

Nijkiwendidaa Anishnaabekwewag Services Circle
Financial Statements
For the Year Ended March 31, 2023

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Independent Auditor's Report

To the board of directors of Nijkiwendidaa Anishnaabekwewag Services Circle

Qualified Opinion

We have audited the financial statements of Nijkiwendidaa Anishnaabekwewag Services Circle (the Organization), which comprise the statement of financial position as at March 31, 2023, the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2023, and its financial performance and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Qualified Opinion

In common with many not-for-profit organizations, the Organization derives revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donations and fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2023 and 2022, current assets as at March 31, 2023 and 2022, and net assets as at April 1 and March 31 for both the 2023 and 2022 years. Our audit opinion on the financial statements for the year ended March 31, 2022 was modified accordingly because of the possible effects of this limitation in scope.

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 Organization 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.

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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Peterborough, Ontario
June 24, 2024

Nijkiwendidaa Anishnaabekwewag Services Circle Statement of Financial Position

March 31	2023	2022
Assets		
Current		
Cash and bank	\$ 451,509	\$ 324,272
Marketable securities	15,629	21,370
Accounts receivable	67,484	110,987
Prepaid expenses	9,720	-
	544,342	456,629
Capital assets (Note 2)	21,794	27,813
	\$ 566,136	\$ 484,442

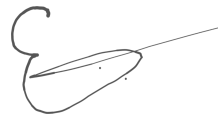
Liabilities and Net Debt

Current		
Accounts payable and accrued liabilities (Note 4)	\$ 72,272	\$ 53,396
Deferred revenue (Note 5)	164,417	195,925
Contributions repayable (Note 6)	123,519	75,967
	360,208	325,288
Net Assets		
Invested in capital assets	21,795	27,813
Unrestricted	184,133	131,341
	205,928	159,154
	\$ 566,136	\$ 484,442

On behalf of the Board:



Marjolaine LaPointe Director
2024-06-20



Erin Hayward Director
2024-06-20

Nijkiwendidaa Anishnaabekwewag Services Circle
Statement of Changes in Net Assets

For the year ended March 31	Invested in Capital Assets	Unrestricted	2023 Total	2022 Total
Balance, beginning of the year	27,813	131,341	159,154	39,124
Excess (deficiency) of revenues over expenses	(6,018)	52,792	46,774	120,030
Balance, end of the year	\$ 21,795	\$ 184,133	\$ 205,928	\$ 159,154

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

Nijkiwendidaa Anishnaabekwewag Services Circle Statement of Operations

For the year ended March 31	2023	2022
Revenue		
Grant and subsidy revenue (Note 8)	\$ 803,371	\$ 543,725
Donations and fundraising revenue	27,836	48,871
Fee for service revenue	28,266	28,700
Other revenue	2,968	700
	<u>862,441</u>	<u>621,996</u>
Expenses		
Amortization of capital assets	6,018	6,018
Equipment rental and supplies	25,039	15,794
Honoraria	200	11,140
Insurance	11,733	10,304
Interest and bank charges	-	1,409
Occupancy costs	141,074	53,739
Office expenses	3,282	9,157
Professional fees	26,333	24,609
Programs and other services	152,200	59,792
Salaries and benefits	401,336	282,861
Training and resource materials	11,212	10,012
Travel and communication expenses	31,500	20,499
	<u>809,927</u>	<u>505,334</u>
Excess of revenues over expenses before other income	52,514	116,662
Other income		
Unrealized loss/(gain) on marketable securities	5,740	(3,368)
Excess of revenues over expenses	<u>\$ 46,774</u>	<u>\$ 120,030</u>

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

Nijkiwendidaa Anishnaabekwewag Services Circle Statement of Cash Flows

For the year ended March 31	2023	2022
Cash flows from operating activities		
Excess of revenues over expenses	\$ 46,774	\$ 120,030
Items not affecting cash:		
Amortization of capital assets	6,018	6,018
Unrealized loss/(gain) on marketable securities	5,740	(3,368)
	<u>58,532</u>	<u>122,680</u>
Changes in non-cash working capital:		
Accounts receivable	43,503	(27,958)
Prepaid expenses	(9,720)	-
Accounts payable and accrued liabilities	18,878	(106,534)
Deferred contributions	(31,508)	88,559
Contributions repayable	47,552	53,467
	<u>127,237</u>	<u>130,214</u>
Cash flows from investing activities		
Purchase of capital assets	-	(25,027)
Net increase in cash	127,237	105,187
Cash and bank, beginning of the year	<u>324,272</u>	<u>219,085</u>
Cash and bank, end of the year	<u>\$ 451,509</u>	<u>\$ 324,272</u>

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

Nijkiwendidaa Anishnaabekwewag Services Circle

Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies

Nature and Purpose of Organization Nijkiwendidaa Anishnaabekwewag Services Circle (the "Organization") is a registered charity incorporated without share capital under the laws of Ontario. The Organization provides healing services through support and counselling to Anishnaabekwewag who have been, are being, or are at risk of being abused or violated in the Counties of Haliburton, Peterborough, Northumberland, the Region of Durham and the City of Kawartha Lakes.

The Organization is a registered charity and, as such, is exempt from income tax and may issue tax receipts to donors.

Basis of Accounting The financial statements have been prepared using Canadian accounting standards for not-for-profit organizations.

Revenue Recognition The Organization follows the deferral method of accounting for contributions.

Restricted contributions 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.

Unrestricted net investment income is recognized as revenue when earned.

