesatake Co-Manager* - prepared fiscal year 2010/2011 budget for Mohawk Council of Kanesatake (MCK) and undertook the hiring of the MCK Director of Operations. *Kahnawake Treasury Research Project* - completed the first phase of the Kahnawake Treasury Research Project for the Executive Directors Committee, which was to determine whether Kahnawake requires a treasury function and whether a treasury function would be beneficial to Kahnawake.

- **Information Technologies Department:** the Native Economic Management System (NEMS), a database specifically designed for Tewatohnni'saktha to replace three database systems currently in use, has been developed and should be fully integrated by summer 2010. Tewatohnni'saktha owns the rights to the database system. We will be looking to sell this system to other economic development organizations across North America. ➔

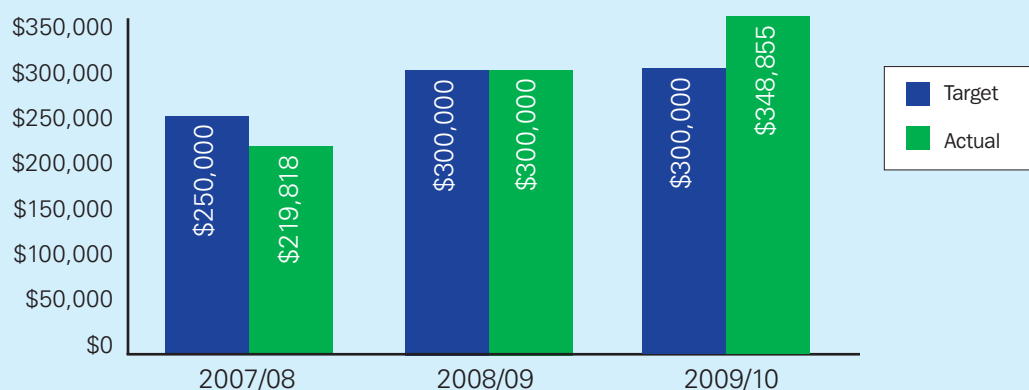
Results at a Glance

BUSINESS CREATION & EXPANSION

Increase the number of new start-up businesses and or business expansions.

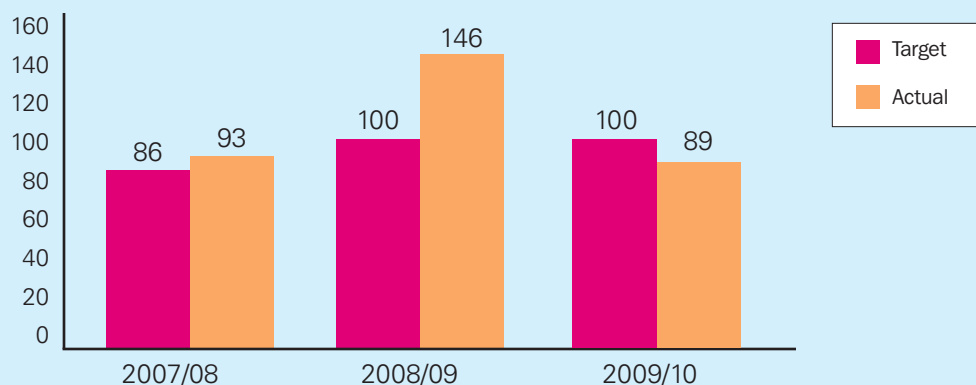


Increase the number of new loans under the Tewatohnni'saktha Business Loan Fund.



