

Financial Statements of

I.C.C. FOUNDATION

Year ended March 31, 2019

I.C.C. FOUNDATION

Financial Statements

Year ended March 31, 2019

	Page
Independent Auditors' Report	
Statement of Financial Position	1
Statement of Operations and Changes in Net Assets.....	2
Statement of Cash Flows	3
Notes to Financial Statements.....	4



KPMG LLP
150 Elgin Street, Suite 1800
Ottawa ON K2P 2P8
Canada
Telephone 613-212-5764
Fax 613-212-2896

INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the financial statements of the I.C.C. Foundation. (the "Foundation"), which comprise:

- the statement of financial position as at March 31, 2019
- the statement of operations and changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Foundation as at March 31, 2019, 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.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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



Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Canada

July 15, 2019

I.C.C. FOUNDATION

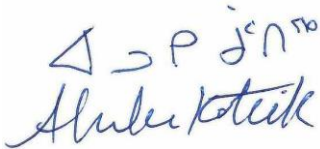
Statement of Financial Position

March 31, 2019, with comparative information for 2018

	2019	2018	
Assets			
Cash	\$ 60,865	\$ 60,611	
Liabilities and Net Assets			
Liabilities:			
Deferred contributions	\$ 56,250	\$ 56,250	
Net assets		4,615	4,361
	\$ 60,865	\$ 60,611	

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, 2019, with comparative information for 2018

	2019	2018
Revenue:		
Contributions received and receivable:		
Air Inuit (Makivik)	\$ 150,000	\$ 150,000
Oak Foundation	145,529	–
ICC Canada	500	–
Walter & Duncan Gordon Foundation	–	15,000
Kativik School Board	–	5,000
	<u>296,029</u>	<u>170,000</u>
Deferred contributions, beginning of year	56,250	56,250
Deferred contributions, end of year	<u>(56,250)</u>	<u>(56,250)</u>
	296,029	170,000
Expenses:		
Contributions to Inuit Circumpolar Council (Canada) (note 2)	295,529	170,000
Operating	<u>246</u>	<u>255</u>
	295,775	170,255
Excess (deficiency) of revenue over expenses	254	(255)
Net assets, beginning of year	4,361	4,616
Net assets, end of year	<u>\$ 4,615</u>	<u>\$ 4,361</u>

See accompanying notes to financial statements.

I.C.C. FOUNDATION

Statement of Cash Flows

Year ended March 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used in):		
Cash flows from operating activities:		
Excess (deficiency) of revenue over expenses	\$ 254	\$ (255)
Increase (decrease) in cash	254	(255)
Cash, beginning of year	60,611	60,866
Cash, end of year	\$ 60,865	\$ 60,611

See accompanying notes to financial statements.

I.C.C. FOUNDATION

Notes to Financial Statements

Year ended March 31, 2019

I.C.C. Foundation (the "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) Revenue recognition:

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

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.

(b) 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. The 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, 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.

I.C.C. FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

1. Significant accounting policies (continued):

(c) 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 \$295,529 (2018 - \$170,000).

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, 2018.

4. Financial risks:

(a) Liquidity risk:

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

I.C.C. FOUNDATION

Notes to Financial Statements (continued)

Year ended March 31, 2019

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. The Foundation is exposed to credit risk with respect to the accounts receivable. The 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, currency, market and other price risks:

Management does not believe that the Foundation is exposed to significant interest rate, currency, market and other price risks arising from its financial instruments.

There has been no change to the risk exposures from 2018.