



THE ABORIGINAL HEALING FOUNDATION

2013 ANNUAL REPORT





The 2013 Annual Report of The Aboriginal Healing Foundation

Helping Aboriginal People Heal Themselves From the Legacy of Residential Schools

Our mission is to provide resources which will promote reconciliation and encourage and support Aboriginal people and their communities in building and reinforcing sustainable healing processes that address the legacy of physical, sexual, mental, cultural, and spiritual abuses in the residential school system, including intergenerational impacts.

For more information / to receive copies:

The Aboriginal Healing Foundation

75 Albert Street, Suite 801

Ottawa, Ontario K1P 5E7

Telephone: (613) 237-4441

Toll-free: (888) 725-8886

Fax: (613) 237-4442

Email: programs@ahf.ca

Website: www.ahf.ca

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GREETING FROM THE BOARD OF DIRECTORS



Welcome to the 2013 Annual Report, the second-to-last the Aboriginal Healing Foundation will be issuing. As this report goes out, the organization has in some respects come full circle. In 1998 the Aboriginal Healing Foundation was a post office box with a very small staff. Now, in 2013, the Aboriginal Healing Foundation once again has a very small support team monitoring the remaining few projects and carrying out final tasks in preparation for a 2014 closure. In September 2013 the Ottawa Albert Street office, occupied since 1999, will be vacated.

As noted in last year's annual report, all but a few staff were let go at the end of fiscal year 2011-2012. An administrative position was maintained and other functions were contracted out as required. With contracts in place the Aboriginal Healing Foundation continued to support projects, maintain a website, answer correspondence, mail out publications, provide speakers at events and otherwise conduct its usual business. Through a winding-down plan, services were maintained and costs were reduced, and physical resources, such as the research library, were given a new home.

In this fiscal year our truth and reconciliation series paperback, *Speaking My Truth*, has continued to be among our most popular resources. We are hopeful that this legacy

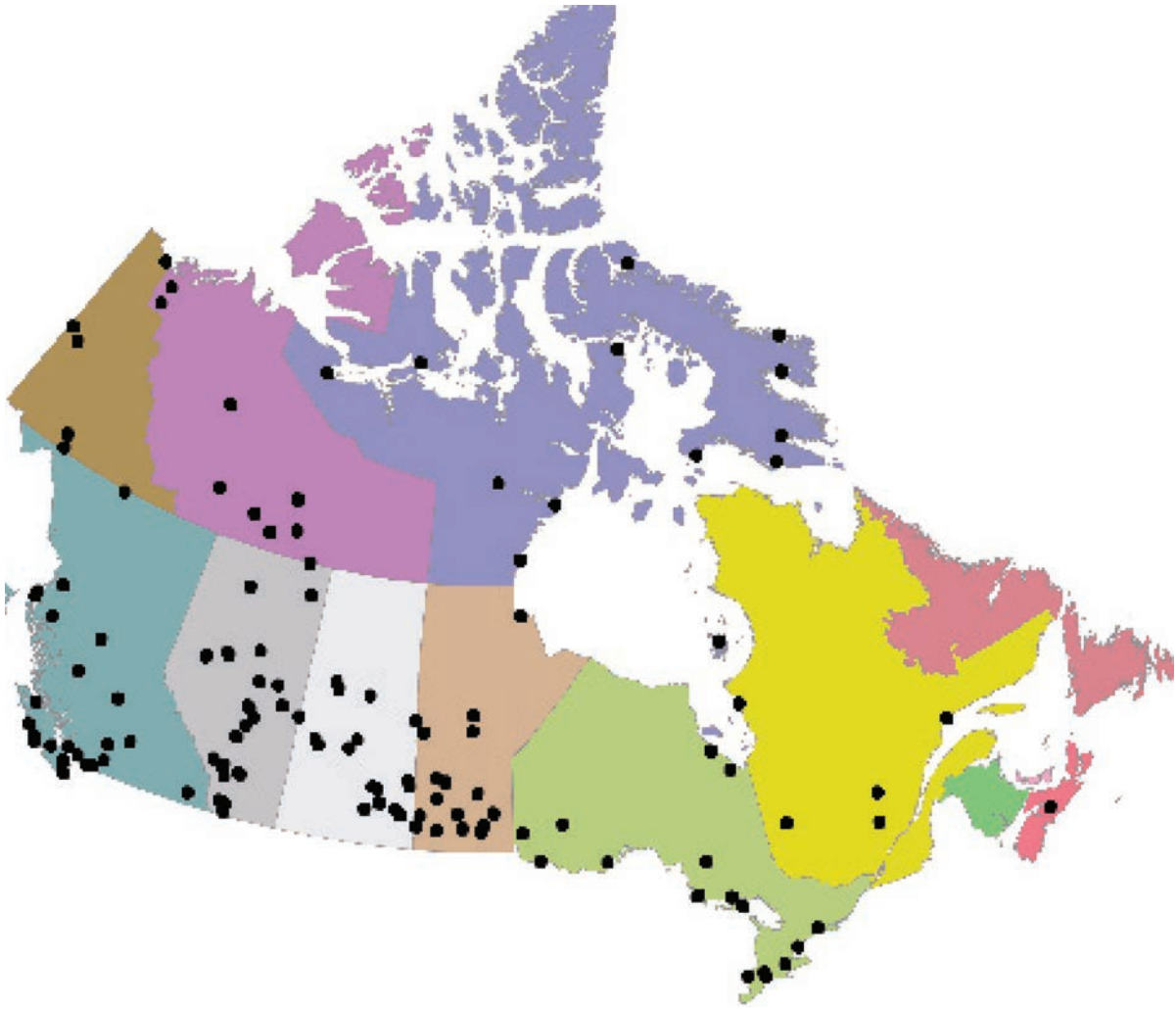
piece will have a long and useful life, and will be one of the works that contributes to the long-term vision of healing and reconciliation.

Aboriginal Healing Foundation resources are now widely used in healing activities, classrooms, research, training and wherever people gather. The work of healing continues. Our national network of healing centres is another aspect of our work that we hope will continue beyond the AHF mandate, with support from local, provincial and federal agencies. The work of healing is far from complete.

2012-2013 has been a pivotal year. All but a few staff have moved on and the winding-down of our organization is all but complete. The Board now meets by teleconference as required, and we are well on track to completing project contracts and hosting a modest and symbolic final closing ceremony. The Internet presence of the Aboriginal Healing Foundation will be maintained for three years after the date of closure. We will continue until September 2014 to fulfill your requests for publications, as supplies allow. Feel free to contact us in the months ahead. Until we close, your calls will be answered.

In the spirit of healing, the AHF Board of Directors.