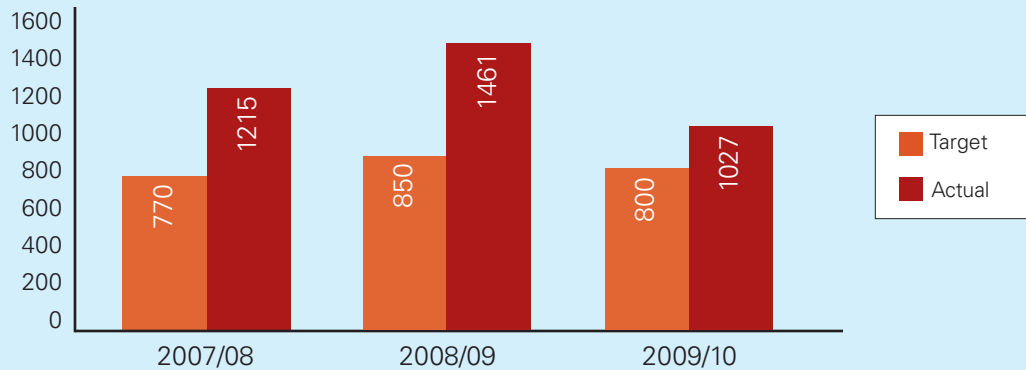
EMPLOYMENT

Increase the number of clients that obtain full-time employment through the collaboration with all Tewatohnni'saktha Divisions.



CLIENT SERVICES

The number of clients who obtained services from Employment Counselors and/or Business Services Officers. Measured through the number of clients served.

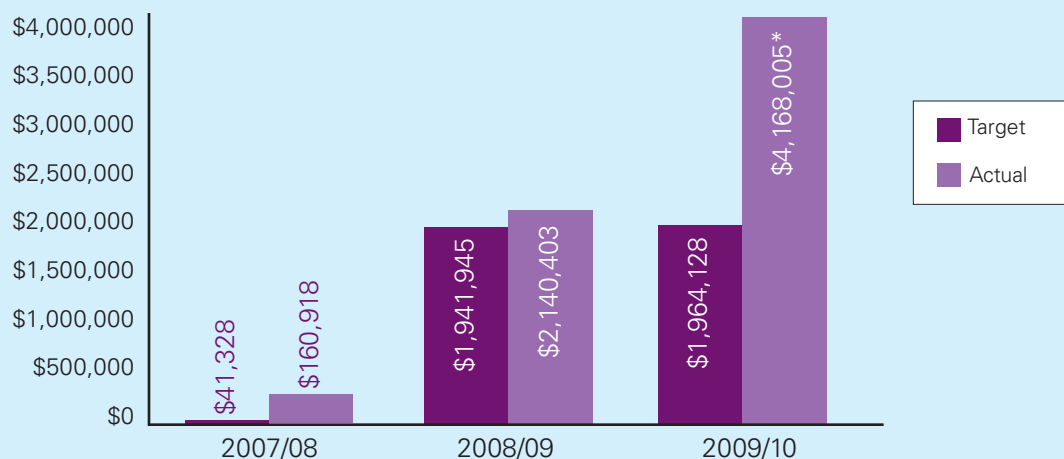


Increase the dollar value of products, tuition, and allowances administered to or utilized by clients.



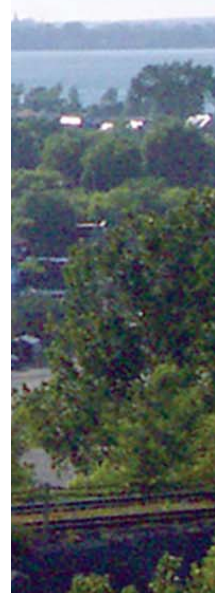
REVENUE GENERATION

Generate revenue through project investment through the present business files: Tewatohnhi'saktha Business Loan Fund Interest - Kahnawake Business Complex - Mohawk Internet Technologies - Consulting Fees - Land Leases - Office Leases and Rentals



*NOTE: This includes an amount of \$4,126,150 USD that has not yet been exchanged into CDN \$.

Presented here are the specific objectives we measure and their results for the 2007-2010 strategic planning period.



AUDITORS' REPORT

*To the Board of Directors of
Tewatohnhi'saktha*

We have audited the statement of financial position of **Tewatohnhi'saktha** as at March 31, 2010 and the statements of operations and fund balances, change in net financial assets and cash flows for the year then ended. These financial statements are the responsibility of the organization'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 organization as at March 31, 2010 and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Horwath Leebosh Appel LLP ¹

