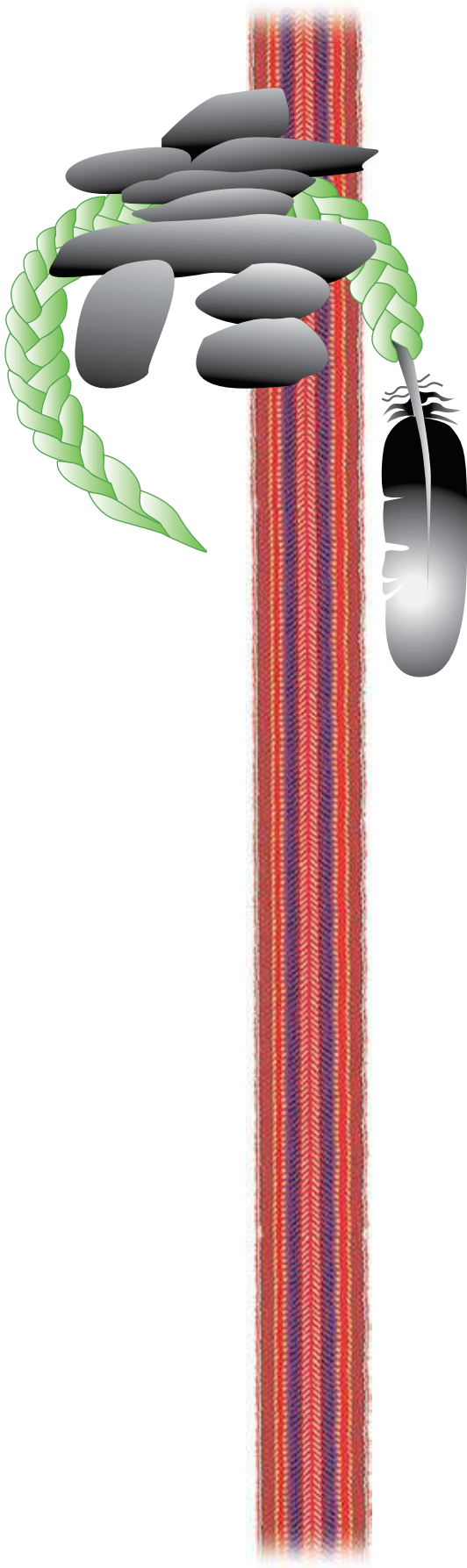


*Legacy
of Hope
Foundation*

2007-2008
Annual Report



The *Legacy of Hope Foundation* is a national, charitable organization whose purpose is to educate and create awareness and understanding about the legacy of residential schools, including the effects and intergenerational impacts on First Nations, Inuit and Métis peoples, and to support the ongoing healing process of Residential School Survivors.



A Message From Our President

It has been another exciting year for the Legacy of Hope Foundation (LHF) with the continued growth of our educational programming. Over the last eight years, the LHF has increased its operating budget in order to meet the growing demand for materials and programming related to residential schools. It is this demand that has fuelled the success of the LHF and has made us a leader in innovative and unique programming.

In May of 2005, the LHF Board of Directors and Staff held a strategic planning session in order to clearly outline the organizational direction for the next 5 years. What became clear during this session was that the organizational goal of continuing the work of the Aboriginal Healing Foundation (AHF) was not a realistic objective. After deliberating on the future focus of the LHF, the Board of Directors made the decision to change the Mission of the organization to better reflect our organizational capacity and expertise.

The focus of our Mission is now on the development and implementation of education and awareness programming that supports the ongoing healing process of Survivors and Intergenerational Survivors. With the LHF mission clearly defined, gaps in existing services were identified and additional programs were added.