A MAP OF INDIAN RESIDENTIAL SCHOOLS



Sources: McCord Museum; Claims and Historical Research Centre, DIAND; National Archives of Canada; Archives Deschâtelets; Archives of Ontario; General Synod Archives of the Anglican Church; United Church of Canada Archives; University of Victoria; Provincial Archives of Manitoba; Manitoba and Northwestern Ontario Conference of the United Church of Canada Archives; Anglican Diocese of Calgary Archives; Calgary Office of Parks Canada; Nakoda Archives; Provincial Archives of Alberta; Vancouver City Archives; United Church of Canada Conference, British Columbia Archives; Archives of St. Paul's Province of Oblates; Royal British Columbia Museum; Archives of Sister St. Ann; Archives of Yukon; Social Sciences and Humanities Research Council of Canada; and Algoma University College, Sault Ste. Marie. Disclaimer: This document is under development. The information contained herein is subject to change without prior notice. Produced April 2001, updated March 31, 2008.

OUR REPORTING PRINCIPLES



Guided by the recommendations of Survivors attending the Residential School Healing Strategy, held in Squamish Territory in July, 1998, and by its Code of Conduct, the Aboriginal Healing Foundation has since the beginning sought transparency in all its practices.

AHF annual reporting follows four principles:

1. Clear context and strategies.
2. Meaningful performance expectations.
3. Performance accomplishments against expectations.
4. Fair and reliable performance information reported.

This report outlines how our results are related to our mandate, vision and mission, demonstrates how our management strategies and practices are aligned with our objectives and illustrates how the AHF departments are working together to achieve shared results.

The framework provided by these principles will enable AHF stakeholders to obtain a portrait of the Foundation's

accomplishments against defined objectives and strategies, as well as Foundation efforts, capabilities and intent. The objectives, strategies, results and prospects in this annual report also allow the Foundation to fulfill in an efficient manner its own policy regarding the content of its annual reports, which must include:

"...a statement of the Foundation's objectives for that year and a statement on the extent to which the Foundation met those objectives, and a statement of the Foundation's objectives for the next year and for the foreseeable future."

[AHF Funding Agreement, Paragraph 10.05 (1) (c and d).]

Although many challenges have been met since 1998, the AHF is committed to surmounting the obstacles ahead with unwavering determination, and to pursuing the commitment to transparency and accountability it has pledged to Survivors and their descendants, to Aboriginal communities, and to Government.

OUR VISION, MISSION AND VALUES



On March 31, 1998, the Aboriginal Healing Foundation was set up with a \$350 million fund from the Government of Canada, to be expended within an eleven-year time-frame. This one-time grant has enabled the Foundation to fund community healing projects and to cover expenses. The Foundation is an Aboriginal-run, not-for-profit corporation that is independent of governments and the representative Aboriginal organizations.

The Foundation's Board of Directors reflects Canada's diverse Aboriginal population. The Board's role is to help Aboriginal people help themselves by providing funds for healing projects, promoting knowledge about the issues and the need for healing, and gaining public support from Canadians.

Our vision is of all who are affected by the legacy of physical, sexual, mental, cultural, and spiritual abuses in the Indian residential schools having addressed, in a comprehensive and meaningful way, unresolved trauma, putting to an end the intergenerational cycles of abuse, achieving reconciliation in the full range of relationships, and enhancing their capacity as individuals, families, communities, nations, and peoples to sustain their well being.

Our mission is to provide resources which will promote reconciliation and encourage and support Aboriginal people and their communities in building and reinforcing sustainable healing processes that address the legacy of physical, sexual, mental, cultural, and spiritual abuses in the residential school system, including intergenerational impacts.

We see our role as facilitators in the healing process by helping Aboriginal people and their communities help themselves, by providing resources for healing initiatives, by promoting awareness of healing issues and needs, and by nurturing a broad, supportive public environment. We help Survivors in telling the truth of their experiences and being heard. We also work to engage Canadians in this healing process by encouraging them to walk with us on the path of reconciliation.

Ours is a holistic approach. Our goal is to help create, reinforce and sustain conditions conducive to healing, reconciliation, and self-determination. We are committed to addressing the legacy of abuse in all its forms and manifestations, direct, indirect and intergenerational, by building on the strengths and resilience of Aboriginal peoples.

SOME COMMON QUESTIONS ABOUT THE AHF

» What is the Aboriginal Healing Foundation?

An Aboriginal-managed, national, Ottawa-based, not-for-profit private corporation established March 31, 1998 and provided with a one-time grant of \$350 million dollars by the federal government of Canada as part of Gathering Strength — Canada's Aboriginal Action Plan. The Aboriginal Healing Foundation was given an eleven-year mandate, ending March 31, 2009, to encourage and support, through research and funding contributions, community-based Aboriginal directed healing initiatives which address the legacy of physical and sexual abuse suffered in Canada's Indian Residential School System, including inter-generational impacts.

» Why is the AHF necessary?

As a result of institutional abuses suffered in the past, Aboriginal people today suffer from the many effects of unresolved trauma, including but not limited to:

- * lateral violence (when an oppressed group turns on itself and begins to violate each other
- * suicide
- * depression
- * poverty
- * alcoholism
- * lack of parenting skills
- * lack of capacity to build and sustain healthy families and communities

Our vision is of a future when these effects have been meaningfully resolved and Aboriginal people have restored their wellbeing for themselves and for their descendants seven generations ahead.

» Is there any funding available?

No. All of our funds have been committed by the AHF Board of Directors to community-based healing grants.

» What is the "Indian Residential School Settlement Agreement"?

The Indian Residential School Settlement Agreement (IRSSA) is a comprehensive settlement package negotiated between the Government of Canada, the churches, lawyers representing Survivors, and the Assembly of First Nations. This package includes a cash payment for all former students of Indian residential schools, healing funds, a truth and reconciliation commission, and commemoration funding.

For more details, please visit Residential School Settlement or phone 1-866-879-4913.

Please note that this is a Government of Canada initiative. The Indian Residential Settlement Agreement (i.e. the Common Experience Payment, Commemoration Initiatives, and the Truth and Reconciliation Commission — see <http://www.residentialschoolsettlement.ca>) is not a program of the Aboriginal Healing Foundation.

» Is the Foundation closing its doors?

Yes. Government has indicated that there will be no additional funds committed to the Aboriginal Healing Foundation. As a result, 135 projects no longer receive funding from the AHF as of April 1, 2010, and many have had to close. However, from now until the end of our mandate, we will continue to fund twelve regional healing centres, and we will publish research and fulfill our obligations as an organization, as indicated in our winding-down strategy (see the AHF Corporate Plan).

» How can I get more information?

For more information please contact The Aboriginal Healing Foundation at:

Suite 801-75 Albert Street
Ottawa, Ontario, K1P 5E7
Toll-free: 1-888-725-8886
In Ottawa: (613) 237-4441
Fax: (613) 237-4442
Internet: <http://www.ahf.ca>

A HEALING CONTEXT



Through two distinct initiatives – The Aboriginal Healing Foundation and the Indian Residential School Settlement Agreement’s Common Experience Payment (CEP) – the Government of Canada has been moving ahead in addressing the long-standing and destructive legacy of the Indian Residential School System, which includes lateral violence, suicide, poverty, alcoholism, lack of parenting skills, weakening or destruction of cultures and languages, and lack of capacity to build and sustain healthy families and communities.