Montreal, Quebec
May 18, 2010

¹ CA Auditor permit no. 8595

Tewatohnhi'saktha

Statement of Financial Position

| At March 31 | 2010 \$ | 2009 \$ |
|--|-------------------|-------------------|
| Financial assets | | |
| Cash | 836,476 | 447,112 |
| Term deposits held for transactions [note 4] | 6,668,872 | 1,413,002 |
| Contributions and accounts receivable | 156,852 | 124,590 |
| Accounts receivable - portfolio investment company | - | 4,288,420 |
| Loans receivable [note 5] | 630,453 | 472,968 |
| Investments and loans receivable [note 6] | 14,572,500 | 14,560,000 |
| Total financial assets | 22,865,153 | 21,306,092 |
| Liabilities | | |
| Accounts payable and accrued liabilities | 798,999 | 399,951 |
| Accounts payable - Mohawk Council of Kahnawake | - | 2,144,210 |
| Long-term debt [note 9] | 3,314,542 | 3,534,266 |
| Total liabilities | 4,113,541 | 6,078,427 |
| Net financial assets | 18,751,612 | 15,227,665 |
| Non-financial assets | | |
| Rental properties [note 7] | 10,566,185 | 11,122,301 |
| Tangible capital assets [note 8] | 970,043 | 558,432 |
| Prepaid expenses | 86,927 | 73,134 |
| Total non-financial assets | 11,623,155 | 11,753,867 |
| Accumulated surplus [notes 3 and 4] | 30,374,767 | 26,981,532 |

Approved on behalf of the Board:

.....Grand Chief

.....Director

.....Director

See accompanying Notes to the Financial Statements

Tewatohnhi'saktha

Statement of Operations and Fund Balances

Year ended March 31, 2010

| Description | Fund Balances March 31, 2009 \$ | Transfers and adjustments \$ | Revenues \$ | Expenses \$ |
|---|---------------------------------------|---------------------------------------|----------------|----------------|
| Employment and Training | | | | |
| CRF | - | - | 1,026,638 | 1,026,638 |
| EIF | - | - | 376,783 | 376,783 |
| CRF (Youth) | 35,570 | - | 159,199 | 190,553 |
| CRF (Disabilities) | - | - | 44,638 | 44,638 |
| Youth Work Experience Initiative | - | - | 84,690 | 84,690 |
| Strengthening Our Ties | - | - | 101,304 | 101,304 |
| Introduction to Construction Trades | - | - | 284,399 | 283,858 |
| FNEC, MCK and other | 132,735 | - | 89,965 | 74,317 |
| | 168,305 | - | 2,167,616 | 2,182,781 |
| Administration | 258,592 | (34,583) | 992,045 | 1,020,113 |
| Economic Development | | | | |
| KEDC | 2,289,122 | (400,000) | 4,799,472 | 1,031,951 |
| Tewatohnhi'saktha consulting | 141,852 | - | 43,633 | 202,742 |
| | 2,430,974 | (400,000) | 4,843,105 | 1,234,693 |
| Small Business Services | (48,298) | - | 804,000 | 758,401 |
| Business Loan Fund Ltd. | | | | |
| Business Loan Fund | 1,126,561 | - | 47,213 | 10,732 |
| Youth Business Fund | 239,937 | - | 8,207 | 19,678 |
| | 1,366,498 | - | 55,420 | 30,410 |
| Kahnawake Business Complex | (16,166) | (86,026) | 494,309 | 417,206 |
| Kahnawake Office Complex | 125,133 | (133,698) | 946,861 | 687,429 |
| Investment Fund [notes 6, 10(a)] | 14,550,027 | - | - | - |
| Amortization | - | 579,088 | - | 579,088 |
| Less: Internal invoicing | - | - | (899,316) | (899,316) |
| Surplus | - | (75,219) | 9,404,040 | 6,010,805 |
| Externally restricted fund balance | 1,534,803 | - | 2,223,036 | 2,213,191 |
| Internally restricted fund balance | 17,300,262 | (75,219) | 7,181,004 | 3,797,614 |
| Capital assets fund balance | 8,146,467 | 75,219 | - | - |
| | 26,981,532 | - | 9,404,040 | 6,010,805 |

