

**ANISHNAWBE HEALTH FOUNDATION**  
**Financial Statements**  
**Year Ended December 31, 2016**

**ANISHNAWBE HEALTH FOUNDATION**  
**Index to Financial Statements**  
**Year Ended December 31, 2016**

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Anishnawbe Health Foundation

We have audited the accompanying financial statements of Anishnawbe Health Foundation, which comprise the statement of financial position as at December 31, 2016 and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

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

### Auditor's 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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.

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 Anishnawbe Health Foundation as at December 31, 2016 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Jonathan Sears CA*

Oakville, Ontario  
June 23, 2017

Jonathan Sears CA Professional Corporation  
Authorized to practice public accounting by the  
Chartered Professional Accountants of Ontario

**ANISHNAWBE HEALTH FOUNDATION**  
**Statement of Financial Position**  
**December 31, 2016**

	2016	2015
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 801,522	\$ 494,339
Due from related parties (Note 2)	10,213	-
	<u>\$ 811,735</u>	<u>\$ 494,339</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 8,835	\$ 2,260
Due to related parties (Note 2)	-	82,963
	<u>8,835</u>	<u>85,223</u>
DEFERRED CONTRIBUTIONS (Note 4)	<u>620,573</u>	<u>264,000</u>
	<u>629,408</u>	<u>349,223</u>
<b>NET ASSETS</b>	<u>182,327</u>	<u>145,116</u>
	<u>\$ 811,735</u>	<u>\$ 494,339</u>

Chandrukel P. Shels Director  
Diane Gray Director

**ANISHNAWBE HEALTH FOUNDATION**  
**Statement of Revenues and Expenditures**  
**Year Ended December 31, 2016**

	2016	2015
<b>REVENUES</b>	<b>\$ 180,639</b>	<b>\$ 1,850</b>
<b>EXPENSES</b>		
Consulting fees	24,924	13,051
Accounting fees	5,113	2,260
Insurance	1,557	-
Interest and bank charges	600	31
Office	4,390	-
Development	5,095	-
Salaries and wages	88,949	-
	<u>130,628</u>	<u>15,342</u>
<b>SURPLUS (DEFICIENCY) BEFORE GRANTS</b>	<b>50,011</b>	<b>(13,492)</b>
Grant to Anishnawbe Health Toronto (Note 3)	12,800	-
<b>SURPLUS (DEFICIENCY) FOR THE YEAR</b>	<b>\$ 37,211</b>	<b>\$ (13,492)</b>

**ANISHNAWBE HEALTH FOUNDATION**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>\$ 145,116</b>	<b>\$ 158,608</b>
Excess of revenues over expenses	<u>37,211</u>	<u>(13,492)</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ 182,327</u></b>	<b><u>\$ 145,116</u></b>

**ANISHNAWBE HEALTH FOUNDATION****Statement of Cash Flow****Year Ended December 31, 2016**

	<b>2016</b>	<b>2015</b>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 37,211	\$ (13,492)
Change in non-cash working capital:		
Accounts payable and accrued liabilities	<u>6,575</u>	-
Cash flow from (used by) operating activities	<u>43,786</u>	<u>(13,492)</u>
<b>FINANCING ACTIVITIES</b>		
Deferred contributions	356,573	264,000
Due to (from) Anishnawbe Health Toronto	<u>(93,176)</u>	<u>7,260</u>
Cash flow from financing activities	<u>263,397</u>	<u>271,260</u>
<b>INCREASE IN CASH FLOW</b>	<b>307,183</b>	<b>257,768</b>
Cash - beginning of year	<u>494,339</u>	<u>236,571</u>
<b>CASH - END OF YEAR</b>	<b>\$ 801,522</b>	<b>\$ 494,339</b>

# ANISHNAWBE HEALTH FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2016

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### PURPOSE OF THE ORGANIZATION

Anishnawbe Health Foundation is a non-profit corporation without share capital with a charitable registration number of 849991914RR0001.

The mission of Anishnawbe Health Foundation is to inspire philanthropy to:

- Support an environment where the urban Aboriginal community can heal spiritually, physically, emotionally and mentally by enhancing capital and program funding for Anishnawbe Health Toronto; and
  - Foster the reclamation, preservation, research and application of traditional healing methods, including the sharing of these with all people.
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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (GAAP).

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### Measurement uncertainty

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

#### Revenue recognition

Anishnawbe Health Foundation follows the deferral method of accounting for contributions.

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.

Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

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## ANISHNAWBE HEALTH FOUNDATION

### Notes to Financial Statements

Year Ended December 31, 2016

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#### 2. RELATED PARTIES

The following is a summary of the organization's related party transactions:

	<u>2016</u>	<u>2015</u>
<u>Due from (to) Anishnawbe Health Toronto</u>		
Opening balance	\$ (82,963)	\$ (75,703)
Expenditures	(4,176)	(7,260)
Repayment	87,052	-
Transfers	10,300	-
Ending balance	<u>\$ 10,213</u>	<u>\$ (82,963)</u>

During the year, Anishnawbe Health Foundation incurred an additional \$4,176 (2015 - \$7,260) in start-up costs that were loaned by Anishnawbe Health Toronto (AHT), resulting in a total payable amount to Anishnawbe Health Toronto of \$87,159 (2015- \$82,963), of which \$87,052 was repaid during the year. The loan was non-interest bearing, and payable on request from Anishnawbe Health Toronto. In October 2016, the Foundation Board of Directors and AHT's Board of Directors signed a Memorandum of Understanding where it was agreed that all charitable donations be received, receipted and stewarded by the Foundation. Under this agreement, \$10,300 in donations received in December 2016 by AHT were transferred to Anishnawbe Health Foundation resulting in receivable for Anishnawbe Health Foundation of \$10,213 at year end.

Anishnawbe Health Foundation has no externally imposed restrictions on its resources, and follows accounting policies consistent with Anishnawbe Health Toronto. Anishnawbe Health Foundation and Anishnawbe Health Toronto are each governed by a separate Board of Directors, but are related by virtue of sharing personnel between the two entities as well as Anishnawbe Health Toronto's Executive Director also being on Anishnawbe Health Foundation's Board of Directors.

Transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

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#### 3. RELATED PARTY TRANSACTIONS

During the year, the Board of Directors approved a grant of \$12,800 for the O Ta Ti Baen Program from Anishnawbe Health Foundation to Anishnawbe Health Toronto in order to meet the CRA disbursement quota requirements for registered charities.

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# ANISHNAWBE HEALTH FOUNDATION

## Notes to Financial Statements

Year Ended December 31, 2016

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### 4. DEFERRED CONTRIBUTIONS

Deferred contributions relate to capital assets that were purchased by Waasagamik. The changes to deferred contributions consist of the following:

	<u>2016</u>	<u>2015</u>
Opening	\$ (264,000)	\$ -
Deferred revenue recognized	143,427	-
Donation	<u>(500,000)</u>	<u>(264,000)</u>
	<u>\$ (620,573)</u>	<u>\$ (264,000)</u>

During the year, Anishnawbe Health Foundation received a donation from Waasagamik for \$500,000 to fund expenses related to building a capital campaign to support a new building for Anishnawbe Health Toronto and recognized \$143,427 of deferred revenue from prior year for start-up costs incurred in the current year. The remaining \$620,573 of the deferred revenue will be recognized as costs are incurred.

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### 5. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2016.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its bank account.

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