This year saw continued growth of our biggest project to date, *Our Stories... Our Strength*. Through this national commemoration and education project, the LHF has recorded the experiences of Residential School Survivors through audio and video recorded interviews. These experiences will be documented in a book, DVD and web archive and will be shared with Survivors, their families and all Canadians. This year also saw the archival traveling exhibition entitled *Where are the Children? Healing the Legacy of the Residential Schools* continue to raise public awareness of residential schools in an innovative and stimulating way. In addition, significant

progress was made by March 31, 2008 on the development of a photo exhibition that specifically addresses the Inuit experience of residential school.

In order to increase the organizational profile of the LHF, a greater emphasis will be placed on networking and creating community and private sector partnerships. By expanding our organizational network, we can continue to expand our programming and ensure the distribution of materials to as wide an audience as possible. In fact, numerous educators and community groups are beginning to approach the LHF, requesting information and educational materials to include in curriculum and community event celebrations.

The LHF will continue its efforts in educating Canadians about a part of history that is largely unknown or has been ignored. It is with this in mind that I thank you, all our funders and partners, for your support this year and for many more to come. Our continued efforts in this coming year will surely prove to be fruitful in terms of further educating and creating understanding and awareness about the legacy of residential schools.

In the spirit of healing,



Richard Kistabish



Our Story

Legacy of Hope Foundation's Mission Statement

The Legacy of Hope Foundation (LHF) is a national, charitable organization whose purpose is to educate and create awareness and understanding about the legacy of residential schools, including the effects and intergenerational impacts on First Nations, Inuit and Métis peoples, and to support the ongoing healing process of Residential School Survivors.

In collaboration with the Aboriginal Healing Foundation, the LHF began life in 2000 as the Aboriginal Healing Charitable Association. The name was then changed to the Legacy of Hope Foundation in 2001.

The LHF's mission is to help Aboriginal people overcome the devastating effects of the Residential School System. The LHF is designed to encourage and support Aboriginal people in building and reinforcing sustainable healing processes

to address the legacy of abuse experienced in the Residential School System, including intergenerational impacts.

The LHF supports First Nations, Inuit, and Métis peoples cope with the psychological wounds left by the residential school experience by promoting greater understanding between Aboriginals and other Canadians about the impacts of residential school through:

- Design, development, delivery and distribution of educational programming;
- Working in partnership with First Nations, Inuit and Métis people, communities and organizations;
- Partnering with and creating alliances with public, private sector and other stakeholders; and
- Supporting the creation of and advocating for the development of a national archive.

The nine members of the LHF Board of Directors are:



Richard Kistabish

(Chairman): Mr. Kistabish is an Algonquin from the Abitibiwinni First Nation in Quebec, who speaks English, French and Algonquin fluently. He is the former President of Social Services Minokin and has been involved in the field of health and social services at the regional and provincial levels for many years. He served as administrator and manager of the health committee, Kitcisakik, as Chief of Abitibiwinni First Nation, and as Grand Chief of the Algonquin Council of Quebec for two terms. His publications include *Mental Health and Aboriginal People of Quebec*, the *Green Book Position Paper of the Algonquin Nation on Environmental Issues*, and the *National Inquiry into First Nation Child Care*.

Murray Ironchild:

Mr. Ironchild is a former Councillor and Chief of the Piapot First Nation in Saskatchewan. Currently working as a

Cultural/Traditional Advisor with the All Nations' Healing Centre of the File Hills Qu'Appelle Tribal Council, Mr. Ironchild brings to the LHF his interest and experience in traditional medicine and Aboriginal health.



Dr. Marlyn Cook: Dr. Cook was born at Norway House, Manitoba. A graduate of the University of Manitoba (M.D.), she currently practices Family Medicine at the Mohawk Council of Akwesasne Department of Health, in Cornwall, Ontario.

Among her previous positions are Co-Chair, First Nations Task Force on Child and Family Services (in Winnipeg, Manitoba), Consultant to the Medical Services Branch (Winnipeg), Province of Manitoba Medical Examiner, University of Manitoba Faculty of

Medicine's Traditional Teachings Program – Debriefing Tutorials, and Assistant Director, Clinical Operations, at the Medical Services Branch of Health Canada (Winnipeg).