See accompanying Notes to the Financial Statements

| Excess (deficiency) of revenues over expenses \$ | Externally Restricted Fund Balance March 31, 2010 \$ | Internally Restricted Fund Balance March 31, 2010 \$ | Unrestricted Capital Assets Fund Balance March 31, 2010 \$ |
|--|--|--|--|
| - | - | - | - |
| - | - | - | - |
| (31,354) | 4,216 | - | - |
| - | - | - | - |
| - | - | - | - |
| 541 | 541 | - | - |
| 15,648 | 148,383 | - | - |
| (15,165) | 153,140 | - | - |
| (28,068) | - | 195,941 | - |
| 3,767,521 | - | 5,656,643 | - |
| (159,109) | - | (17,257) | - |
| 3,608,412 | - | 5,639,386 | - |
| 45,599 | - | (2,699) | - |
| 36,481 | 1,163,042 | - | - |
| (11,471) | 228,466 | - | - |
| 25,010 | 1,391,508 | - | - |
| 77,103 | - | (25,089) | - |
| 259,432 | - | 250,867 | - |
| - | - | 14,550,027 | - |
| (579,088) | - | - | - |
| - | - | - | - |
| 3,393,235 | - | - | - |
| 9,845 | 1,544,648 | - | - |
| 3,383,390 | - | 20,608,433 | - |
| - | - | - | 8,221,686 |
| 3,393,235 | 1,544,648 | 20,608,433 | 8,221,686 |

Tewatohnhi'saktha

Statement of Change in Net Financial Assets

| Year ended March 31 | 2010 \$ | 2009 \$ |
|---|-------------------|------------|
| Annual surplus | 3,393,235 | 1,236,944 |
| Acquisition of tangible capital assets | (434,583) | (138,333) |
| Amortization of tangible capital assets | 579,088 | 614,955 |
| | 3,537,740 | 1,713,566 |
| Acquisition of prepaid expenses | (86,927) | (73,134) |
| Use of prepaid expense | 73,134 | 58,519 |
| Increase in net financial assets | 3,523,947 | 1,698,951 |
| Net financial assets - beginning of year | 15,227,665 | 13,528,714 |
| Net financial assets - end of year | 18,751,612 | 15,227,665 |

See accompanying Notes to the Financial Statements

Tewatohnhi'saktha

Statement of Cash Flows

| Year ended March 31 | 2010 \$ | 2009 \$ |
|--|--------------------|------------------|
| Funds provided from (used for): | | |
| Operating transactions | | |
| Annual surplus | 3,393,235 | 1,236,944 |
| <i>Item not requiring an outlay of cash:</i> | | |
| Amortization | 579,088 | 614,955 |
| | 3,972,323 | 1,851,899 |
| <i>Net change in non-cash components of operating working capital:</i> | | |
| Decrease (increase) in: | | |
| Contributions and accounts receivable | (32,262) | 101,421 |
| Accounts receivable - portfolio investment company | 4,288,420 | (4,288,420) |
| Prepaid expenses | (13,793) | (14,615) |
| Increase (decrease) in: | | |
| Accounts payable and accrued liabilities | 399,048 | (137,015) |
| Accounts payable - Mohawk Council of Kahnawake | (2,144,210) | 2,144,210 |
| | 6,469,526 | (342,520) |
| Capital transactions | | |
| Acquisition of tangible capital assets | (434,583) | (138,333) |
| Investing transactions | | |
| Increase in investments | (12,500) | - |
| Increase in loans receivable | (157,485) | (6,684) |
| | (169,985) | (6,684) |
| Financing transactions | | |
| Increase (decrease) in term deposits | (5,255,870) | 685,550 |
| Repayment of long-term debt | (219,724) | (203,582) |
| | (5,475,594) | 481,968 |
| Net increase (decrease) in cash | 389,364 | (5,569) |
| Cash - beginning of year | 447,112 | 452,681 |
| Cash - end of year | 836,476 | 447,112 |

Additional cash flow information

| | 2010 | | 2009 | |
|---------------|---------------|-----------------|---------------|-----------------|
| | Expense \$ | Cash paid \$ | Expense \$ | Cash paid \$ |
| Interest paid | 235,022 | 235,022 | 259,190 | 259,190 |

See accompanying Notes to the Financial Statements

Notes to the Financial Statements

March 31, 2010

1. Nature of the organization

Tewatohnhi'saktha was established in 1999 and is the economic development commission of Kahnawake. It was created by legislation from Mohawk Council of Kahnawake with a mandate to create jobs, wealth and self-sufficiency by focusing new and existing resources, both human and financial, on an integrated approach to business development and human resource investment.