The Common Experience Payment provides direct payments to all former students of Indian Residential Schools. In essence, its purposes are to avoid decades of legal confrontation and to provide a timely, symbolic out-of-court settlement. It is important to recognize these two initiatives, healing and payments, address separate issues.

While there is a complementary relationship, healing is not compensation, and compensation is not healing. As the Government recognizes, healing programs do not

fulfill legal responsibilities. Nor do financial payments for a victim’s pain and suffering heal physiological and psychological scars. Government’s commitment to the Common Experience Payment can lead to quicker settlements. As noted by the Law Commission of Canada, in its report *Restoring Dignity* (March 2000), money is but one means of reparation which, on its own, does not necessarily lead to healing and reconciliation; as payments flow to survivors, they should be received in the context of a healing environment. Community support networks should be established and maintained to maximize the potential benefits of the Common Experience Payment while minimizing its potential negative effects.

Although we have committed our existing funds and will be unable to accept new proposals, we continue to deliver the message that healing is a long-term effort requiring long-term planning and resources. The healing has just begun.

LEGAL OBLIGATIONS



The funding initiatives of the Aboriginal Healing Foundation have been developed and administered in conformity with the Funding Agreement between the Foundation and the Government of Canada.

Funding Agreement

Aboriginal Healing Foundation and Her Majesty the Queen in Right of Canada, as represented by the Minister of Aboriginal Affairs and Northern Development. This agreement defines, for the purpose of funds allocation, the Eligible Recipients. In conformity with the Agreement's criteria regarding Eligible Recipients, Eligible Projects and Eligible Costs, AHF funds have been directed to the healing needs of Aboriginal Peoples residing in Canada who have been affected by the legacy of physical and sexual abuse in residential schools, including intergenerational impacts: First Nations, Inuit and Métis communities, organizations or groups in Canadian organizations (i.e. Aboriginal women's groups, Inuit youth, Friendship Centres or Survivors' groups), Individual Aboriginal people living in Canada who have survived the Canadian residential school system or who are descendants of survivors, and networks of Aboriginal communities. The Foundation provides funding only to those whose project answers the criteria set out for Eligible Projects and Eligible Costs.

Eligible Projects

Healing projects which will be funded by the Foundation should address the mental, emotional, physical and spiritual realms of life. The Foundation will support innovative approaches that reflect local differences, needs, geography and other realities relating to the healing process.

In order to be eligible, projects shall address the healing needs of Aboriginal people affected by the legacy of physical and sexual abuse in residential schools, which includes intergenerational impacts; shall establish complementary linkages, where possible in the opinion of the Board, to other health/ social programs and services (federal /provincial/territorial/ Aboriginal); and shall be designed and administered in a manner that is consistent with the Canadian Charter of Rights and Freedoms and applicable Human Rights legislation. All projects must have a positive impact on community healing, long-term benefits in the transfer of knowledge and skills, and complete transfer to the community when Foundation funding ends. Projects that benefit individual(s) alone, without showing benefit to the larger community, will not be funded by the Foundation.

The Foundation cannot fund:

- the cost of purchasing, directly or indirectly, real property or of repairing or maintaining real property owned directly or indirectly by the eligible recipient
- the cost related to compensation, any litigation or any public inquiry related to Residential Schools (this does not however preclude projects involving locally-based public inquiries for healing purposes relating to Residential Schools)
- the cost related to a project which duplicates programs, activities or services provided by or within funding from the federal, provincial or territorial government
- research activities, except those related to developing the necessary knowledge base for effective program design/redesign, implementation and evaluation.

The Foundation can, however, fund a project that moves into an area where there is an emerging need which is not being addressed. In this way, it can collaborate with and enhance programs and services to make them more responsive to Aboriginal needs and priorities.

Mandatory Criteria

1. Address the Legacy. Each proposal must address the Legacy of Sexual Abuse and Physical Abuse in Residential Schools, including Intergenerational Impacts.

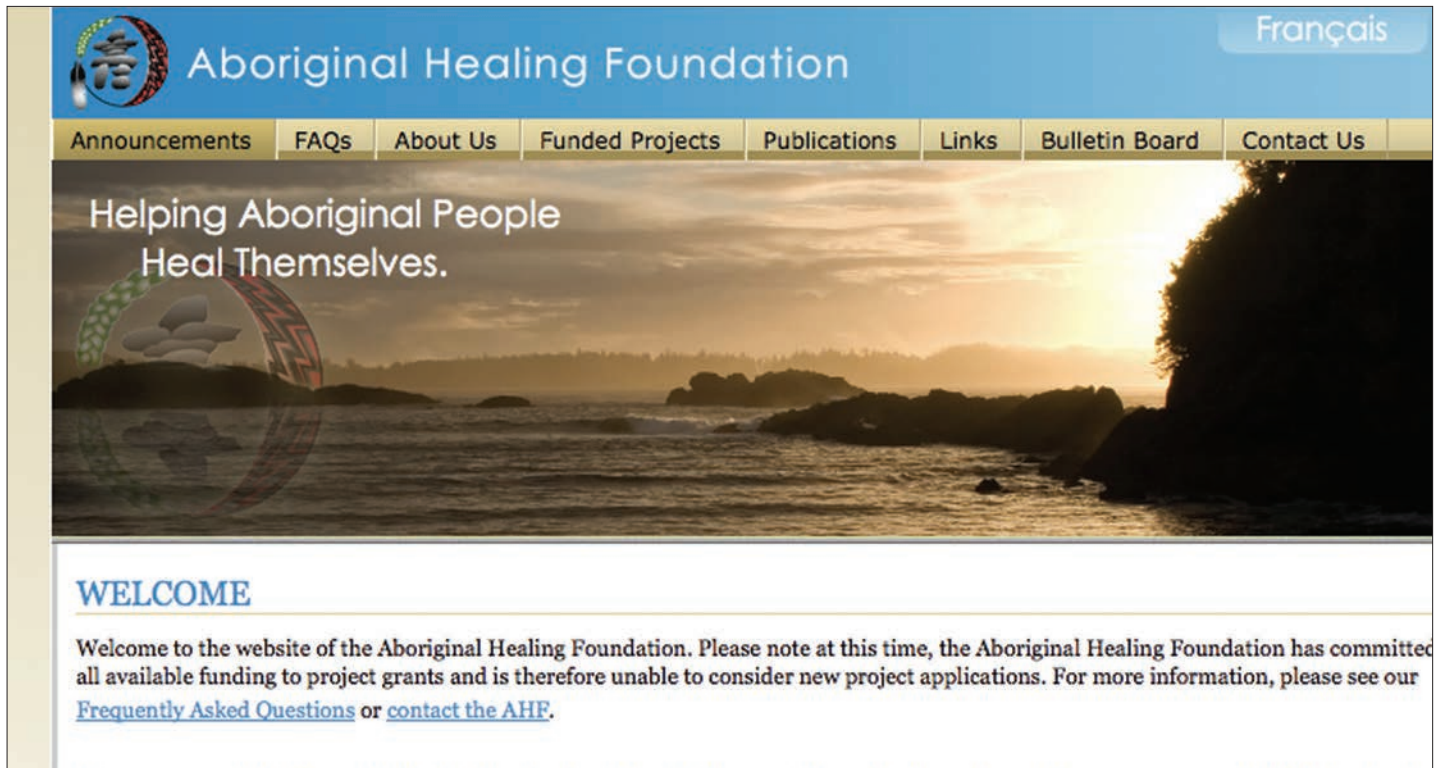
2. Show support and links. A project will have more impact when it is linked with health, social services and other community programs. A project must have support in order to be funded.