Dr. Cook has sat on numerous Committees and Boards, including the Swampy Cree AIDS Steering Committee, the Manitoba Chapter of the College of Family Physicians of Canada Board, the Mino-Ayaawin Advisory Committee of the Native Women's Transition Centre,



the Thompson General Hospital Perinatal Mortality Committee, the National Pharmacy and Therapeutics Committee

(NIHB-Medical Services Branch), and the Balancing Choices and Opportunities in Sciences and Technology for Aboriginal People National Steering Committee. She was also the Chair of the Facility Planning Committee and a Board Member at the

Sioux Lookout Mino-Ya-Win Health Centre.

Dr. Cook is currently a member of the First Nations and Inuit Health Branch Drug Utilization Committee.

Elizebeth Hourie Palfrey:

Ms. Palfrey is a Métis based in Winnipeg and Rankin Inlet and has an extensive health and business background. She is currently working on special projects for the Evaz Group as a Board Member and shareholder.



The Evaz Group, a company with operations throughout Nunavut, has been active in business development for thirty years and is committed to developing a healthy and diverse private sector economy to allow greater opportunity for its residents.

Ms Palfrey, a grandmother, has been active on community boards and issues

for many years and continues to be committed to Aboriginal youth, assisting wherever possible to instill cultural pride, self-esteem, and hope for the future.

Cindy Swanson: Ms. Swanson is a Métis elementary teacher who has been with the Edmonton Public School Board since 2000. She lives in Edmonton where she teaches in an Aboriginal school.



She was appointed as a provincial member of the Métis National Youth Advisory Council (from October 1995 to September 1998)

and has participated with Métis and First Nations youth initiatives and organizations.

Dr. Dennis Wardman:

Dr. Wardman is a member of the Key Band in Saskatchewan. He has completed medical school, a fellowship in Public Health, Addiction Medicine training, and a Masters Degree in Community Medicine (Universities of Alberta and Calgary). He is the first Aboriginal

person in Canada to complete specialty training in public health.

Dr. Wardman is employed with First Nations and Inuit Health Program, BC Region as a Community Medicine Specialist with a special interest in Addiction Medicine and is presently the Director of the Health Promotion and Prevention Directorate.

In addition, Dr. Wardman practices clinical medicine. He has a methadone maintenance clinic in downtown Vancouver.

He has served on several advisory committees, including the Assembly of First Nations' Public Health Advisory Committee and the Advisory Committee for the National Collaborative Centre on Aboriginal Health.

He has represented Aboriginal people on expert addiction committees, including Canada's National Alcohol Strategy Working Group and the Expert Group for



Alcohol Policy within the Northern Dimension Partnership in Public Health and Social Well-being, an international initiative.

Dr. Wardman is also committed to Aboriginal health research. He has been a team member of research-funded projects, has published numerous peer-reviewed research papers and serves on the scientific peer review committee for the Canadian Institutes of Health Research - Institute of Aboriginal Peoples' Health.

Martha Flaherty: Ms. Flaherty is a past President of Pauktuutit, the Inuit Women's Association and also a previous Executive member of the Inuit Tapirisat of Kanatami.



Ms. Flaherty was born in Inukjuaq, Nunavik (formerly Port Harrison, Quebec). At the age of five, along with her family, she was relocated to Grise Fiord, NWT, the most northerly community in Canada.

Ms. Flaherty is a steadfast advocate for Inuit women, children and youth, and has addressed a wide variety of Canadian and international audiences.

Ms. Flaherty was a member of the Canadian Panel on Violence Against Women, which travelled across Canada. As a result of her tireless efforts, she has become one of the most respected Inuit leaders in Canada and is listed in the 1996 edition of "Who's Who of Canadian Women".

Graham Sanders:

Mr. Sanders, 60, is the President and sole shareholder of Wolfcrest Capital Advisors Inc., and investment

advisor to the Aboriginal Healing Foundation. An Englishman by birth, he came to Canada in 1967 and became a naturalised Canadian five years later.



