



Legacy of Hope
Foundation
2016-17 Annual Report

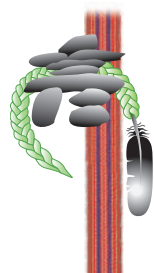
About the LHF

The Legacy of Hope Foundation (LHF) is a national Indigenous charitable organization whose purposes are to educate, raise awareness and understanding of 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. Fulfilling this mandate contributes towards reconciliation among generations of Indigenous Peoples, and between Indigenous and non-Indigenous people in Canada.

The LHF fulfills this mandate by: working in partnership with First Nations, Inuit, and Métis Peoples, communities, governments, and organizations across Canada; and undertaking communications, research and policy initiatives that support the development and implementation of our educational programming. All of these activities are informed by the experiences and stories of Residential Schools Survivors, their families and communities.

Our work is guided by ethical guidelines and principles for working with Survivors and Indigenous communities. These ethical guidelines are based on: 1) a deep concern and compassion for, and honouring of, Survivors, their families and communities; and 2) a clear understanding of the need for and importance of the oral tradition of Indigenous Peoples. We take as our fundamental guiding principle that the work of the LHF must contribute to the health, safety, well-being and healing Survivors, their families and communities, and towards promoting reconciliation in Canada.

The 2016 -2017 year has been both a productive time and a time of significant change for the Legacy of Hope Foundation. We are proud to report that the significant online content has been developed – websites have been launched and redesigned, and apps have been created. Partnerships with organizations such as the National Research Centre, Wabano Centre for Aboriginal Health, the Governments of Nunavut and others have been strengthened. Never before has the demand for LHF resources been greater. It has been a time of progress, achievement, and growth that comes as a result of years of dedicated effort to foster healing and reconciliation across Canada.



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ABOUT US

The Legacy of Hope Foundation (LHF) is a national Indigenous-led charitable organization whose purposes are to educate, to raise awareness and understanding of 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. Fulfilling this mandate contributes to reconciliation among generations of Indigenous Peoples, and between Indigenous and non-Indigenous people in Canada.

The LHF fulfills this mandate by: working in partnership with First Nations, Inuit, and Métis Peoples, and with communities, governments, and organizations across Canada; and by undertaking communications, research and policy initiatives that support the development and implementation of our culturally appropriate educational programming. All of these activities are informed by the experiences and stories of Residential Schools Survivors, their families, Sixties Scoop Survivors (often linked to Residential School Survivors) and Indigenous communities and organizations.

Our work is guided by ethical guidelines and principles for working with Survivors and Indigenous communities. These ethical guidelines are based on: 1) a deep concern and compassion for, and honouring of, Survivors, their families and communities; and 2) a clear understanding of the need for and importance of the Oral Tradition of Indigenous Peoples. We take as our fundamental guiding principle that the work of the LHF must contribute to the health, safety, well-being and healing of Survivors, their families and communities, and towards promoting reconciliation in Canada.

Fiscal year 2016-2017 was a productive year for the Legacy of Hope Foundation, with three new exhibitions completed and one that was in development. As well, LHF has continued to grow in size and was happy to welcome a new Indigenous Executive Director and In-House Legal Counsel, Teresa Edwards, who began at the Foundation in February of 2017.

We look forward to a new year of partnering with Indigenous Survivors, community, Governments, businesses, schools and all Canadians so that we can continue to build new and respectful relationships, help to heal intergenerational trauma, address racism and the grief it causes.

We will continue to educate towards creating just and equal relationships of reconciliation and healing for all Canadians, to expand awareness of and access to the rich legacy of the contributions of Indigenous Peoples in Canada and the world, and to make known the histories of Indigenous Peoples in Canada because in so doing we can learn honour and acknowledge the past and present injustices, build empathy and understanding, and change our actions so we can live as equals in a mutually beneficial, caring, dignified, and just relationships of reconciliation, for the better future of all Peoples.

BOARD OF DIRECTORS

Richard Kistabish, President

Mr. Kistabish is an Algonquin from the Abitibiwinni First Nation, 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, at Kitcisakik First Nation. He was Chief of Abitibiwinni First Nation, and 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. He is the Vice-Chair of the Aboriginal Healing Foundation and the President of Legacy of Hope Foundation. Mr. Kistabish has served on the Board of Directors of the Legacy of Hope Foundation since 2002.