3. Show how it will be accountable. The most important kinds of accountability you will need to show are accountability to people who have survived the residential school system, to the community where the project will take place, and to the target group who will benefit from the project.

4. Be consistent with Canada's Charter of Rights and Freedoms. Projects need to be designed and carried out in a manner that is consistent with Canada's Charter of Rights and Freedoms and all other Canadian human rights laws.

The following additional criteria have been developed and implemented: use of partnerships; meeting of a community need; the involvement of survivors, where possible and appropriate, or people who have suffered intergenerational impacts; use of safe healing processes; proposal of well-planned, strategic methods and activities; evidence of background and experience of the management team; evidence of lasting benefit of the proposal to the healing of survivors; evidence of sustainability of the project beyond the AHF funding contract; submission of a budget appropriate to the activities of the project.

THE AHF WEBSITE



Our website at www.ahf.ca is the most convenient way to access the latest AHF news, announcements, and publications. Here you will find funding information and project descriptions, research, biographies of our Board, speeches, annual reports, key documents, frequently asked questions, residential school resources, downloads, and more.

FUNDING BREAKDOWN 2013

Revenues

Government of Canada Grants · \$515,000,000

Catholic Funding Grant · \$14,924,340 ¹

Total interest generated · \$107,383,653

Total Fund · \$637,307,993

Expenditures

Total committed to project funding · \$535,514,467

AHF Administration costs to date · \$92,473,735 ²

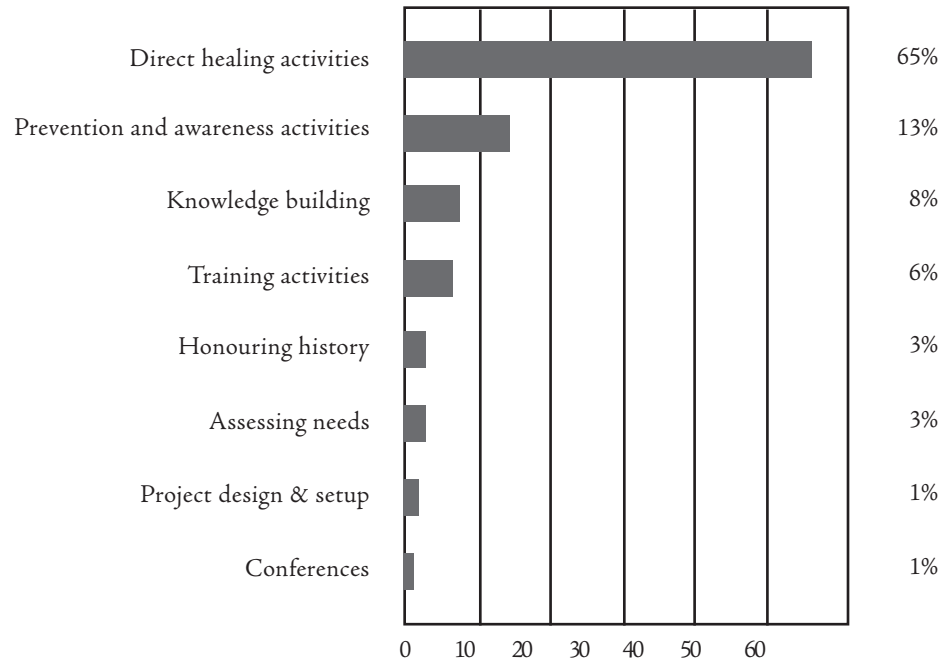
Total expenditures/commitments · \$627,988,202 ³

1 Revenues listed do not include the additional \$1.6 million anticipated from the Catholic Dioceses of Canada.

2 Represents approximately 14.5% of Total Fund (includes research and publications).

3 Represents approximately 98.5% of Total Fund (\$637,307,993).

PROJECT CATEGORIES



* the numbers for each category of project indicated above reflect the percentage of the total number of grants from June 1999 (when the first grants were announced) to March 31, 2010.

BOARD OF DIRECTORS

Board Elders

Nora Cummings



Ms. Cummings was born and raised in Saskatoon. Founder of the Saskatchewan Native Women's Association (in 1971), she has been involved in the creation of several organizations including the Saskatoon Metis Society Local #11 and the Native Women's Association of Canada (founding member of the Board of Directors). She is a former Member of the Saskatoon Indian and Metis Friendship Centre Board of Directors and former Chairperson of the Metis Nation – Saskatchewan Election Commission. Among her awards and recognitions are the Guy Bouvier Lifetime Achievement Award, Queen's Golden Jubilee Award (in 2002), and the 2003 Blue Lantern Award (Heritage/Culture). In December, 1993, Senator Nora Cummings took the Oath of Office, as a Senator for the Metis Nation Saskatchewan Senate, where she still remains.

Levinia Brown



Levinia Brown was born in Dawson Inlet – just south of Whale Cove, in 1947. At a time when there were no nurses, doctors, or government services in that area, she was delivered by her father.

After completing her early education at schools in Chesterfield Inlet and Churchill, Manitoba, Ms. Brown became the first teaching aid in Rankin Inlet. A graduate of St. Anthony Hospital in La Pas, Manitoba, Ms. Brown has worked as a Certified Nursing Assistant in the Northwest Territories, British Columbia, and Alberta.

In 1978, Levinia Brown received her certification as a Northwest Territories Classroom Assistant and was instrumental in establishing an eastern board program (EATEP) in Iqaluit, and in 1980 she became the first chairperson of the Keewatin Regional Education Authority.

After serving as an information officer, chairperson of the local housing authority, and deputy mayor, Levinia Brown became the first woman mayor of Rankin Inlet. Establishing working

relationships between government agencies and community governments was a high priority during her term. A successful career in municipal politics provided a natural step to territorial politics for Ms. Brown.

Elected Member for Rankin Inlet South/Whale Cove on February 16, 2004, the Honourable Levinia Brown was selected by MLAs to sit on the Executive Council. On March 9, 2004, Premier Paul Okalik named Ms. Brown Deputy Premier.

