

**I.C.C. Foundation**  
**Financial Statements**  
**March 31, 2020**

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## Independent Auditor's Report

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To the Directors of  
I.C.C. Foundation

### Opinion

We have audited the financial statements of I.C.C. Foundation (hereafter "the Foundation"), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and net assets and cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2020, and the results of its operations 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 "Auditor's responsibilities for the audit of the financial statements" section of our 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 ethical 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.

### Other matter – Comparative information audited by a predecessor auditor

The financial statements of the Foundation for the year ended March 31, 2019 were audited by another auditor who expressed an unmodified opinion on those statements on July 15, 2019.

**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.

**Auditor's 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 auditor's 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 these 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 auditor's 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 auditor's 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.

We 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.

*Raymond Cholet Grant Thornton LLP*

Chartered Professional Accountants,  
Licensed Public Accountants

Ottawa, Canada  
July 14, 2020

# I.C.C. Foundation

## Operations and Net Assets and Changes in Net Assets

Year ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
<b>Contribution revenue</b>		
Climate Justice Resilience Fund	202,285	
Oak Foundation	99,496	145,529
The Pew Charitable Trusts	65,480	
Air Inuit (Makivik)	56,250	150,000
Oceans North Conservation Society	58,000	
Canadian Environmental Grantmakers' Network	51,750	
WWF-Canada	18,013	
Inuit Circumpolar Council (Canada) Inc.		500
	<u>551,274</u>	<u>296,029</u>
<b>Expenses</b>		
Contributions to Inuit Circumpolar Council (Canada) (Note 4)	551,274	295,529
Operating	125	246
	<u>551,399</u>	<u>295,775</u>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(125)</b>	254
Net assets, beginning of year	<u>4,615</u>	<u>4,361</u>
Net assets, end of year	<u><u>4,490</u></u>	<u><u>4,615</u></u>

The accompanying notes are an integral part of the financial statements.

## I.C.C. Foundation

### Cash Flows

Year ended March 31, 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	(125)	254
Changes in working capital items		
Trade payables and other operating liabilities	56,250	
Deferred contributions	<u>(39,600)</u>	
<b>Net increase in cash</b>	<b>16,525</b>	254
Cash, beginning of year	<u>60,865</u>	<u>60,611</u>
Cash, end of year	<u><u>77,390</u></u>	<u>60,865</u>

The accompanying notes are an integral part of the financial statements.

# I.C.C. Foundation Financial Position

March 31, 2020

	<u>2020</u>	<u>2019</u>
	\$	\$
<b>ASSETS</b>		
Current		
Cash	<u>77,390</u>	<u>60,865</u>
<b>LIABILITIES</b>		
Current		
Trade payables and other operating liabilities	56,250	
Deferred contributions (Note 3)	<u>16,650</u>	56,250
	<u>72,900</u>	56,250
<b>UNRESTRICTED NET ASSETS</b>	<u>4,490</u>	<u>4,615</u>
	<u>77,390</u>	<u>60,865</u>

The accompanying notes are an integral part of the financial statements.

On behalf of the Board,



Director



Director

# I.C.C. Foundation

## Notes to Financial Statements

March 31, 2020

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### **1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION**

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 Foundation is exempt from income tax.

The object of the Foundation is to promote Inuit culture in Canada and the circumpolar region and increase knowledge of its members in the areas of social, economic and cultural studies about and for Inuit.

### **2 - SUMMARY OF ACCOUNTING POLICIES**

#### **Basis of presentation**

The Foundation's financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### **Accounting estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts recorded in the financial statements and notes to financial statements. These estimates are based on management's best knowledge of current events and actions that the Foundation may undertake in the future. Actual results may differ from these estimates.

#### **Revenue recognition**

The Foundation follows the deferral method of accounting for contributions. Under this method, contributions restricted for future period expenses are deferred and are recognized as revenue in the year in which the related expenses are incurred. 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.

#### **Contributed supplies and services**

The Foundation receives contributed supplies and services, the amount of which cannot be reasonably estimated. These transactions have, therefore, not been reflected in the financial statements.

#### **Financial assets and liabilities**

##### *Initial measurement*

Upon initial measurement, the Foundation's financial assets and liabilities are measured at fair value, which, in the case of financial assets or financial liabilities that will be measured subsequently at amortized cost, is increased or decreased by the amount of the related financing fees and transaction costs.

##### *Subsequent measurement*

At each reporting date, the Foundation measures its financial assets and liabilities at amortized cost (including any impairment in the case of financial assets).

# I.C.C. Foundation

## Notes to Financial Statements

March 31, 2020

### 2 - SUMMARY OF ACCOUNTING POLICIES (Continued)

With respect to financial assets measured at amortized cost, the Foundation assesses whether there are any indications of impairment. When there is an indication of impairment, and if the Foundation determines that during the year there was a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it will then recognize a reduction as an impairment loss in operations. The reversal of a previously recognized impairment loss on a financial asset measured at cost or amortized cost is recognized in operations in the year the reversal occurs.

### 3 - DEFERRED CONTRIBUTIONS

	2020	2019
	\$	\$
Balance, beginning of year	56,250	56,250
Amount received during the year	16,650	150,000
Amount recognized in statement of operations during the year	<u>(56,250)</u>	<u>(150,000)</u>
Balance, end of year	<u>16,650</u>	<u>56,250</u>

### 4 - 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 \$551,274 (\$295,529 for the year ended March 31, 2019).

### 5 - FINANCIAL INSTRUMENTS

#### Liquidity risk

The Foundation's liquidity risk represents the risk that the Foundation could encounter difficulty in meeting obligations associated with its financial liabilities. The Foundation is, therefore, exposed to liquidity risk with respect to all of the financial liabilities recognized on the statement of financial position.

### 6 - COVID-19

At the end of the year, an outbreak of a new strain of coronavirus (COVID-19) resulted in a major global health crisis which continues to have impacts on the global economy and the financial markets at the date of completion of the financial statements.

These events are likely to cause significant changes to the assets or liabilities in the coming year or to have a significant impact on future operations. Following these events, the Foundation has taken and will continue to take action to minimize the impact. However, it is impossible to determine the financial implications of these events for the moment.