

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

FINANCIAL STATEMENTS  
MARCH 31, 2022

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## INDEPENDENT AUDITOR'S REPORT

To the Members,  
First Nations Child & Family Caring Society of Canada:

### Qualified opinion

We have audited the financial statements of First Nations Child & Family Caring Society of Canada ("the Entity"), which comprise the statement of financial position as at March 31, 2022, and the statements of changes in net assets, operations and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for qualified opinion

In common with many not-for-profit organizations, the Entity derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, net revenue for the year, and cash flows from operations for the years ended March 31, 2022 and 2021, current assets as at March 31, 2022 and 2021, and net assets as at April 1 and March 31 for both the 2022 and 2021 years. Our audit opinion on the financial statements for the year ended March 31, 2021 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity, or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OHCID LLP.

**OUSELEY HANVEY CLIPSHAM DEEP LLP**

Licensed Public Accountants

Ottawa, Ontario

July 17, 2022



# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

## STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

	2022	2021
<b>CURRENT ASSETS</b>		
Cash	\$ 3,358,782	\$ 1,995,858
Accounts receivable	564,409	240,456
Prepaid expenses	70,652	19,786
Inventory	31,929	31,664
	4,025,772	2,287,764
<b>PROPERTY AND EQUIPMENT (NOTE 2)</b>		
	51,271	6,692
	\$ 4,077,043	2,294,456
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 443,304	\$ 68,100
Deferred revenue (note 3)	132,875	91,919
	576,179	160,019
<b>DEFERRED LEASE INDUCEMENT</b>		
	53,378	-
	629,557	160,019
<b>NET ASSETS</b>		
Internally restricted contingency fund (note 4)	475,000	475,000
Internally restricted Jordan's Principle Scholarship fund (note 5)	117,500	130,000
Internally restricted emergency reserve fund (note 6)	36,949	50,000
Internally restricted Spirit Bear reserve fund (note 6)	300,000	300,000
Internally restricted office space reserve fund (note 6)	179,347	200,000
Unrestricted net assets	2,338,690	979,437
	3,447,486	2,134,437
	\$ 4,077,043	\$ 2,294,456

Approved on behalf of the Board:

Kenn Richard  
Kenn Richard (Aug 9, 2022 07:42 EDT)

Aug 9, 2022

Board Member

Kenn Richard, Vice-President

Judy Levi  
Judy Levi (Aug 9, 2022 08:46 EDT)

Aug 9, 2022

Board Member

Judy Levi, Treasurer

# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

## STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
<b>INTERNALLY RESTRICTED CONTINGENCY FUND</b>		
Balance - Beginning and end of year	\$ 475,000	\$ 475,000
<b>INTERNALLY RESTRICTED JORDAN'S PRINCIPLE SCHOLARSHIP FUND</b>		
Balance - Beginning of year	\$ 130,000	\$ 135,000
Transfer to unrestricted net assets for scholarships	(12,500)	(5,000)
Balance - End of year	\$ 117,500	\$ 130,000
<b>INTERNALLY RESTRICTED EMERGENCY RESERVE FUND</b>		
Balance - Beginning of year	\$ 50,000	\$ 50,000
Transfer to unrestricted net assets for civil unrest expenses	(13,051)	-
Balance - End of year	\$ 36,949	\$ 50,000
<b>INTERNALLY RESTRICTED SPIRIT BEAR RESERVE FUND</b>		
Balance - Beginning and end of year	\$ 300,000	\$ 300,000
<b>INTERNALLY RESTRICTED OFFICE SPACE RESERVE FUND</b>		
Balance - Beginning of year	\$ 200,000	\$ 200,000
Transfer to unrestricted net assets for moving costs	(20,653)	-
Balance - End of year	\$ 179,347	\$ 200,000
<b>UNRESTRICTED NET ASSETS</b>		
Balance - Beginning of year	\$ 979,437	\$ 463,642
Transfer from internally restricted funds	46,204	5,000
Net revenue for the year	1,313,049	510,795
Balance - End of year	\$ 2,338,690	\$ 979,437

# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
<b>REVENUE</b>		
Contract services	\$ 1,349,614	\$ 463,138
Donations and other	2,128,193	691,891
Membership fees	10,490	20,721
Publication sales	87,993	55,317
Projects		
- Wright Foundation	6,973	20,439
- McConnell Foundation	150,455	-
- McGill - SSHRC	14,708	22,273
- Mawita'mk	723	11,299
- Sisters of Service	-	102,889
- Canada Council for the Arts	51,970	98,743
- Atkinson	25,792	-
- Jordan's Principle	29,991	-
- SSHRC - Connection	-	9,614
- Chamandy	-	85,100
- National Indian Brotherhood	-	87,362
	<b>3,856,902</b>	<b>1,668,786</b>
<b>EXPENSE</b>		
Operations and administration (schedule)	1,558,557	443,725
Legal fees	703,738	284,392
Projects (schedules)		
- Wright Foundation	6,973	20,439
- McConnell Foundation	150,455	-
- McGill - SSHRC	15,654	21,905
- Mawita'mk	723	4,119
- Sisters of Service	-	102,889
- Canada Council for the Arts	51,970	98,743
- Atkinson	25,792	-
- Jordan's Principle	29,991	-
- SSHRC - Connection	-	9,314
- Chamandy	-	85,104
- National Indian Brotherhood	-	87,361
	<b>2,543,853</b>	<b>1,157,991</b>
<b>NET REVENUE FOR THE YEAR</b>	<b>\$ 1,313,049</b>	<b>\$ 510,795</b>