The Honourable Levinia Brown is a role model and leader for Nunavut's youth. Dedicating her life to the development and promotion of community capacity building for health and social services, she projects a positive outlook on life. Her belief that life is a precious opportunity that should not be wasted is clearly expressed in her thirst for education, strength in leadership, and compassion for social issues.

Levinia Brown is married to Ron Brown. Together, they have 7 children and 3 custom adopted children.

Irene Lindsay



Irene Lindsay, is a Wolf Clan descendant, she is originally from the Cree/Sioux community of Wakaw, Saskatchewan. As a youth, Irene resided on One Arrow First Nations Reserve in Saskatchewan. She is a survivor of St. Michael's Residential School in Duck Lake Saskatchewan. As a young person she moved to Ottawa for employment, and

later to complete her schooling in nursing.

Her personal and professional pursuits have consistently directed her toward activities that help to enrich and complement the aspirations of Aboriginal people and communities. She is particularly concerned with the unique challenges that face Aboriginal women and children, and is committed to doing what she can to assist them. One example of that commitment is demonstrated by her work in establishing a group called, The Wisdom Keepers, a Grandmothers Circle through the Minwaashin Lodge, the Aboriginal Women's Support Centre. She has also served on the Women's Council for the Lodge for four years and has been a board member for an Aboriginal Men's Healing Lodge.

Irene is a guest lecturer on Native Culture and traditions for university and high school students in Canada. Her interest in giving back to her community eventually led to a career in the helping profession, facilitating a Residential School Survivors Circle, fund raising committees, numerous health video documentaries to promote awareness of Aboriginal Health Issues, and assisting organizations in developing culturally based programming which benefit all people in accordance with Aboriginal culture and traditions.

Irene Lindsay is presently an integral part of the dynamic team that is Minwaashin Lodge, the Aboriginal Women's Support Centre.

Danny Musqua



Mr. Musqua is currently the resident Elder for the Masters of Aboriginal Social Work at the First Nations University of Canada (formerly the Saskatchewan Indian Federated College). He also teaches in the Masters program, co-ordinates culture camp, provides traditional activities such as sweatlodge ceremonies and supports individuals through traditional counselling. He holds an

honorary degree from the U of S, where he formerly taught. He has been a band councillor and has received a Citizen of the Year award from the FSIN.

Georges Erasmus Chair/President



Born August 8, 1948, Fort Rae,
North West Territories (N.W.T.),
Canada.

Education:

High School, Yellowknife, N.W.T.

Principal Occupation: Chair, Aboriginal
Healing Foundation/Chief Negotiator, Decho First Nations.

Affiliations:

Secretary, Indian Band Council, Yellowknife, N.W.T. (1969-71); Organizer and Chairman, Community Housing Association, Yellowknife, N.W.T. (1969-72); Advisor to President, Indian Brotherhood of N.W.T. (1970-71); Fieldworker and Regional Staff Director, Company of Young Canadians (1970-73); Director, Community Development Program, Indian Brotherhood of Northwest Territories (later the Dene Nation) (1973-76); President, Indian Brotherhood of Northwest Territories/Dene Nation (1976-83); President, Denendeh Development Corporation (1983); elected Northern Vice-Chief, Assembly of First Nations (1983-85); elected National Chief, Assembly of First Nations, Ottawa, Canada, (1985); re-elected National Chief (1988-91); Co-Chair, Royal Commission on Aboriginal Peoples (RCAP), Ottawa, Canada (1991 - 1996); Chair, Aboriginal Healing Foundation, Ottawa, Canada (1998); Chief Negotiator, Dehcho First Nations (2004).

Membership:

Honorary Member, Ontario Historical Society (1990)

Awards, Honours:

Representative for Canada on Indigenous Survival International (1983-85); Canadian delegate to World Council of Indigenous Peoples International Conferences (1984-85); appointed Director of the World Wildlife Fund of Canada (1987-1990); appointed to the Order of Canada (Member, 1987; Officer, 1999); appointed to the Board of the Canadian Tribute to Human Rights (1987); Board Member, Energy Probe Research Foundation, Operation Dismantle (1988-98); Honorary Committee

Member, International Youth for Peace (1988); Advisory Council Member, the Earth Circle Foundation (1988); Honorary Degree of Doctorate of Laws from: Queen's University (1989), University of Toronto (1992), University of Winnipeg (1992), York University (1992), University of British Columbia (1993), Dalhousie University (1997), University of Alberta (1997), University of Western Ontario (2006), and University of Dundee (2007); Aboriginal Achievement Award for Public Service, (1998); Public Policy Forum Award for Public Policy Work (2006); Board of Directors, Earth Day (1990); Board of Directors, SAVE Tour (1990).

Published work:

Co-author, *Drumbeat: Anger and Renewal in Indian Country* (Summer Hill Publishers, 1990).

Richard Kistabish Vice Chair/Vice President



Mr. Kistabish is an Algonquin from the
Abitibiwinni first nation,

Quebec, who speaks English,
French and Algonquin fluently.

He is the former president of
Social Services Minokin and has
been involved in the field of health
and social services at the regional

and provincial levels for many years. He

served as administrator and manager of the health committee, Kitcisakik, as Chief of Abitibiwinni First nation, and as Grand Chief of the Algonquin Council of Quebec for 2 terms. His publications include *Mental Health and Aboriginal People of Quebec*, the *Green Book Position Paper of the Algonquin Nation on Environmental Issues*, and the *National Inquiry into First Nation Child Care*.

Garnet Angeconeb Secretary



Garnet Angeconeb is an Anishinaabe originally from the Lac Seul First Nation and now lives in Sioux Lookout, Ontario.

Garnet attended Pelican Indian Residential School near Sioux Lookout from 1963 to 1969. In 1975, Garnet graduated from Queen Elizabeth High School in Sioux Lookout. In 1982, he graduated from the University of Western Ontario with a diploma in journalism.

In 1985, Garnet was elected to the council of the municipality of Sioux Lookout. It was there that Garnet spearheaded the founding of the Sioux Lookout Anti-racism Committee. Today the Sioux Lookout Anti-racism continues its work with an added dimension to mandate that being the Sioux Lookout Coalition for Healing and Reconciliation. The SLCHR membership comprises of local former Indian Residential School students, clergy and interested citizens. The main purpose of the SLCHR is to promote awareness and seek renewed relations as a result of the Indian Residential School legacy. Garnet co-chairs the Sioux Lookout Coalition for Healing and Reconciliation.

He is a recipient of the Queen's Golden Jubilee award.

Riel Bellegarde



Riel Bellegarde is a proud member of Treaty Four and the Peepeekisis First Nation in Southern Saskatchewan. He is a graduate from the University of New Hampshire, Whittmore School of Business and Economics, with a Bachelor of Science in Business Administration.