Elizabeth Hourie Palfrey, Vice President/Treasurer

Ms. Palfrey is Métis currently residing in Manitoba. For three decades she lived and worked in Nunavut and had extensive experience as a Managing Partner and board member of several privately owned businesses. She has lengthy experience in community development and served as Chair of the Keewatin Regional Health Board, board member of the NWT Health Care Association, the Churchill Hospital Board and Winnipeg Regional Health Board. She has contributed to many other local and regional community groups and boards as a volunteer. She served as a Director of the NWT Business Loan Fund and as a member of the Minister's Advisory Council on Business and Economic Issues.

She served as President of the Tourism Industry Association for several years and was an active in fostering increased business development and employment opportunities. Ms. Palfrey continues community service as a volunteer with a special interest and focus on Aboriginal youth initiatives. Ms. Palfrey was also a Board member and Secretary / Treasurer of the Aboriginal Healing Foundation. Ms. Palfrey has served on the Board of Directors of the Legacy of Hope Foundation since 2002.

Cindy Swanson, Secretary

Cindy Swanson is a Cree Métis woman from Edmonton, Alberta, who is currently a PhD candidate in the Centre for Research for Teacher Education and Development in the Faculty of Elementary Education at the University of Alberta. Her doctoral studies will focus on the experiences of Indigenous children and their families as they first enter into school spaces. She will narratively inquire into how their familial curriculum-making world is shaped within, by, and in-between, their experiences in the school curriculum-making world. Prior to entering the PhD program she taught elementary children for twelve years with the Edmonton Public School Board. She has also served on the Board of Directors with the Aboriginal Healing Foundation since 1998. She has served on the LHF Board since 2005.

Dr Marlyn Cook

Dr. Cook is a member of the Grand Rapids First Nation in Manitoba. A graduate of the University of Manitoba (M.D.), she currently practices Family Medicine in her home community of Grand Rapids. She left the James Bay area where she was Chief of Staff and Director of the Traditional Healing Program in 2012. She has also worked in Pikangikum in the Sioux Lookout zone, and in Akwesasne in the past. Among her previous positions are Co-Chair, First Nations Task Force on Child and Family Services (in Winnipeg, MB), Consultant to the First Nations and Inuit Health Branch (Winnipeg, MB), Province of Manitoba Medical Examiner, University of Manitoba Faculty of Medicine's Traditional Teachings Program – Debriefing Tutorials, and Assistant Director, Clinical Operations, at the First Nations and Inuit Health Branch of Health Canada (Winnipeg, MB). Marlyn 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, and the Balancing Choices and Opportunities in Sciences and Technology for Aboriginal Peoples 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 was a Member of the Ontario College of Family Physicians, co-chairs the First Nations and Inuit Health Branch Drug Therapeutic Advisory Committee, and sits on the advisory Council of the Nuclear Waste Management Organization. Dr. Cook has served on the Board of Directors of the Legacy of Hope Foundation since 2005 and the Aboriginal Healing Foundation since 2003.

A New Way Forward -Strategic Plan 2016-2020

In August of 2016, Board Members and Staff finalized the Legacy of Hope Foundations new Strategic Plan for 2016-2020. As well as defining strategic goals and objectives, the planning sessions yielded new organizational vision and mission statements.

The VISION of the Legacy of Hope Foundation is of...

Informed, capable, and respectful persons who live as equals in Canada in a mutually beneficial, caring, dignified and just relationship of reconciliation, for the better future of all Peoples and the Land.

The MISSION of the Legacy of Hope Foundation is ...

To remember our past, share knowledge, develop a mutual understanding and support actions for a just and equal relationship of reconciliation and healing for all Canadians.



We are reaching out our hands to honour the Aboriginal people... if we keep on doing it, their broken hearts will mend and they will feel peaceful and happy in Canada.

JOSIAH FERGUSON
GRADE 3
LANGLEY MEADOWS COMMUNITY SCHOOL
LANGLEY, BRITISH COLUMBIA

"We are reaching out our hands to honour the Aboriginal People... if we keep on doing it, their broken hearts will mend and they will feel peaceful and happy in Canada."

These banners were developed by the Legacy of Hope Foundation in partnership with the National Centre for Truth and Reconciliation. They please see <http://www.legacyofhope.ca> for more information. The content for these banners was developed by a Grade 3 student at Langley Meadows Community School. The content was reviewed and approved by the school principal and the National Centre for Truth and Reconciliation. The content was reviewed and approved by the school principal and the National Centre for Truth and Reconciliation. The content was reviewed and approved by the school principal and the National Centre for Truth and Reconciliation.