2. Summary of significant accounting policies

Basis of accounting

The financial statements have been prepared in accordance with generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

Fund accounting

The organization uses fund accounting procedures which result in a self-balancing set of accounts for each fund established by legal and contractual actions. The following funds are maintained:

- a) The employment and training fund is a restricted fund established to finance the employment and training programs.
- b) The business loan fund is a restricted fund established to provide loans and loan guarantees to native entrepreneurs.
- c) The internally restricted fund balance is comprised of funds restricted for their specific purposes.
- d) The capital assets fund is an unrestricted fund established to report the assets, liabilities, revenues and expenses related to the organization's tangible capital assets and rental properties.

Revenue recognition

All revenue is recorded on the accrual basis whereby amounts received or recorded as receivable but not earned by the end of the fiscal year are recorded as deferred revenue.

Funding received under the terms of contribution agreements with the government is recognized as revenue once eligibility criteria have been met. Funding is recorded as deferred revenue if it has been restricted by the government for a stated purpose, such as a specific program or the purchase of tangible capital assets. Deferred revenue is recognized in revenue over time as the recognition criteria are met.

All restricted contributions are recognized as revenue of the internally restricted or restricted fund. Unrestricted contributions and other revenues are recognized as revenue in the related fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of these financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the year. Important estimates include provision for bad debts and estimated lives of tangible capital assets. Actual results could differ from these estimates.

Asset classifications

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include rental properties, tangible capital assets and prepaid expenses.

...continued

Notes to the Financial Statements

March 31, 2010

2. Summary of significant accounting policies (continued)

Tangible capital assets

Tangible capital assets include acquired, built, developed and improved tangible capital assets whose useful life extends beyond one year and which are intended to be used on an ongoing basis for delivering services.

Tangible capital assets are reported at gross cost. Contributions received to assist in the acquisition of tangible capital assets are reported as deferred revenue and amortized to income at the same rate as the related asset.

Certain assets which have historical or cultural value, including works of art, historical documents and historical and cultural artifacts, are not recognized as tangible capital assets. Assets under construction are not amortized until the asset is available to be put into service. Amortization of tangible capital assets is recognized as an expense in the statement of operations.

Impairment of tangible capital assets

Tangible capital assets are tested for recoverability whenever events or changes in circumstances indicate that the assets carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment is measured as the amount by which the carrying amount of the asset exceeds its fair value.

Amortization:

Amortization is provided for over the estimated useful lives of the related assets on a diminishing balance basis at the following rates:

| | | |
|------------------------|---|-------|
| Rental properties | - | 5% |
| Computers | - | 33.3% |
| Computers software | - | 33.3% |
| Furniture and fixtures | - | 20% |
| Office equipment | - | 20% |

Financial instruments

(a) Recognition and measurement

Management has classified its financial instruments as follows:

The cash and term deposits have been classified as held for trading and are therefore carried at fair value at each date of the statement of financial position with the changes in fair value recorded in the statement of revenues and expenses in the period in which these changes arise.

The interest rates on the loans receivable (except for the loan receivable - Onkwawista Holdings Limited, see note 6) were deemed to approximate the effective interest rate therefore the face value of the loans is equivalent to the amortized cost.

The accounts payable and accrued liabilities and accounts payable - Mohawk Council of Kahnawake are classified as other financial assets.

The financial instruments classified as contributions and accounts receivable, accounts receivable - portfolio investment company, accounts payable and accrued liabilities and accounts payable - Mohawk Council of Kahnawake are carried at cost using the effective interest method. The interest income or expense is included in the statement of revenues and expenses in the period.

...continued

Notes to the Financial Statements

March 31, 2010

(b) Fair value:

The carrying amount of cash, term deposits, contributions and accounts receivable, accounts receivable - portfolio investment company, accounts payable and accrued liabilities and accounts payable - Mohawk Council of Kahnawake is a reasonable approximation of fair value given their short-term maturity.

The carrying amount of long-term debt approximates fair value because the interest rates are close to market rates.

(c) Credit risk:

The organization's extension of loan credit is based on an evaluation of each applicant's ability to complete the loan program. Management reviews the payment schedule on loans and other factors relating to the risk that the loans may not be repaid according to the terms of the agreement. When appropriate, the carrying value of the loan would be reduced to provide for possible loss. The organization does not consider that it is exposed to undue credit risk taking into account the repayment policy indicated in Note 5.

The organization does not consider that it is exposed to undue credit risk for other loans and receivables.