Riel started his career with the Peepeekisis First Nation and subsequently with the File Hills Qu'Appelle Tribal Council. He joined the Federal Public Service in 1994 and Indian and Northern Affairs Canada in 1997. He was then appointed to the Executive Group in 1999 and has held several executive positions across diverse portfolios, including Director, North Central District, Director, Economic Development, Acting

Associate Regional Director General, and Acting Regional Director General. In March 2003, he was appointed to the senior executive position of Regional Director General, Saskatchewan Region.

Riel is married with two children.

Charlene Belleau



Charlene Belleau is a member of the Esketemc First Nation (also known as Alkali Lake) in the interior of British Columbia. She was the first female Chief from 1985 to 1987 and a Senior Negotiator and Treaty Manager from 1997 to 2003. In 2005 she was the Manager of the Indian

Residential Schools Unit of the Assembly of First Nations. She returned to serve an additional term as Chief and has since returned to the Assembly of First Nations.

She co-produced a three-part documentary *The Honor of One is the Honor of All - The Story of Alkali Lake* as well as assisted with residential school documentaries for CBC, NBC and APTN. She has served on various local, regional, provincial and national organizations as a Board of Director or committee member, including the Aboriginal Healing Foundation, Provincial Child Welfare Committee, Provincial Native Advisory Committee on Sexual Abuse, Provincial Advisory Committee on Substance Abuse, Provincial Health Council, President-Nenqayni Treatment Centre Society. She has delivered numerous keynote addresses on residential school issues in Canada, the United States, Germany and Australia. She is a residential school Survivor and has been an advocate for Survivors since her community's residential school closed in 1981.

Rose-Marie Blair



Ms. Blair is a White River First Nation member of the Crow clan from the Yukon. She holds a diploma in Social Work and a B. of Ed. from the University of Regina. She has held a number of political offices with the Council of Yukon First Nations, in addition

to serving as the Chief of her First Nation community. As the Vice-Chair, Social Programs, she implemented initiatives to combat the effects of residential schools on the Yukon First Nations. Rose-Marie was a key organizer for the Circumpolar Health Conference and was a researcher on Self-Government provisions for the Yukon Land Claim agreements. Over the years, Rose-Marie has contributed to many boards and committees, including the Yukon Territory Water Board, the Yukon College Board of Governors, the Training Committee for the White River First Nation, and the steering committee for the Yukon Education Act Review. She is currently the principal/teacher for the Kluane Lake school. Rose-Marie is a devoted grandmother to Nantsana, Daniel, Nints'ia and Amy Rose, and mother to Joleene and Curtis. As a survivor of Christ the King Convent, she continues to relearn her culture and language and works towards passing them on to the younger generation. Reclaiming traditions and relationships through healthy perspectives and choices is her current pet project in her journey towards wellness.

Dr. Marlyn A. Cook



Dr. Cook is a member of the Grand Rapids First Nation in Manitoba. A graduate of the University of Manitoba (M.D.), she currently practices Family Medicine in the James Bay area, where she is Chief of Staff and Director of the Traditional Healing Program.

Among her previous positions are Co-Chair, First Nations Task Force on Child and Family Services (in Winnipeg, Manitoba), Consultant to the First Nations and Inuit Health Branch (Winnipeg), Province of Manitoba Medical Examiner, University of Manitoba Faculty of Medicine's Traditional Teachings Program – Debriefing Tutorials, and Assistant Director, Clinical Operations, at the First Nations and Inuit Health Branch of Health Canada (Winnipeg). Marlyn Cook has sat on numerous Committees and Boards, including the Swampy Cree AIDS Steering Committee, the Manitoba Chapter of the College of Family Physicians of Canada Board, the Mino-Ayaawin Advisory Committee of the Native Women's Transition Centre, the Thompson General Hospital Perinatal Mortality Committee, and the Balancing Choices and Opportunities in Sciences and Technology for Aboriginal People National Steering Committee. She was also the Chair of the Facility Planning Committee and a

Board Member at the Sioux Lookout Mino-Ya-Win Health Centre. Dr. Cook is a Member of the Ontario College of the Family Physicians, the First Nations and Inuit Health Branch Drug Utilization Evaluation Committee, the National Pharmaceutical Therapeutics Committee (FNIHB), and the advisory Council of the Nuclear Waste Management Organization.

Cindy Gaudet



Cindy Gaudet is a Metis woman from Saskatchewan currently living in Ottawa. She holds a Bachelor of Arts in General Studies and a Masters in Canadian Studies and is currently working on her Ph.D. in the Faculty of Health Sciences, University of Ottawa. She is

committed to supporting the remembrance of Indigenous knowledge, Indigenous teachings and Indigenous women's ways through education, prayer and ceremony. I am grateful to be a part of the Aboriginal Healing Foundation that is designed to support the healing of Aboriginal people of this land.

Dan George



Dan George is the President/CEO of Four Directions Management Services Ltd.(1994), a wholly owned Aboriginal economic, social and community development organization dedicated to responding to the expressed needs of Aboriginal and non-Aboriginal individuals,

organizations and communities.

Dan has extensive experience in strategic facilitation and public consultation employing a style that embodies active listening recognizing that the answers always lie within the group. He is a vigorous and passionate advocate for the "building of bridges of better understanding between Aboriginal Peoples, Industry, Private Sector, local communities and governments" recognizing that together we are stronger.

Dan is a proud member of the Gilseyhu Clan (Big Frog) of the Wet'suwet'en people from Hagwilget, B.C. He has been

married for twenty-four years to his wife Teresa, and together they have two daughters, Amanda and Brittany, and one granddaughter, Kiana. They also raise their niece, Danielle, who is a key member of the George brood.

Currently, Dan is scheduled to complete (2010) his Masters of Administration in Conflict Analysis and Management at the Royal Roads University.

Valerie Gideon



Dr. Valerie Gideon is a member of the Mik'maq Nation of

Gesgapegiag, Quebec, Canada.

She currently holds the position of Regional Director for First Nations and Inuit Health, Ontario Region, Health Canada.

From 2004-2007, she occupied the position of Senior Director of Health

and Social Development at the Assembly of First Nations in Ottawa, Ontario. Dr. Gideon previously held the position of Director of the First Nations Centre at the National Aboriginal Health Organization. She was named Chair of the Aboriginal Peoples' Health Research Peer Review Committee of the Canadian Institutes of Health Research in 2004. She graduated from McGill University (Montreal) in 2000 with a Ph.D. (Dean's List) in Communications (dissertation pertaining to telehealth and citizen empowerment). She previously completed a Masters of Arts in 1996 at McGill. She is a founding member of the Canadian Society of Telehealth.

Murray Ironchild



Murray Ironchild is a former councillor and Chief of the Piapot First Nation in Saskatchewan.

Currently working as a Cultural/Traditional Advisor with the All Nations' Healing Centre of the File Hills Qu'Appelle Tribal Council, Mr.