Contributions restricted for the purchase of capital assets are deferred and amortized into revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital asset.

Fee for service revenue is recognized at the time that the service is delivered to the client.

Capital Assets Purchased tangible capital assets are stated at cost less accumulated amortization. Expenditures for repairs and maintenance are expensed as incurred. Betterments that extend the useful life of the tangible capital asset are capitalized.

Amortization based on the estimated useful life of the asset is calculated as follows:

	Method	Rate
Furniture and fixtures	Straight-line	10 years
Computer equipment	Straight-line	4 years

Nijkiwendidaa Anishnaabekwewag Services Circle

Notes to Financial Statements

March 31, 2023

1. Significant Accounting Policies (continued)

Contributed Materials and Services Due to the difficulty in determining the fair value of materials and services contributed to the Organization they are not recognized in the financial statements.

Financial Instruments Financial Instruments are recorded at fair value at initial recognition.

In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any change in fair value reported in income. All other financial instruments are reported at cost or amortized cost less impairment. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items measured at fair value and charged to the financial instrument for those measured at amortized cost.

Financial assets are tested for impairment when indicators of impairment exist. When a significant change in the expected timing or amount of the future cash flows of the financial asset is identified, the carrying amount of the financial asset is reduced and the amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, provided it is not greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously, and the amount of the reversal is recognized in net income.

Marketable securities consist of equities traded in an active market and are reported at fair value.

Use of Estimates The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the determination of the estimated useful life of capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Nijkiwendidaa Anishnaabekwewag Services Circle Notes to Financial Statements

March 31, 2023

2. Capital Assets

	2023		2022	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Furniture and fixtures	\$ 21,154	\$ 4,231	\$ 21,154	\$ 2,115
Computer equipment	34,856	29,985	34,856	26,082
	56,010	34,216	56,010	28,197
		\$ 21,794		\$ 27,813

3. Bank Indebtedness

The Organization has a revolving line of credit available of up to \$35,000 which bears interest at prime rate plus 3% per annum and is due on demand. The operating line is secured by a general security agreement over all assets of the organization.

As at year end, the operating line was undrawn (2022 - \$nil).

4. Government Remittances

Included in accounts payable and accrued liabilities are government remittances payable of \$14,280 (2022 - \$9,226).

5. Deferred Revenue

Deferred revenue represent restricted operating funding received in the current period that is unspent at year end such that it will relate to expenses of a subsequent period. The balance of deferred revenue at March 31 is comprised of the following:

	2023	2022
Chamandy Foundation	\$ 130,692	\$ 120,000
Second Harvest Food	-	45,000
Community Foundations of Greater Peterborough	33,725	30,925
Ending balance	\$ 164,417	\$ 195,925

Nijkiwendidaa Anishnaabekwewag Services Circle Notes to Financial Statements

March 31, 2023

6. Contributions Repayable

Contributions repayable represent restricted operating funding received in the current period that is unspent at year end and must be returned to the funder. The balance of contributions repayable at March 31 is comprised of the following:

	<u>2023</u>	<u>2022</u>
Ministry of Children, Community and Social Services	\$ 70,765	\$ 46,394
Canadian Roots Exchange	17,500	17,500
United Way of Peterborough	10,000	10,000
Ontario Native Women's Association	23,181	-
Métis Nation of Ontario	-	2,073
Other	2,073	2,073
	<u>\$ 123,519</u>	<u>\$ 78,040</u>

7. Economic Dependence

The Organization derives a significant portion of its revenues from the Ministry of Children, Community and Social Services. As such, the Organization is economically dependent on this source of funding.

Nijkiwendidaa Anishnaabekwewag Services Circle Notes to Financial Statements

March 31, 2023

8. Grant and Subsidy Revenue

The Organization receives the support of several levels of government and from other funders through various grants and subsidies. These grants are recorded as income when the criteria for earning them have been met and are otherwise deferred. The following represents grants and subsidies recognized in the current year.

	2023	2022
Provincial government grants:		
Ministry of Children, Community and Social Services	\$ 406,909	\$ 431,899
Other grants and subsidies:		
Metis Nation of Ontario	94,393	76,532
Ontario Native Womens Association	204,761	-
Community Foundation of Greater Peterborough	-	20,500
Chamandy Foundation	52,308	-
Second Harvest	45,000	-
The United Church of Canada	-	10,972
MakeWay Charitable Society	-	3,822
	\$ 803,371	\$ 543,725

Nijkiwendidaa Anishnaabekwewag Services Circle

Notes to Financial Statements

March 31, 2023

9. Financial Instruments

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Organization is exposed to credit risk resulting from the possibility that a customer or counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Organization's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Organization's receivables are from government sources and the Organization works to ensure it meets all eligibility criteria in order to qualify to receive the funding.

There have not been any changes in the risk from the prior year.

Liquidity risk

Liquidity risk is the risk that the Organization will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Organization will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. The Organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

There have not been any changes in the risk from the prior year.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The organization is exposed to market risk through its investments in quoted shares.

There have not been any changes in the risk from the prior year.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Organization is exposed to interest rate risk on its floating interest rate financial instruments including its revolving credit facility.

There have not been any changes in the risk from the prior year.

10. Comparative Figures

Certain comparative figures have been restated to conform with the current year presentation.

Nijkiwendidaa Anishnaabekwewag Services Circle
Notes to Financial Statements

March 31, 2023

11. Subsequent Events

Charitable Status

The Organization's status as a registered charity was temporarily revoked subsequent to year end and is currently being assessed by the Canada Revenue Agency.