With more than 30 years of experience in Canadian fixed income markets at the time, Graham was asked to help with the creation of the Aboriginal Healing Foundation's investment program at its inception in 1998. He was subsequently asked to stay on in advisory role, which continues today.

Mike DeGagné: Mr. DeGagné has been active nationally and internationally



in the field of addictions and First Nations issues for the past twenty years. He is currently the founding Executive Director of the Aboriginal Healing Foundation, an organization which supports Aboriginal community healing projects that address the legacy

of physical and sexual abuse arising from Canada's Aboriginal Residential School System. He has previously worked with provincial, federal, and non-governmental departments and organizations in the health field. Prior to joining the Aboriginal Healing Foundation, he held positions with the Canadian Centre on Substance Abuse and the federal government departments of Health Canada and Indian and Northern Affairs Canada. Active in volunteer efforts, Mr. DeGagné is Chairman of the Board of Directors of Ottawa's Queensway-Carleton Hospital and serves as a Board Director for the Canadian Centre on Substance Abuse and the Child Welfare League of Canada. Mr. DeGagné holds a Masters degree in Health Administration, and a Ph.D. focusing on First Nations post-secondary education.



The Year In Review

Where are the Children? Healing the Legacy of the Residential Schools - Photo Exhibition

Background

Developed with funding from Indian Residential Schools Resolution Canada (IRSRC) and in partnership with the Aboriginal Healing Foundation and the Library and Archives Canada, this archival photo exhibit portrays the history and legacy of Canada's Residential School System. Mr. Jeff Thomas, an Iroquois artist, was the curator for this exhibit. The exhibit, entitled *Where are the Children? Healing the Legacy of the Residential Schools* (WATC), consists of 118 framed archival photographs, text panels, maps, original classroom texts and historical government papers that span over 125 years.

Since being launched at the Library and Archives Canada in 2002, WATC has continued to be a great success in terms of raising public awareness and garnering media coverage of residential school

issues. The exhibition has also initialized the first step of healing for many Residential School Survivors.

2007-2008

WATC was installed in the three venues during the 2007-2008 fiscal year. From March to April 2007, the exhibit was hosted by the Southern Alberta Art Gallery in Lethbridge, AB. The exhibit was then installed at the Danaoja Zho Cultural Centre in Dawson City, YK from May to August 2007. The last venue where WATC was installed was the Exploration Place Science Centre and Museum in Prince George, BC, where it was on site from August to December 2007. The exhibit was very well received over the course of its installation in these venues.

Fiscal year ending March 31, 2008 was originally intended to be the last year of funding for WATC from IRSRC. However, an application to extend funding to March 31, 2009 to enable the exhibit to continue traveling was approved by IRSRC. This funding

has allowed the LHF to secure several high profile venues for WATC in the forthcoming fiscal year.

Given that WATC would continue touring in the 2008-2009 fiscal year, it was decided that the exhibit should be refurbished to ensure it is in prime condition. Since its launch in 2002, many of the panels, frames and plexiglass had become quite worn and the graphic design had become somewhat dated. As a result, Mr. Jeff Thomas was contracted to not only enhance the current content, but to also address issues that had been raised by visitors to the exhibition over the past several years. More specifically, new curatorial texts clarifying the exhibition objective of reaching Aboriginal youth and the purpose of the word 'healing' in the exhibition's subtitle have been added to WATC. Library and Archives Canada contributed \$5,000 towards the refurbishment of the exhibit.

The next two venues slated for WATC were also confirmed in the current fiscal year. First, the exhibit will be installed at the Canadian Broadcasting Corporation

(CBC) headquarters in Toronto, ON from June 17 - 23, 2008, and will serve as a backdrop to the programming taking place there for National Aboriginal Day (June 21). Further, the Smithsonian Institute's National Museum for the American Indian in Washington, DC has agreed to install the exhibit for a period of three months starting in September 2008.