Ironchild brings to the Aboriginal Healing Foundation his interest and experience in traditional medicine and Aboriginal health.

Monica Ittusardjuat



Monica Ittusardjuat is a survivor in every sense of the word. She was born in a winter camp called Akkimaniq seven months premature in an igloo in the dead of winter. She went to three residential schools, one in Chesterfield Inlet, Northwest Territories (at the time which is now Nunavut) Churchill, Manitoba and St. Norbert, Manitoba.

She is an educator who taught in elementary, high school and now at Nunavut Arctic College. She has a Master's Degree and is now working at the Nunavut Teacher Education Program as Language & Culture Instructor. She took several years off from the education field to work for Nunavut Tunngavik Incorporated as a Wellness Coordinator where she submitted a proposal to the Aboriginal Healing Foundation for a Nunavut-wide healing initiative which was approved. She also sat on two panels with the Law Commission of Canada, one with residential school abuse and the other with institutional abuse.

Monica has twenty-five grand-children and two great-grand-children. She has recently reclaimed the traditional sewing techniques of making caribou and seal-skin clothing along with the more contemporary styles of parka and amauti-making. She also has mastered the art of drum-dancing.

Aideen Nabigon



Aideen Nabigon has been the Director General of Settlement Agreement Policy and Partnerships at Aboriginal Affairs and Northern Development Canada since February 2010. She has been

involved in efforts to resolve the legacy of Indian residential schools for several years, and in different capacities. From 2004 to 2006, she worked for Health Canada as the Director of Mental Health and Addictions, in the First Nations and Inuit Health Branch. She then served as the Director General with the Aboriginal Peoples Directorate of Service Canada and, from 2007 to 2008, as Director General of the

Policy, Partnerships, Communications and Common Experience Payment sector of the Office of Indian Residential Schools Resolution Canada. From September 2008 to August 2009, she served as Acting Executive Director and Deputy Head of the Indian Residential Schools Truth and Reconciliation Commission of Canada.

From 1994 to 2004, prior to her work on Indian residential schools, Aideen Nabigon held various posts within Aboriginal Affairs and Northern Development Canada, including Manager, Northwest Territories Implementation, and Director, Implementation Management. Ms. Nabigon graduated from Algoma University with a Bachelor of Arts in Economics and Political Science. She served on the Board of Governors of Algoma University from 2008 to 2011. She is currently completing her Master of Arts in Public Administration at Carleton University.

Elizabeth Hourie Palfrey Treasurer



Ms Palfrey is a Métis grandmother born in BC and currently residing in Manitoba. For the past three decades, she has lived and worked in Nunavut. With a long history of community development initiatives in both the public and private sector, she has had extensive experience as a Managing Partner and board member of several privately owned businesses.

Ms Palfrey served as Chair of the Keewatin Regional Health Board for eight years, working diligently with other board members to foster increased health accessibility for residents of their communities. She was a member of the NWT Health Care Association and a board member of the Churchill Hospital Board and the Winnipeg Regional Health Board. She has contributed to many other local and regional community groups and boards as a volunteer.

She has served as Director of the Business Loan Fund and member of the Minister's Advisory Council on Business and Economic Issues. She was President of the Tourism Industry Association for several years and was an active participant in fostering increased business development and employment opportunities as a board member with the regional Chamber of Commerce.

Ms Palfrey continues to volunteer in community service with a special interest and focus on Aboriginal youth initiatives.

Violet Paul



Violet Paul worked for the Atlantic Policy Congress of First Nations Chiefs for thirteen years. During that time, she has been involved in governance negotiations on social development and election reform, building cooperative partnerships with both the federal and provincial governments. She has worked as a

Senior Advisor to the Assembly of First Nations, working with National Chiefs Phil Fontaine and Shawn Atleo, and has played a large role in the implementation of the Indian Residential Schools Settlement Agreement. She is currently a Senior Advisor to the Chief of the Shubenacadie Band Council. Violet Paul studied Political Science at Mount Saint Vincent University, has a Law Degree from Dalhousie Law School, completed training with Nova Scotia Legal Aid, and has completed courses on Strategic Planning, Negotiations, and Public Policy at Dalhousie University College of Continuing Education (Henson College).

Viola Robinson



Viola Robinson is a Mi'kmaq woman who was born and raised in Nova Scotia. She attended the Indian Day School at Shubenacadie Reserve (Indian Brook), then went to the Sacred Heart Academy in Meteghan, and Maritime Business College in Halifax.

She has spent her life as an advocate for the Mi'kmaq people and for the human rights of First Nations across the country. While she is best known as the founding and long time president of the Native Council of Nova Scotia as well as the Native Council of Canada, her other achievements are numerous. She was awarded an Honorary doctorate of Law Degree from Dalhousie University in 1990. She served as a Commissioner with the Royal Commission on Aboriginal Peoples. She completed a law degree at Dalhousie Law School in May 1998. She is a current board member of the Aboriginal Healing Foundation. She is the

Mi'kmaq co/chair of the Justice tri-partite committee of Nova Scotia. She has been a Senior Mi'kmaq Advisor on the Negotiations Team with the Mi'kmaq Rights Initiative in Nova Scotia and most recently been appointed by the Chiefs of Nova Scotia as the Chief Lead Negotiator for this Negotiation team. She has worked as a legal consultant and advised on many issues with the Acadia Band of Nova Scotia for the past fifteen years. She successfully negotiated a specific land claims settlement for the Acadia First Nation. She received the Order of Nova Scotia in 2009, and has recently been appointed as Chair of the Selection Committee for the Order of Nova Scotia. She is a recipient of the Human Rights Award by the Nova Scotia Human Rights Commission in 2009. She is a recipient of Officer of the Order of Canada, in 2011 and recipient of Queen Elizabeth 11 Diamond Jubilee Medal, in 2012.

Cindy Swanson



Ms. Swanson is a Metis elementary teacher with the Edmonton Public School Board since 2000. She lives in Edmonton where she teaches in an Aboriginal school. She was appointed as a provincial member of the Metis National Youth Advisory Council (from October 1995 to September 1998) and has participated with Metis and First Nations youth initiatives and organizations. She is completing her Master's degree in Technology Integration in Elementary Education at the University of Alberta.