AFTER CENTURIES OF LOSS, IT IS TIME FOR RECONCILIATION
HOPE, JUSTICE, AND PEACE FOR ALL PEOPLE

JUSTICE
HOPE **JUS**
AND PEACE FOR ALL
AFTER CENTURIES OF LOSS, IT IS TIME FOR

Panel from Youth Banner extension to 100 YOL: The Residential School System in Canada exhibition.



President Richard Kistabish sharing with students at National Aboriginal Day, against backdrop of LHF exhibition, a National Crime..

Exhibitions and Commemoration

New Exhibition Development:

A National Crime

The English version of this five-panel exhibition was created in the spring of 2016 in preparation for presentation at the Organization of American States in Washington that summer. Separate funding was received from the Department of Canadian Heritage to translate the exhibition into French and to fabricate the second-language version.

This exhibition explores key information about the creation, expansion, administration, and devolution of the Residential School System, along with an exploration of its impacts and many legacies on generations of Indigenous Peoples today. It was intended to be a concise version of our original *100 Years of Loss: The Residential School System in Canada* Exhibition to allow it to be displayed easily in locations with limited space and hanging capacity. The exhibition was initially developed for presentation at the Organization of American States in Washington, D.C., in collaboration with the National Centre for Truth and Reconciliation in Winnipeg and Witness Blanket creator Carey Newman. We had applied to the Department of Canadian Heritage for funding when the project was already underway then had to apply for a second amount under Phase Two of this project and so now a parallel French version of the exhibition has been created and the exhibition can now be displayed in a fully bilingual format.

100 Years of Loss -Youth Banners

As a complement to our flagship, *100 YOL: The Residential School System in Canada*, ten banners were created by a young Winnipeg-based graphic designer with ties to the National Centre for Truth and Reconciliation, that feature artworks and poems by winners of the first *Imagine a Canada* competition, announced in March of 2016. *Imagine a Canada* is an annual national art and essay competition sponsored by the National Centre for Truth and Reconciliation in collaboration with Rideau Hall. It asks young people to share their thoughts on what the future of Canada will look like through the lens of reconciliation. The competition is open to students in grades 1 to 12 as well as to undergraduate students at the post-secondary level in all parts of the country. The timeline extension, also presented bilingually, documents 21 significant developments in the truth and reconciliation story since 2010. Its flexible format allows for ongoing and periodic expansion. The banners and timeline extension will travel with the 100 Years of Loss Exhibition to all future venues over the coming year.

Peter Bryce: Acknowledging a Man of Conscience and Creating New Acts of Reconciliation

After securing funding for the project from the Community Foundation of Ottawa, the Legacy of Hope Foundation developed, a new, bilingual exhibition on the life and work of Dr. Peter Henderson Bryce. Developed in partnership with the First Nations Child and Family Caring Society and St. Andrew's Presbyterian Church, the exhibition explores the life and work of Dr. Bryce and the dual challenges of compelling policy change in government and encouraging awareness amongst the general public. His story is contrasted against today's statistics that reveal how little has changed in the 110 years since Dr. Bryce's investigative reports were written.

Bi-Giwen: Coming Home – Truth Telling from the Sixties Scoop

The first of its kind, our newest exhibition, explores the experiences of Survivors of the Sixties Scoop, which began in the 1960s and continued until the late 1980s, where Indigenous children were taken from their families, often forcibly, fostered and/or adopted out to non-Indigenous homes often far away from their communities and some across the globe. Developed in partnership with the National Indigenous Survivors of Child Welfare Network, this innovative and challenging Exhibition features the first-person testimonies of twelve Indigenous Survivors of the Scoop, and reflects upon their enduring strength and resilience. It is expected to launch in late September of 2017. This powerful and moving Exhibition will be available to tour the country over the coming year.

The content for this Exhibition came from a gathering that the Legacy of Hope hosted for the Survivors on March 2-4, 2017, where we had Talking Circles, gathered Oral Testimonies, partook in Pipe Ceremony, sang songs, held Giveaways and photographed both the Survivors and their memorabilia, which was later used in the Exhibition.