**FIRST NATIONS CHILD & FAMILY CARING SOCIETY OF CANADA**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2022**

	2022	2021
<b>CASH PROVIDED BY (USED FOR)</b>		
<b>OPERATING ACTIVITIES</b>		
Net revenue for the year	\$ 1,313,049	\$ 510,795
Amortization of capital assets	17,005	2,630
Changes in non-cash working capital items:		
Accounts receivable	(323,953)	(20,510)
Prepaid expenses	(50,866)	17,265
Inventory	(265)	(8,316)
Accounts payable and accrued liabilities	375,204	(45,761)
Deferred revenue	40,956	(220,415)
	<u>1,371,130</u>	<u>235,688</u>
<b>INVESTING ACTIVITIES</b>		
Addition to capital assets	(61,584)	(9,080)
<b>FINANCING ACTIVITIES</b>		
Deferred lease inducement	53,378	-
<b>CHANGE IN CASH FOR THE YEAR</b>	<u>1,362,924</u>	<u>226,608</u>
Cash beginning of the year	1,995,858	1,769,250
<b>CASH END OF YEAR</b>	<u>\$ 3,358,782</u>	<u>\$ 1,995,858</u>

# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

## NOTES TO FINANCIAL STATEMENTS MARCH 31, 2022

First Nations Child and Family Caring Society of Canada was incorporated without share capital under the laws of Canada. Effective December 28, 2005, the Society became a registered charity under the Income Tax Act. The purpose of the organization is to provide, promote and develop education, training, resources and educational opportunities and policies for First Nations children, youth and their families.

### 1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### (a) Property and equipment

Property and equipment is recorded at cost less accumulated amortization. Amortization is provided using the declining balance method as follows:

Software	100%
Computer and electronic equipment	55%
Furniture	20%

One half of the annual rate is applied in year of acquisition.

#### (b) Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Donations are recognized when received. Membership fees are recognized as revenue in the period to which they relate. Contract services are recognized as revenue when services have been provided.

#### (c) Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

#### (d) Inventory

Inventory consists of goods held for resale and is recorded at the lower of cost, on an average cost basis, and net realizable value.



# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2022

## 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### e) Financial instruments

Financial instruments are initially recognized at fair value and are subsequently measured at amortized cost. Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

## 2. PROPERTY AND EQUIPMENT

			2022		2021	
	Cost	Accumulated amortization	Net		Net	
Computer and electronic equipment	\$ 47,278	\$ 19,228	\$ 28,050	\$	6,692	
Software	2,806	1,403	1,403		-	
Furniture	24,242	2,424	21,818		-	
	\$ 74,326	\$ 23,055	\$ 51,271	\$	6,692	

## 3. DEFERRED REVENUE

Deferred revenue consists of membership fees related to the next fiscal year and project revenue received for which the related expense had not been incurred by the year end.

	2022		2021	
Balance, beginning of year	\$	91,919	\$	312,334
Less: amount recognized as revenue in the year		(91,919)		(312,334)
Plus: amount received related to the following year		132,875		91,919
Balance, end of year	\$	132,875	\$	91,919

# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2022

## 3. DEFERRED REVENUE (CONT'D)

Balance consists of the following:

	2022	2021
Membership fees	\$ -	\$ 2,500
Bequest	2,045	2,045
Projects		
Atkinson Fellowship	74,208	-
National Indian Brotherhood	-	138
Canada Council for the Arts	-	12,751
Shannen's Dream	17,497	13,497
Wright Foundation	23,027	15,000
Assembly of First Nations	16,098	45,988
	\$ 132,875	\$ 91,919

## 4. CONTINGENCY FUND

During 2004 the Board of Directors established a contingency fund. The purpose of the fund is to set aside amounts for future financial uncertainties.

## 5. JORDAN'S PRINCIPLE SCHOLARSHIP FUND

During 2018 the Board of Directors established a \$100,000 fund to be used to provide scholarships for First Nations students studying children's health or children with disabilities. During the year \$12,500 (2021 - \$5,000) was transferred from this fund to cover scholarships.