Inuit Photo Exhibit

Background

A portion of the feedback received by the LHF as a result of the WATC exhibit related to the recurrent idea that the Inuit experience of residential school was unique as compared to the First Nations experience. Visitors and experts who viewed the WATC exhibit felt that the Inuit experience, which was intertwined with the First Nations experience, should be represented independently. As a result, the LHF, along with our partners in this project, the Aboriginal Healing Foundation and Library and Archives Canada, began development of an Inuit specific traveling exhibit of photographs and documents in January 2007.

2007-2008

There were several changes to the curatorial team in 2007-2008. However, by February 2008, Mr. Jeff Thomas, who was the curator for WATC, and Inuit Curator and Native North American Art History expert, Ms. Heather Igloliorte, were contracted to continue the development of the exhibit. Together, Mr. Thomas and Ms. Igloliorte are developing an exhibit that will reflect the uniqueness of the Inuit experience of residential school throughout all elements of design and layout.

This exhibit will place a strong emphasis on first person testimonies from Inuit Residential School Survivors representing all four Inuit regions: Nunatsiavut, Nunavik, Nunavut and Inuvialuit. In addition, the exhibit will present photographs and texts using materials and methods that may not be commonly utilized in art or photo exhibitions. More specifically, this exhibit will be presented on large panels and through a running series of photographic images. In addition to its uniqueness, this exhibit design will ultimately be more versatile and transportable in order to reach and be installed in a greater variety of Northern and other venues.

It is anticipated that the exhibit will be completed in late-summer 2008, with a launch expected in the early fall of 2008 at the Library and Archives Canada.

Where are the Children? Healing the Legacy of the Residential Schools - Website (www.wherearethechildren.ca)

Background

In March 2005, based on the success of the WATC archival photo exhibit and with funding from the Canadian Culture Online Program of Canadian Heritage, the LHF and its partners developed an online educational resource, *www.wherearethechildren.ca*. Phase 1 of this interactive website made the photographs from the WATC exhibit available online and allowed users to navigate their way through a virtual reconstruction of the Mohawk Institute in Brantford, ON.

Phase 2 of the website was developed in 2006-2007, again with funding from the Canadian Culture Online Program of Canadian Heritage. This new interactive component enabled visitors to sit at a desk which is equipped with a virtual textbook, dictionary, map and time line. The objective of Phase 2

was to present education material on the legacy of Canada's Residential School System in an engaging, youth-oriented, interactive format involving the creation of original text and graphics.

2007-2008

Phase 2 of the website was launched on November 1, 2007 (Education Day) at the Manito Ahbee Festival held at the Winnipeg Convention Centre in Winnipeg, MB. In addition to Education Day, a Career Trade Fair was held at the Winnipeg Convention Centre during the Festival, where the LHF was invited to set up a booth and distribute promotional material related to the website. Further, on November 2, 2007, the LHF President announced and presented this new educational resource during the live broadcast of the Aboriginal Peoples Choice Music Awards in Winnipeg, MB.

Other press activities for the website include promotional postcards and bookmarks published in *SAY Magazine's* fall 2007 issue, and a two-page overview of the website in its winter 2008 issue. Overall, the LHF has received a good

deal of positive feedback regarding the website. Several teachers, librarians, and public sector officials have contacted the LHF requesting materials about residential school.

The LHF submitted a full application to the Canadian Culture Online Program of Canadian Heritage for a third and final phase of the website. Built on the model of Phase 2, Phase 3 will offer users a virtual classroom with a stack of three textbooks, one for grades 9 and 10, one for grades 11 and 12, and one for the post-secondary level. A study guide, dictionary, lesson plans for each of the textbooks, a teacher's guide and student games, activities and quizzes, will also be developed to complement the textbooks. In addition, the map from Phase 2 will be enhanced and an overhead projector screen will be available for the users to "pull down" and view photos and the video/audio recordings of Residential School Survivors collected under the *Our Stories... Our Strength* project.