Exhibition Installations:

The Legacy of Hope Foundation circulates its exhibitions to venues in all parts of the country on an almost continuous basis. The venues are listed according to exhibition:

100 Years of Loss (both versions):

Lieutenant – General of Ontario, Toronto, Ontario March 1- 31, 2016

Thames Valley District School Board, London, Ontario, May 2– 24, 2016

Edmonton Public Schools, Alberta, June 3-30, 2016

Collaboration: Spectrum Community School and Saanich Schools, Victoria, British Columbia:

Stelly's Secondary School, Saanichton, October 3-7, 2016; The Individual Learning Centre, Saanichton, October 10-14, 2016; Claremont Secondary School, Victoria, October 17-21, 2016; Parkland Secondary School, North Saanich, October 24-28, 2016; Lambrick Park Secondary School, Victoria, October 31– November 3, 2016; Mt. Douglas Secondary School, Victoria, November 7-14, 2016; Reynolds Secondary, Victoria, November 16-21, 2016; Spectrum Community School, Victoria, November 23-30, 2016

Ontario Ministry of Natural Resources, Peterborough, ON, January 8 – 14, 2017

Branksome Hall, Toronto, ON, 1-10 February 2017

Universities Canada Annual Conference, Shaw Centre, Ottawa, ON, 5 – 7 February 2017

Where Are The Children: Healing the Legacy of Residential Schools

Squamish Lil'Wat Cultural Centre in Whistler, British Columbia., February 5, 2016 – April 30, 2017

We Were So Far Away: The Inuit Experience of Residential Schools

Inuit Booth, Memorial University, St. John's, Newfoundland and Labrador, March 21-24, 2016

Forgotten: The Métis Experience of Residential Schools:

United Way of Winnipeg with Manitoba Métis Federation, Winnipeg, Manitoba, November 14 – 30, 2016

United Way of Winnipeg with Manitoba Métis Federation, Winnipeg, Manitoba, January 16–February 28, 2017

A National Crime:

Organization of American States, Washington, District of Columbia, June 29 –July 22, 2016



A National Crime on display at the Organization of American States in Washington, DC.

General Operations

The LHF continues to meet and work with many partners and organizations involved in supporting education and healing work, as well as attending various conferences and events to stay current on what is happening with Indigenous issues and to continue to work toward reconciliation.

We have partnered with Multipel Inc. on the *Our Stories...Our Strength Continues: Pehonan* project, a digital memory work platform that will feature some of the Survivor testimonies gathered during the original *Our Stories...Our Strength* project from 2005-2009. Also, the LHF continues to participate at the annual Covenant Chain, Building Our Bridges Partnership event (organized by Kairos Canada) located in Ottawa, Ontario which brings Indigenous and non-Indigenous peoples together to build relationships based on the Covenant Chain principles of peace, friendship and mutual respect. This is an opportunity to connect with members of Ottawa's social justice and ecumenical communities and to build positive relationships.

We have met with Carleton University's representatives throughout the year to look for ways to be able to work together in fulfilling our Strategic Plans regarding work between academia and LHF and we will continue to explore avenues for collaboration throughout the year.

The Legacy of Hope Foundation continues to provide educational resources to the public and to distribute the publications of the Aboriginal Healing Foundation (AHF) for which we became stewards when the AHF closed in 2014. Thousands of publications and DVDs were distributed nationally in addition to the thousands of file downloads from the Legacy of Hope website. Please visit www.legacyofhope.ca to see a current list of our available publications and to request hard or electronic copies.

The following is a list of all the Legacy of Hope Foundation's resources and educational materials that have been shipped between April 1, 2016 & March 31, 2017

English EduKits- 45
French Edukits- 4
English Teachers Bundles- 79
French Teachers Bundles- 8
Legacy of Hope Foundation DVD – 422
We Were So Far Away Activity Guide- 69
Tebatchimowin English- 93
Tebatchimowin French- 24
Forgotten Booklet- 195
Forgotten Guide- 74
French 100 Years Folded Timeline- 17
Talking Sticks- 25
Hope & Healing English - 834
Hope & Healing French- 232
Reconciliation and the Way Forward- 150

We generally have over 1000 English & 130 French Teachers Bundles in stock.

The Legacy of Hope Foundation Staff will continue to work with the Board to advance our mission and mandate so that we might contribute to a brighter future for all Canadians. We look forward to a new year. Blessings to you all. Meegwetch!