## 6. OTHER INTERNALLY RESTRICTED FUNDS

During 2020 the Board of Directors established the following internally restricted reserve funds:

Emergency reserve fund, to cover costs related to unforeseeable natural disasters, economic crises and pandemics. During the year \$13,051 (2021 - \$nil) was transferred from this fund to cover civil unrest expenses;

Spirit Bear reserve fund, dedicated to children's education and engagement programs that promote the implementation of actions regarding First Nations children, youth and families; and

Office space reserve fund, to support the transition to a new office location. During the year \$20,653 (2021 - \$nil) was transferred from this fund to cover moving costs.

# FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2022

## 7. COMMITMENTS

The society has entered into a ten year lease for new premises effective May 1, 2022. The annual lease payments for basic rent, excluding sales tax, for each of the next five years are approximately as follows:

2023	\$ 47,200
2024	51,500
2025	55,200
2026	59,100
2027	63,100

In addition to basic rent, annual operating costs are approximately \$71,700 per year.

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

### SCHEDULE OF EXPENSE OPERATIONS AND ADMINISTRATION FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Computer and office equipment	\$ 46,156	\$ 11,101
Consulting fees and travel	47,231	32,439
Board meetings and travel (recovery)	3,881	(3,032)
Civil unrest (note 6)	13,051	
Moving (note 6)	20,653	-
Office and administrative services	96,045	62,403
Printing and copying	24,003	45,724
Professional fees	711,335	27,691
Rent	102,840	28,633
Promotion	13,205	9,525
Staff travel	28,792	9,936
Translation	7,202	6,700
Staffing costs	328,337	179,035
Bad debt	318	7,032
Website	88,306	4,991
Distribution	8,357	4,637
Other	6,345	11,910
Scholarships (note 5)	12,500	5,000
	<b>\$ 1,558,557</b>	<b>\$ 443,725</b>

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

### SCHEDULE OF EXPENSE WRIGHT FOUNDATION FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Computer and office equipment	\$ -	\$ -
Office and administrative services	-	17,572
Printing and copying	6,973	-
Staffing costs	-	2,867
	<b>\$ 6,973</b>	<b>\$ 20,439</b>

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

SCHEDULE OF EXPENSE  
MCCONNELL FOUNDATION  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Computer and office equipment	\$ 574	\$ -
Consulting and travel	5,783	-
Printing and copying	11,510	-
Professional fees	40,934	-
Rent	3,825	-
Staffing costs	85,657	-
Meetings	-	-
Translation	2,172	-
	\$ 150,455	\$ -

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

SCHEDULE OF EXPENSE  
MCGILL - SSHRC  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Office and administrative services	\$ 883	\$ 247
Professional fees	-	846
Website	1,105	-
Printing and copying	3,944	1,473
Staffing costs	9,722	19,070
Translation	-	269
	\$ 15,654	\$ 21,905

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
MAWITAE'MK  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Staffing costs	\$ 723	\$ 4,119

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
SISTERS OF SERVICE  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Computer and office equipment	\$ -	\$ 1,923
Meetings	-	1,165
Office and administrative services	-	5,312
Printing and copying	-	19,954
Professional fees	-	8,876
Rent	-	5,700
Translation	-	4,196
Staffing costs	-	47,530
Consulting and travel	-	7,765
Honorarium	-	400
Website	-	68
	\$ -	\$ 102,889

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
CANADA COUNCIL FOR THE ARTS  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Professional fees	\$ 51,970	\$ 98,743

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
ATKINSON  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Professional fees	\$ 16,893	\$ -
Printing and copying	6,404	-
Rent	2,495	-
	\$ 25,792	\$ -

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
JORDAN'S PRINCIPLE  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Human rights issue	\$ 29,991	\$ -

**FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA**

SCHEDULE OF EXPENSE  
SSHRC - CONNECTION  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Office and administrative services	\$ -	\$ -
Professional fees	-	4,100
Printing and copying	-	-
Staffing costs	-	1,076
Consulting and travel	-	4,138
	\$ -	\$ 9,314

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

SCHEDULE OF EXPENSE  
CHAMANDY  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Office and administrative services	\$ -	\$ 1,294
Professional fees	-	8,264
Printing and copying	-	4,429
Translation	-	203
Rent	-	2,400
Staff travel	-	7,306
Staffing costs	-	44,720
Consulting and travel	-	4,000
Honorarium	-	600
Meetings	-	11,888
	\$ -	\$ 85,104

## FIRST NATIONS CHILD AND FAMILY CARING SOCIETY OF CANADA

SCHEDULE OF EXPENSE  
NATIONAL INDIAN BROTHERHOOD  
FOR THE YEAR ENDED MARCH 31, 2022

	2022	2021
Computer and office equipment	\$ -	\$ 1,068
Office and administrative services	-	5,152
Professional fees	-	10,821
Website	-	375
Printing and copying	-	21,408
Translation	-	3,463
Rent	-	2,000
Staffing costs	-	43,074
	\$ -	\$ 87,361












# fs FNC 2022

Final Audit Report

2022-08-09

Created:	2022-08-08
By:	Tammy Morgan (tmorgan@fncaringsociety.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAfPIZI9IJCvtJvkOMO1bEhNIEJ0DtOk1

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