(d) Interest risk:

The organization is exposed to interest rate fluctuations on its long-term debt which bears interest at various rates.

Net financial assets

The organization's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the organization is determined by its financial assets less its liabilities. Net financial assets is comprised of two components, non-financial assets and accumulated surplus.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the rates of exchange prevailing at the year end date. Other assets and liabilities are translated at historical exchange rates. Foreign currency transactions are translated into Canadian dollars at the rates of exchange in effect when the transaction was entered into. Any resulting exchange gains or losses are included in the determination of excess of revenues over expenses in the current period.

3. Changes in accounting policy

Tangible Capital Assets

The organization adopted Tangible Capital Asset reporting in 2010 in accordance with the Public Sector Accounting Board standard PS 3150. Calculation of opening balances includes, where available, acquisition totals for 1999 onwards. Prior periods have been restated to reflect this change. In 2009 year end, the capital assets fund which is a component of the accumulated surplus has increased by a total of \$380,417 of which \$138,333 relates to 2009 year end and \$242,084 relates to 2008 and prior year ends.

Reporting Model

The organization adopted the reporting model for governments in accordance with the Public Sector Accounting Board standards PS 1100, PS 1200 and PS 1300. This has resulted in assets being reclassified into financial and non-financial assets. Fund balances are no longer shown on the statement of financial position. A statement of changes in net financial assets is added to the financial statements as required by the Public Sector Accounting standards.

Tewatohnhi'saktha

Notes to the Financial Statements

March 31, 2010

4. Term deposits held for transactions

Term deposits held for transactions bear interest at rates varying from .52% to .64% and mature in January 2011.

5. Loans receivable

| | 2010 \$ | 2009 \$ |
|--|----------------|----------------|
| 9.75% loan receivable, maturing July 2016, secured by a vehicle conditional sales contract | 73,770 | 73,770 |
| Loans receivable issued by Tewatohnhi'saktha Business Loan Fund Ltd. | 556,683 | 399,198 |
| | 630,453 | 472,968 |

The primary purpose of Business Loan Fund (BLF) and Youth Business Fund (YBF) loans are to help the youth and community of Kahnawake establish viable businesses. The general terms and conditions differ from conventional loan agreements. Amortization periods range from one to fifteen years depending on the size of the loan. Interest is charged at annual fixed rates of 6.25% (YBF) and prime plus 4% (BLF) compounded monthly. In addition, Youth Business Fund borrowers have the option of paying interest only during the first year of the loan and the corporation will forgive 25% of the loan once 75% of the loan is reimbursed and the borrower has met all the terms of the loan agreement.

Recovery of youth loans is dependent upon the success of the related borrowers' businesses as the youth loans require no equity or personal guarantees.

6. Investments and loans receivable

| | 2010 \$ | 2009 \$ |
|--|-------------------|-------------------|
| Investment in 50% of the issued ordinary shares of Onkwawista Holdings Limited, a private company incorporated under the provisions of the Isle of Man Companies Act - at cost | 56 | 56 |
| Loan receivable - Mohawk Council of Kahnawake | 56 | 56 |
| a) Loan receivable - Onkwawista Holdings Limited, non-interest bearing, unsecured | 14,559,888 | 14,559,888 |
| b) Investment in Regional Economic Investment Fund (REIF) - First Nations L.P., at cost | 12,500 | - |
| | 14,572,500 | 14,560,000 |

a) The fair value of the loan receivable - Onkwawista Holdings Limited cannot be determined as it has no terms of repayment.

b) The organization has signed a commitment to invest an aggregate sum of \$50,000 in the REIF project which participates in the growth of Quebec First Nations controlled businesses.

