Financial Statements of

I.C.C. FOUNDATION

Year ended March 31, 2016

I.C.C. FOUNDATION

Financial Statements

Year ended March 31, 2016

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the I.C.C. Foundation

We have audited the accompanying financial statements of I.C.C. Foundation, which comprise the statement of financial position as at March 31, 2016, the statements of operations and 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.

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 I.C.C. Foundation as at March 31, 2016 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

June 27, 2016

Ottawa, Canada

I.C.C. FOUNDATION

Statement of Financial Position

March 31, 2016, with comparative information for 2015

	2016	2015
Assets		
Cash	$ 60,882	$ 60,992
Accounts receivable	–	2,000
	$ 60,882	$ 62,992
Liabilities and Net Assets		
Liabilities:		
Deferred contributions	$ 56,250	$ 56,250
Net assets	4,632	6,742
	$ 60,882	$ 62,992

See accompanying notes to financial statements.

On behalf of the Board:

____________________ Director

____________________ Director

I.C.C. FOUNDATION

Statement of Operations and Changes in Net Assets

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Revenue:		
Contributions received and receivable:		
Air Inuit (Makivik)	$ 150,000	$ 103,000
Walter & Duncan Gordon Foundation	12,000	25,000
Nunatsiavut Government (VALE)	–	22,000
	162,000	150,000
Deferred contributions, beginning of year	56,250	63,750
Deferred contributions, end of year	(56,250)	(56,250)
	162,000	157,500
Expenses:		
Contributions to Inuit Circumpolar Council (Canada) (note 2)	164,000	155,500
Operating	110	84
	164,110	155,584
Excess (deficiency) of revenue over expenses	(2,110)	1,916
Net assets, beginning of year	6,742	4,826
Net assets, end of year	$ 4,632	$ 6,742

See accompanying notes to financial statements.

I.C.C. FOUNDATION

Statement of Cash Flows

Year ended March 31, 2016, with comparative information for 2015

	2016	2015
Cash provided by (used in):		
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenses	$ (2,110)	$ 1,916
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	2,000	(2,000)
Deferred revenue	–	(7,500)
Decrease in cash	(110)	(7,584)
Cash, beginning of year	60,992	68,576
Cash, end of year	$ 60,882	$ 60,992

See accompanying notes to financial statements.

I.C.C. Foundation was incorporated by Letters Patent under the provisions of Part 2 of the Canada Corporations Act on August 6, 1987 and began operations on January 1, 1991, was registered as a charitable organization on November 1, 1988 and the official registration number assigned is 0807495-22. Effective November 1, 2013, the Foundation continued its articles of incorporation under the Canada Not-for-profit Corporations Act. The object of the Foundation is to promote Inuit culture in Canada and the circumpolar region and increase the knowledge of its members in the areas of social, economic and cultural studies about and for Inuit.

1. Significant accounting policies:

These financial statements are prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) Basis of presentation:

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

(b) Revenue recognition:

Restricted contributions and donations are recognized as revenue in the year in which the related expense is incurred.

Unrestricted contributions and donations are recognized as revenue in the year in which they are received.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. I.C.C. Foundation has elected to carry its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year. If there is an indicator of impairment, I.C.C. 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 I.C.C. 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.

1. Significant accounting policies (continued):

(d) 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 periodically, and, as adjustments become necessary, they are reported in earnings in the year in which they become known.

2. Related party transactions:

The Foundation is related to Inuit Circumpolar Council (Canada) Inc. and to Inuit Tapiriit Kanatami by virtue of having a common Board of Directors.

During the year, the Foundation made contributions to Inuit Circumpolar Council (Canada) Inc. of $164,000 (2015 - $155,500).

3. Net assets:

The Foundation considers its capital to consist of its net assets and deferred contributions related to expenses of future periods.

The Foundation's objectives in managing capital are to safeguard its ability to continue as a going concern and supporting the Inuit Circumpolar Council's strategy of promoting Inuit culture in Canada and the circumpolar region.

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, 2015.

4. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that I.C.C. Foundation will be unable to fulfill its obligations on a timely basis or at a reasonable cost. I.C.C. Foundation manages its liquidity risk by monitoring its operating requirements. I.C.C. Foundation prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

4. Financial risks (continued):

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. I.C.C. Foundation is exposed to credit risk with respect to the accounts receivable. I.C.C. Foundation assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. At year-end, there were no amounts allowed for in accounts receivable.

(c) Interest rate and foreign currency risks:

Management does not believe that I.C.C. Foundation is exposed to significant interest rate or foreign currency risks arising from its financial instruments.

There has been no change to the risk exposures from 2015.