Current LHF Staff and Board Members. From left to right, Shannon Macmillan, Jane Hubbard, Teresa Edwards, Marlyn Cook, Richard Kistabish, Elizebeth Hourie-Palfrey, Cindy Swanson, and Lewis Barnaby.

AUDITED FINANCIAL STATEMENTS



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INDEPENDENT AUDITORS' REPORT

To the Directors of the Legacy of Hope Foundation

We have audited the accompanying financial statements of the Legacy of Hope Foundation, which comprise the statement of financial position as at March 31, 2017, the statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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.

Auditors' Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.



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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Legacy of Hope Foundation as at March 31, 2017, and its results of operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

September 22, 2017

Ottawa, Canada

LEGACY OF HOPE FOUNDATION

Statement of Financial Position

March 31, 2017, with comparative information for 2016

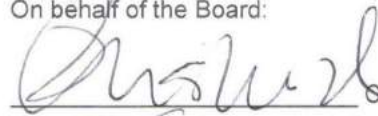
	2017	2016
Assets		
Current assets:		
Cash	\$ 1,007,058	\$ 1,391,258
Accounts receivable	81,213	94,757
Prepaid expenses	6,586	2,905
	<u>1,094,857</u>	<u>1,488,920</u>
Capital assets (note 3)	4,776	4,678
Investments (note 4)	231,603	230,631
	<u>\$ 1,331,236</u>	<u>\$ 1,724,229</u>


Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 50,198	\$ 88,158
Deferred revenue (note 6)	—	1,200,000
	<u>50,198</u>	<u>1,288,158</u>
Net assets:		
Invested in capital assets	4,777	4,678
Unrestricted	1,276,261	431,393
	<u>1,281,038</u>	<u>436,071</u>
Contingencies (note 8)		
	<u>\$ 1,331,236</u>	<u>\$ 1,724,229</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, 2017, with comparative information for 2016

	2017	2016
Revenue:		
Contributions and grants:		
Indigenous and Northern Affairs Canada (INAC)	\$ –	\$ 250,000
Museum Assistance Program (MAP)	261,346	81,244
Anglican Church	–	13,000
Hope & Healing	10,000	–
Donations	30,314	80,744
Interest	11,365	7,372
Miscellaneous	1,114,127	26,497
Shipping Recovery Revenue	46,713	–
	<u>1,473,865</u>	<u>458,857</u>
Project expenses:		
Indigenous and Northern Affairs Canada (INAC)	–	250,020
Museum Assistance Program (MAP)	246,050	103,906
Anglican Church	–	13,000
Hope & Healing	12,605	–
Administration expenses (note 9)	370,243	176,932
Total expenses	<u>628,898</u>	<u>543,858</u>
Excess (deficiency) of revenue over expenses	<u>\$ 844,967</u>	<u>\$ (85,001)</u>

See accompanying notes to financial statements.

LEGACY OF HOPE FOUNDATION

Statement of Changes in Net Assets

Year ended March 31, 2017, with comparative information for 2016

	Invested in capital assets	Unrestricted	2017 Total	2016 Total
Balance, beginning of year	\$ 4,678	\$ 431,393	\$ 436,071	\$ 521,072
Excess (deficiency) of revenue over expenses	–	844,967	844,967	(85,001)
Additions to capital assets	1,009	(1,009)	–	–
Amortization of capital assets	(911)	911	–	–
Balance, end of year	<u>\$ 4,776</u>	<u>\$ 1,276,262</u>	<u>\$ 1,281,038</u>	<u>\$ 436,071</u>

See accompanying notes to financial statements.

LEGACY OF HOPE FOUNDATION

Statement of Cash Flows

Year ended March 31, 2017, with comparative information for 2016

	2017	2016
Cash provided by (used for):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ 844,967	\$ (85,001)
Amortization of capital assets, which does not involve cash	911	938
Change in non-cash operating working capital:		
Decrease in accounts receivable	13,544	95,261
Decrease (increase) in prepaid expenses	(3,681)	16,871
Decrease in accounts payable and accrued liabilities	(37,960)	(22,904)
Increase (decrease) in deferred revenue	(1,200,000)	1,200,000
	(382,219)	1,205,165
Investments:		
Purchase (withdrawals) of investments	(972)	209,369
Purchase of capital assets	(1,009)	(4,550)
	(1,981)	204,819
Increase (decrease) in cash	(384,200)	1,409,984
Cash (bank indebtedness), beginning of year	1,391,258	(18,726)
Cash, end of year	\$ 1,007,058	\$ 1,391,258

See accompanying notes to financial statements.