Tewatohnhi'saktha

Notes to the Financial Statements

March 31, 2010

7. Rental properties

| | Opening Balance \$ | Additions \$ | Disposals \$ | Ending Balance \$ |
|---------------------------------|--------------------------|-----------------|-----------------|-------------------------|
| Cost | | | | |
| Business Complex | 6,702,263 | - | - | 6,702,263 |
| Office Complex | 6,800,328 | - | - | 6,800,328 |
| | 13,502,591 | - | - | 13,502,591 |
| Accumulated amortization | | | | |
| Business Complex | 1,581,190 | 256,054 | - | 1,837,244 |
| Office Complex | 799,100 | 300,062 | - | 1,099,162 |
| | 2,380,290 | 556,116 | - | 2,936,406 |
| Net carrying amount | 11,122,301 | 556,116 | - | 10,566,185 |

8. Tangible capital assets

| | Opening Balance \$ | Additions \$ | Disposals \$ | Ending Balance \$ |
|---------------------------------|--------------------------|-----------------|-----------------|-------------------------|
| Cost | | | | |
| Vacant land | 70,000 | 400,000 | - | 470,000 |
| Computers | 140,209 | - | - | 140,209 |
| Computer software | 380,417 | 34,583 | - | 415,000 |
| Furniture and fixtures | 154,251 | - | - | 154,251 |
| Office equipment | 133,976 | - | - | 133,976 |
| | 878,853 | 434,583 | - | 1,313,436 |
| Accumulated amortization | | | | |
| Computers | 129,908 | 3,430 | - | 133,338 |
| Computer software | - | - | - | - |
| Furniture and fixtures | 108,391 | 9,172 | - | 117,563 |
| Office equipment | 82,122 | 10,370 | - | 92,492 |
| | 320,421 | 22,972 | - | 343,393 |
| Net carrying amount | 558,432 | 411,611 | - | 970,043 |

Computer software includes a Native Economic Management System asset of \$415,000 with no amortization recorded since the system will not be in use until 2011.

Tewatohnni'saktha

Notes to the Financial Statements

March 31, 2010

9. Long-term debt

| | 2010 \$ | 2009 \$ |
|---|------------|------------|
| 6.85% loan payable, secured by a trust agreement in the lender's favour on the Business Complex, repayable in blended monthly instalments of \$20,136, renewable in July 2014 | 2,216,107 | 2,302,133 |
| 6.5% loan payable, secured by a trust agreement in the lender's favour on the Office Complex, repayable in blended monthly instalments of \$17,486, due in 2011 | 1,098,435 | 1,232,133 |
| | 3,314,542 | 3,534,266 |
| Current portion | 229,398 | 223,375 |
| | 3,085,144 | 3,310,891 |

Principal repayments are due as follows assuming renewal at current rates:

| | \$ |
|------|-----------|
| 2011 | 229,398 |
| 2012 | 1,048,098 |
| 2013 | 98,171 |
| 2014 | 104,423 |
| 2015 | 1,834,452 |
| | 3,314,542 |

10. Investment in commercial ventures

- The organization has a 50% investment in the issued ordinary shares of Onkwawista Holdings Limited (OHL), an investment holding company. This investment is being carried at cost, being \$56. OHL has a 100% interest in Onkwawista Limited (OL), whose primary asset is a 40% interest in an operating company, Continent 8 Technologies, Plc. (Continent 8). OHL, OL and Continent 8 are incorporated under the provisions of the Isle of Man Companies Act. Tewatohnni'saktha does not exercise effective control or significant influence with respect to its ultimate 20% investment in Continent 8, a portfolio investment company, without the cooperation of the majority shareholders. During the year, Tewatohnni'saktha received dividend income of \$4,126,150 US (2009 - \$3,400,000 US/\$4,288,420 Cdn in restructuring fees).
- The organization exercises operational control and management of Mohawk Internet Technologies (MIT), a band empowered entity. This investment is carried at cost, being nil, since Tewatohnni'saktha does not exercise effective control over MIT's assets, liabilities and surplus without the cooperation of other significant stakeholders. During the year, Tewatohnni'saktha received a distribution of \$21,258 and a restructuring fee of \$400,000 from MIT.
- The organization has an investment in the Kahnawake Services Complex which houses commercial tenants.

11. Bank line of credit

The organization has available a bank line of credit of \$100,000 which bears interest at prime plus 1% per year and is renewable annually. There were no borrowings on this line of credit during the year.