Our Stories... Our Strength – Storytelling Gatherings

Background

This national commemoration and education project, funded by IRSRC, represents the LHF's biggest project to date. It is also one of the LHF's most significant projects as it provides the crucial acknowledgement and validation of Survivors' experiences that had been lacking until recently. This project encompasses the collection and sharing of stories of Residential School Survivors from across Canada, and the subsequent development of educational materials based on these stories.

2007-2008

The original proposal for *Our Stories... Our Strength* indicated that the LHF would work with 16 communities to collect the stories of Residential School Survivors and would develop educational materials based on these stories by March 31, 2008. However, as a result of requests from communities to participate in this project, the LHF received approval from IRSRC in December 2007 to

continue the process of collecting the stories of Residential School Survivors in the 2007-2008 fiscal year. This decision allowed the LHF to defer the production of educational resources based on the stories until the 2008-2009 fiscal year.

In 2007-2008, the LHF partnered with organizations in the following communities in order to host gatherings and to collect the stories of Residential School Survivors:

April 30-May 2, 2007 – Winnipeg, MB

June 1-3, 2007 – Lac Descelles, QC

June 15-16, 2007 – Calgary, AB

August 4-6, 2007 – Fort Chipewyan, AB

September 25-27, 2007 – Regina, SK

October 16-18, 2007 – Whitehorse, YK

February 25-26, 2008 – Nipawin, SK

March 4-5, 2008 – Nanaimo, BC

March 18-19, 2008 – Fort Qu'Appelle, SK

March 25-27, 2008 – Winnipeg, MB

By the end of March 31, 2008, the LHF had collected 552 stories from

Residential School Survivors in almost every province and territory in Canada.

An application for the production of educational resources and materials based on the stories that had been collected by the LHF was submitted to IRSRC for the 2008-2009 fiscal year. More specifically, the LHF has proposed to develop a book and DVD from a selection of Survivors' stories and to distribute these materials to Survivors, their families and Canadians.

Administration

Due to the departure of Ms. Margaret Horn, the LHF Board of Directors has hired Ms. Isabella Tatar as Executive Director commencing October 15, 2007.



Sponsors Help Us Win In Golf

The 8th Annual AHF Charity Golf Tournament in support of the Legacy of Hope Foundation was held on June 20, 2007 at the Canadian Golf and Country Club.

With the generous support of our presenting partner, Interspec Furniture Solutions, this year's golf tournament raised in excess of \$40,000.00! We extend our thanks to Interspec Furniture Solutions as well as to all of our corporate sponsors, hole sponsors, volunteers and supporters for helping to make this event a great success year after year.

This year's event included a new \$1,000,000 3-shot challenge, exciting prizes for participants and an opportunity to take part in a silent auction consisting of several wonderful items donated by our sponsors.

The 9th Annual Charity Golf Tournament at the Canadian Golf and Country Club will take place on June 18, 2008.

A special thanks to the following sponsors:
Presenting Partner

- Interspec Furniture Solutions Inc.

\$1,000,000 3 Shot Challenge

- Pepsi

\$2,000 Ace Sponsor

- Aboriginal Voices Radio

- National Aboriginal Health Organization

- NationMedia+Design

\$1,500 Eagle Sponsor

- Métis National Council

- Wolfcrest Capital

\$1,000 Birdie Sponsors

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Association of Canada

- Promarc

- Indigenous Gaming Regulators

Hole Sponsors

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- First Nations Bank

- Donna Cona

- Métis Settlements General Council

- Edmond Harnden

- Morguard Investments

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Dinner Sponsor

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AUDITORS' REPORT TO THE DIRECTORS

We have audited the statement of financial position of Legacy of Hope Foundation as at March 31, 2008 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, 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 common with many charitable organizations, the Foundation derives revenue from donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenue over expenses and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donations and fundraising revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Canada Corporations Act, we report that, in our opinion, except for the change in the method of accounting for financial instruments, as explained in note 3 to the financial statements, these principles have been applied on a basis consistent with that of the preceding year.