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements

Year ended March 31, 2017

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. Effective October 1, 2014 the Foundation continued its articles of incorporation under the Canada Not-for-Profit Corporations Act. The Foundation is exempt from income tax under paragraph 149(1)(f) of the Income Tax Act (Canada).

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:

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting and include the following significant accounting policies:

(a) Basis of presentation:

The Foundation follows the deferral method of accounting for contributions for not-for-profit organizations.

(b) Capital assets:

Capital assets consist of computer equipment and are recorded at cost. Amortization is provided on a straight-line basis over five years.

(c) Revenue recognition:

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.

(d) Expenses:

In the statement of operations, the Foundation presents its expenses by function. Expenses are recognized in the year incurred and are recorded in the function to which they are directly related. Subsequent to initial recognition, the Foundation allocates expenses from administration expenses to the other functions in accordance with the related funding agreements. The administrative allocation to each function is presented in note 9.

(e) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Foundation has not elected to carry any such financial instruments at fair value.

Financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Foundation determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Foundation expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(f) Use of estimates:

The preparation of financial statements 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. Capital assets:

	2017		2016	
	Cost	Accumulated amortization	Net book value	Net book value
Computer hardware	\$ 4,561	\$ 3,653	\$ 908	\$ 355
Display panels - exhibit	4,550	682	3,868	4,323
	<u>\$ 9,111</u>	<u>\$ 4,335</u>	<u>\$ 4,776</u>	<u>\$ 4,678</u>

Cost and accumulated amortization at March 31, 2016 amounted to \$8,102 and \$3,424, respectively.

4. Investments:

Investments consist of a guaranteed investment certificate with an interest rate of 0.85% and maturity date of July 11, 2016.

5. Accounts payable and accrued liabilities:

At year-end, the Foundation had no amounts payable for government remittances.

6. Deferred revenue

The Legacy of Hope Foundation (LHF) was named as the beneficiary to the Aboriginal Healing Foundation (AHF) which ceased operations as of September 30, 2014. At the time of dissolution, the AHF was owed money by the Catholic Entities, under the Indian Residential School Settlement Agreement (IRSSA). The exact amount was in dispute and was resolved during the year and as a result LHF received a cheque for \$1.2 million on January 8, 2016. As the LHF had not yet received a legal opinion on whether or not it is bound by the IRSSA agreement to spend the money in the manner as prescribed to the AHF, the LHF deferred the funds in 2016. During 2017, LHF determined through a legal opinion that there were no restriction on the funding and therefore has recognized the revenue in the current year.

7. Capital disclosures:

The Foundation considers its capital to consist of its net assets. The objective of the Foundation with respect to net assets is to fund future operations and its capital assets.

The Foundation is not subject to externally imposed capital requirements and its overall strategy with respect to capital remains unchanged from the year ended March 31, 2016.

8. 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.

LEGACY OF HOPE FOUNDATION

Notes to Financial Statements, page 4

Year ended March 31, 2017

9. 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 administration expenses are as follows:

	2017	2016
Salaries and benefits	\$ 368,078	\$ 272,222
Office	280,209	142,065
Rent	21,660	36,140
Professional fees	17,291	14,835
	687,238	465,262
Allocated to project expenses:		
INAC	–	(181,973)
MAP	(246,049)	(64,445)
Anglican Church	–	(4,500)
Hope & Healing	(12,605)	–
HST recovery	(11,629)	(7,591)
Recovery of expenses	(46,712)	(29,821)
	\$ 370,243	\$ 176,932

10. Financial risks and concentration of credit risk:

The Foundation believes that it is not exposed to significant interest rate, currency, or credit risks arising from its financial instruments.



HOW YOU CAN HELP

The Legacy of Hope Foundation's belief that awareness and education are the best ways to encourage long-term reconciliation is so strong that we produce and distribute our resources free of charge. Please make a donation to the LHF today to help ensure that others will have access to these important resources.

Contact us about making a donation, or visit www.legacyofhope.ca to give online. Donations of any amount are appreciated and donors will receive a tax receipt. The Legacy of Hope Foundation's charitable registration number is 863471520RR0001.