Notes to the Financial Statements

March 31, 2010

12. Financial instruments

Foreign exchange risk:

The Canadian dollar equivalent of financial instruments denominated in US dollars and included in the financial assets and liabilities in the statement of financial position are as follows:

| | 2010 | | 2009 | |
|--|-----------|-----------|-------------|-------------|
| | US \$ | CDN \$ | US \$ | CDN \$ |
| Cash | - | - | 29,903 | 37,716 |
| Accounts receivable - portfolio investment company | - | - | 3,400,000 | 4,288,420 |
| Accounts payable - Mohawk Council of Kahnawake | - | - | (1,700,000) | (2,144,210) |
| Term deposits | 4,163,301 | 4,226,680 | - | - |

13. Contingent liabilities

- The organization has entered into contribution agreements with various government departments. Funding received under these contribution agreements is subject to repayment if Tewatohnhi'saktha fails to comply with the terms and conditions of the agreements.
- Tewatohnhi'saktha Business Loan Fund has guaranteed the Caisse Populaire Kahnawake for a portion of approved bank borrowings to a maximum of \$285,548 for native entrepreneurs under the loan guarantee program. As at March 31, 2010, the total guaranteed indebtedness amounted to \$225,142.

14. Accumulated surplus

| | 2010 \$ | 2009 \$ |
|-------------------------------------|-------------------|-------------------|
| Externally restricted fund balances | | |
| Employment and training fund | 153,140 | 168,305 |
| Business loan fund | 1,391,508 | 1,366,498 |
| | 1,544,648 | 1,534,803 |
| Internally restricted fund balance | 20,608,433 | 17,300,262 |
| Capital assets fund balance | 8,221,686 | 8,146,467 |
| Total accumulated surplus | 30,374,767 | 26,981,532 |

SHOP KAHNAWAKE

The shop Kahnawake First campaign was developed by Small Business Services in an effort to encourage the purchase of local products and services. The following businesses are Shop Kahnawake participants:

| | |
|----------------------------------|---|
| Annie's Places | Kahnawake Marina |
| Armstrong Native Arts & Crafts | Kahnawake Market |
| Aromatic Spirit | Lafleur Meat Market |
| Bully's Truck Stop | Learning Centre, The |
| Calico Cottage | McComber Archery |
| Caughnawaga Golf Club | McComber's Convenience |
| Club Rez | Mikie's Taxi |
| Cutie Couture | Mohawk Royal Equestrian Center |
| Earth Remedies | Native American Products |
| Eastern Door | Native Designs by Selma Delisle |
| Echoes of a Proud Nation Pow wow | OCR Gas Bar & Car Wash |
| Eileen's Cakes & Pastries | OCR Necessities & Gas |
| Electrolux Kahnawake | Okwaho's Movers |
| Evelyn's Convenience | Okwaho's Outdoor Adventure |
| Favors | O'kwari |
| Frostys | Old Malone Gas Bar |
| Gene's Machines | Onkwawenna Language Center |
| Gene's Sound | Otiokwa Video |
| Goodleaf Consulting | Patton's Woodcraft |
| Goodleaf Plumbing | Q & D's Supplies |
| Hamburger Heaven | Rice Mohawk Lawn & Landscaping |
| Homespun | Robertson's Distribution |
| J&J Mini Mart | Seasons Florist |
| J.R. Petroleum | Sequoia Native Arts |
| Jacobs' Hardware | Stained Glassworks |
| Jo Jo Nursery | Tammy Beauvais Designs |
| K n J Convenience | Tekanatoken TP |
| K103 Mohawk Radio | Tsi'niiiohak Skin Care |
| Kahia:ton | Turtle Basket Flowers |
| Kahkotsilio Beauty Salon | Two O Seven Seafood & Grill/Kahnawake Driving Range |
| Kahnawake Condors | Village Variety |
| Kahnawake Fire Brigade | WJS Gas Bar |
| Kahnawake Gas & Grocery | Wolfco |
| Kahnawake Kids | Wolf's Den |
| Kahnawake Library | WWK Stacey |

www.shopkahnawake.com





Our Vision

Our vision is a self-sufficient community that fosters quality of life for Kanien'kehá:ka ne Kahnawa'kehró:non and creates collective prosperity for future generations consistent with our cultural values.

Í:non ia'teiakwakà:nere ne tsi tewanákere taiakwatateniahesénhake. Né'e aontatiatén:rohwe ne tsi niionkwarihò:ten ne onkwehonwehnéha. Tánon'tho néntewe ne sénha aionkwaianerahstenníhake tsi tíónhnhe ne akwé:kon Kanien'kehá:ka Kahnawa'kehró:non, tánon' ne tahotikonhsotátie.



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