Chartered Accountants, Licensed Public Accountants

Ottawa, Canada
May 29, 2008

LEGACY OF HOPE FOUNDATION

Statement of Financial Position

March 31, 2008, with comparative figures for 2007

	2008	2007
Assets		
Current assets:		
Cash	\$ 274,271	\$ 140,877
Accounts receivable	321,375	429,504
Prepaid expenses	3,457	5,223
	<u>\$ 599,103</u>	<u>\$ 575,604</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable (note 4)	\$ 465,590	\$ 492,446
Net assets:		
Unrestricted	133,513	83,158
Contingencies (note 5)		
Future accounting standards (note 9)		
	<u>\$ 599,103</u>	<u>\$ 575,604</u>

See accompanying notes to financial statements.

On behalf of the Board:

_____ Chairman

_____ Treasurer

LEGACY OF HOPE FOUNDATION

Statement of Operations

Year ended March 31, 2008, with comparative figures for 2007

	2008	2007
Revenue:		
Contributions and grants:		
Exhibition project	\$ 174,134	\$ 100,000
Book project	741,132	877,625
Inuit Story project	114,695	107,605
Website Phase II project	–	336,828
Fundraising	55,492	27,127
Donations	609	7,799
Interest	5,869	7,165
Miscellaneous	8,854	10,417
	<u>1,100,785</u>	<u>1,474,566</u>
Project expenses:		
Exhibition project	174,400	98,584
Book project	741,357	879,649
Inuit Story project	114,699	108,573
Website Phase II project	–	344,061
	<u>1,030,456</u>	<u>1,430,867</u>
Administration expenses:		
Office (note 6)	10,079	720
Professional fees (note 6)	4,565	5,045
Governance	2,713	4,485
Annual report	1,444	4,091
Travel and accommodation	–	–
Fundraising	1,173	878
Amortization of capital assets	–	1,416
	<u>19,974</u>	<u>16,635</u>
Total expenses	<u>1,050,430</u>	<u>1,447,502</u>
Excess of revenue over expenses	<u>\$ 50,355</u>	<u>\$ 27,064</u>

See accompanying notes to financial statements.

LEGACY OF HOPE FOUNDATION

Statement of Changes in Net Assets

Year ended March 31, 2008 with comparative figures for 2007

	Unrestricted	Investment in capital assets	Total 2008	Total 2007
Balance, beginning of year	\$ 83,158	\$ –	\$ 83,158	\$ 56,094
Excess of revenue over expenses	50,355	–	50,355	27,064
Balance, end of year	\$ 133,513	\$ –	\$ 133,513	\$ 83,158

See accompanying notes to financial statements.

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements

Year ended March 31, 2008

1. Description:

Legacy of Hope Foundation (the "Foundation") was incorporated without share capital on July 17, 2000 under Part II of the Canada Corporations Act and received its registered charity status on May 7, 2001. The Foundation is exempt from income tax.

The Foundation was established for the purpose of encouraging and supporting Aboriginal communities in building the capacity to sustain healing processes that address the broader Intergenerational Legacy of the Residential School System.

2. Significant accounting policies:

(a) Revenue recognition:

Revenue is recorded using the deferral method of accounting. Unrestricted contributions, grants and donations are recognized as revenue when received or receivable. Externally restricted contributions, grants and donations are deferred and recognized as revenue in the period in which the related expenses are incurred.

In-kind donations are recorded at their fair market value at the time of receipt.

(b) Use of estimates:

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from these 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.

3. Adoption of new accounting standards:

(a) Financial instruments:

Effective April 1, 2007, the Foundation adopted the new standards for Financial Instruments in accordance with various sections of the CICA Handbook included section 3855 "*Financial Instruments – Recognition and Measurement*". In accordance with the transitional provisions of this Section, the Foundation has prospectively adopted the recommendations, and therefore the 2007 comparative figures have not been restated. The impact of the implementation of these standards on these financial statements is described below:

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements, page 2

Year ended March 31, 2008

3. Adoption of new accounting standards (continued):

(a) Financial instruments (continued):

(i) Other financial assets and liabilities:

The Foundation has classified accounts receivables as loans and receivables and accounts payable as other liabilities. These classifications do not impact the amounts on these financial statements.

(ii) Embedded derivatives:

The Foundation adopted a transition date for embedded derivatives of April 1, 2004 and, accordingly, only recognized those embedded derivatives requiring separation from host contracts issued, acquired or substantially modified subsequent to this transition date. There were no derivatives or embedded derivatives recognized in the Foundation's financial statements as a result of the adoption of these new standards.

(b) Accounting changes:

Effective April 1, 2007, the Foundation adopted the revised CICA Handbook Section 1506, "Accounting Changes" relating to changes in accounting policies, changes in estimates and errors. Adoption of these recommendations had no effect on the financial statements for the year ended March 31, 2008 except for the disclosure of accounting changes that have been issued by the CICA but have not yet been adopted by the Foundation because they are not effective until a future date (refer to Future Accounting Standards, note 9).

4. Related party transaction:

The Foundation is related to the Aboriginal Healing Foundation which is a Canadian not-for-profit organization. The Aboriginal Healing Foundation appoints the majority of the Board of Directors of the Foundation.

The Aboriginal Healing Foundation was established for the purpose of funding projects that address the healing needs of Aboriginal People affected by the Legacy of Physical and Sexual Abuse in Residential Schools, including intergenerational impacts.

The Aboriginal Healing Foundation provides payroll services without charge and subleased office space in the year to the Foundation for \$12,000 (2007 - \$12,000). At March 31, 2008, the Foundation had accounts payable to the Aboriginal Healing Foundation of \$3,171 (2007 - \$26,000) related to salaries and benefits.

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements, page 3

Year ended March 31, 2008

5. Contingencies:

The terms of contribution agreements allow the funding agencies to conduct audits to verify that project expenditures are in accordance with the terms and conditions of the funding agreement. Ineligible expenditures, if any, may result in the Foundation reimbursing a portion of the funding. Management believes that the Foundation has not incurred material ineligible expenditures, and therefore, has not recorded any liability for reimbursement. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

6. Administration expenses:

The Foundation claims salaries and benefits, rent, professional fees and office expenses as eligible expenses under certain contribution agreements. These expenses are included in Project expenses on the statement of operations. Total expenses are as follows:

	2008	2007
Salaries and benefits	\$ 164,585	\$ 185,862
Office	72,971	34,469
Rent	12,000	12,000
Professional fees	17,702	12,243
	<u>267,258</u>	<u>244,574</u>
Less amounts included in project expenses	252,614	238,809
	<u>\$ 14,644</u>	<u>\$ 5,765</u>

7. Financial instruments:

The carrying value of cash, accounts receivable and accounts payable approximates their fair value due to their relative short periods to maturity.

8. Statement of cash flows:

A statement of cash flows has not been included as it would not provide additional meaningful information.

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements, page 4

Year ended March 31, 2008

9. Future accounting standards:

On December 1, 2006 the CICA issued two new accounting standards: Handbook Section 3862 "*Financial Instruments – Disclosures*"; Handbook Section 3863 "*Financial Instruments – Presentation*". These standards are effective for the Foundations reporting period beginning on April 1, 2008. The new Handbook sections 3862 and 3863 replace Handbook Section 3861 "*Financial Instruments – Disclosure and Presentation*", revising and enhancing its disclosure requirements, and carrying forward unchanged its presentation requirements. These new sections place increased emphasis on disclosures about the nature and extent of risks arising from financial instruments and how the entity manages those risks.

The Foundation is currently assessing the impact of these new accounting standards on its financial statements.

Legacy of Hope Foundation

The Legacy of Hope Foundation is a national, charitable organization whose purpose is to educate and create awareness and understanding about the legacy of residential schools, including the effects and intergenerational impacts on First Nations, Inuit and Métis peoples, and to support the ongoing healing process of Residential School Survivors.

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