Navalik Helen Tologanak



Born in Cambridge Bay, Nunavut. Also a survivor of residential school where she attended school in Inuvik for 9 years living at Stringer Hall, the Anglican hostel. Also attended junior high in Yellowknife for a couple of years, living at Akaitcho Hall. Quitting school to return home to her parents to Cambridge Bay helping her mother with 9 other siblings. At home she managed to find jobs with the local settlement office and government of NWT doing jobs as clerical, mostly. Since returning home to Cambridge Bay Navalik has managed to get most of her traditional language

back Innuinaqtun and getting to know her relatives and people whom she never knew from being away at residential school. Learning Innuinaqtun again has given her the talent to write and speak her dialect of the Kitikmeot region, has been now writing a weekly column in the only NWT/ Nunavut wide newspaper "News North" since 1995. Also very active in Inuit issues, one of the founders of the local women's group in Cambridge Bay and also was a past board member for Kitikmeot Region on Pauktuutit – Inuit Women's Association of Canada and also was a member of the NWT Status of Women. Navalik continues to write in both Innuinaqtun and English for her readers across Canada for News North. Navalik also does volunteer work for her community working with Elders and youth. Also does contract work with various on her spare time. Her goal is to continue speaking and supporting Inuit of Canada. Also wishes to learn some of her cultural identity in sewing which Inuit women still carry the tradition and make it a fashionable and beautiful way showing Inuit culture and traditions. Navalik Helen Tologanak has two beautiful children and one grandson.

Barbara Van Haute



Ms. Van Haute is a Metis woman born and raised in Manitoba. She received her Masters degree in Political Science at the University of Manitoba and did post-graduate work at Carleton University in Ottawa. Prior to her academic endeavours, she worked within the health care sector as a nurse in Manitoba and northern Alberta and as an emergency services provider in natural resource recovery operations. Her most recent work has been in association with the Congress of Aboriginal Peoples and the Metis National Council on various federal government initiatives related to recognizing and advancing the lifeways of Canada's off-reserve Aboriginal Peoples. Privately, Ms. Van Haute sits as a reviewer for the Historica-Dominion Institute on the annual Aboriginal Writing Challenge, and has also worked with the Conference Board of Canada on researching and developing culturally and environmentally sensitive security modes for Canada's northern territories. Ms. Van Haute has also recently been appointed as Research Fellow to the Centre for Defence and Security Studies at the University of Manitoba. She is currently working with the Congress of Aboriginal Peoples to facilitate the development of various legislative, health and justice initiatives at the federal level.

Financial Statements of

**ABORIGINAL HEALING
FOUNDATION**

Years ended March 31, 2013 and 2012



KPMG LLP
Suite 2000
160 Elgin Street
Ottawa, ON K2P 2P8
Canada

Telephone (613) 212-KPMG (5764)
Fax (613) 212-2896
Internet www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Directors of the Aboriginal Healing Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of Aboriginal Healing Foundation, which comprise the statements of financial position as at March 31, 2013, March 31, 2012 and April 1, 2011, the statements of operations, changes in deferred contributions and cash flows for the years ended March 31, 2013 and March 31, 2012, 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 audits. We conducted our audits 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 in our audits 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 Aboriginal Healing Foundation as at March 31, 2013, March 31, 2012 and April 1, 2011, and its results of operations, changes in deferred contributions and its cash flows for the years ended March 31, 2013 and March 31, 2012 in accordance with Canadian accounting standards for not-for-profit organizations.

Report on Other Legal Requirements

As required by the Canada Corporations Act, we report that, in our opinion, the accounting principles in the Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

Chartered Accountants, Licensed Public Accountants

June 20, 2013

Ottawa, Canada

ABORIGINAL HEALING FOUNDATION

Statements of Financial Position

March 31, 2013, March 31, 2012 and April 1, 2011

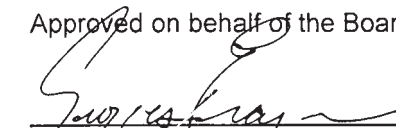
	March 31, 2013	March 31, 2012	April 1, 2011
Assets			
Current assets:			
Cash	\$ 195,146	\$ 143,481	\$ 162,617
Amounts receivable	987,602	104,175	166,372
Interest receivable	81,767	136,519	182,613
Prepaid expenses	74,079	47,565	84,872
	<u>1,338,594</u>	<u>431,740</u>	<u>596,474</u>
Tangible capital assets (note 3)	124,703	194,629	264,926
Investments (note 4)	11,859,475	24,132,647	34,843,160
	<u>\$ 13,322,772</u>	<u>\$ 24,759,016</u>	<u>\$ 35,704,560</u>

Liabilities and Deferred Contributions


Current liabilities:			
Accounts payable and accrued liabilities	\$ 196,622	\$ 464,563	\$ 748,673
Deferred contributions:			
Deferred capital contributions	124,703	194,629	264,926
Deferred grant	13,001,447	24,099,824	34,690,961
	<u>13,126,150</u>	<u>24,294,453</u>	<u>34,955,887</u>
Lease commitments and guarantees (note 6)			
Project commitments (schedule)			
	<u>\$ 13,322,772</u>	<u>\$ 24,759,016</u>	<u>\$ 35,704,560</u>

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors:



Chairman



Treasurer

ABORIGINAL HEALING FOUNDATION

Statements of Operations

Years ended March 31, 2013 and 2012

	2013	2012
Revenue:		
Grant	\$ 12,031,196	\$ 12,553,237
AANDC – The Residential Schools Resolution Program - research	97,500	74,000
Investment (note 4(b))	197,094	343,083
Amortization of deferred capital contributions	61,447	108,197
Other	4,929	1,167
Gain on disposal of tangible capital assets	453	–
	<u>12,392,619</u>	<u>13,079,684</u>
Expenses:		
Project:		
Funding (schedule)	8,596,648	8,197,978
Administrative:		
General (note 7)	2,681,532	3,364,230
Research	795,313	695,462
Governance	169,730	443,258
Communication and promotion	15,554	103,984
Amortization of tangible capital assets	61,447	108,197
Monitoring	66,767	67,959
Program expenses	5,628	77,539
Loss on disposal of tangible capital assets	–	21,077
	<u>3,795,971</u>	<u>4,881,706</u>
	<u>12,392,619</u>	<u>13,079,684</u>
Excess of revenue over expenses	\$ –	\$ –

See accompanying notes to financial statements.

ABORIGINAL HEALING FOUNDATION

Statements of Changes in Deferred Contributions

Years ended March 31, 2013 and 2012

March 31, 2013	Deferred capital contributions	Deferred grant	Total
Balance, beginning of year	\$ 194,629	\$ 24,099,824	\$ 24,294,453
Recognized as revenue	–	(12,031,196)	(12,031,196)
Tangible capital asset additions	(8,932)	8,932	–
Grant received	–	924,340	924,340
Gain on disposal of tangible capital assets	453	(453)	–
Amortization of deferred capital contributions	–	(61,447)	(61,447)
Amortization of tangible capital assets	(61,447)	61,447	–
Balance, end of year	\$ 124,703	\$ 13,001,447	\$ 13,126,150

March 31, 2012	Deferred capital contributions	Deferred grant	Total
Balance, beginning of year	\$ 264,926	\$ 34,690,961	\$ 34,955,887
Recognized as revenue	–	(12,553,237)	(12,553,237)
Tangible capital asset additions	58,977	(58,977)	–
Grant received	–	2,000,000	2,000,000
Loss on disposal of tangible capital assets	(21,077)	21,077	–
Amortization of deferred capital contributions	–	(108,197)	(108,197)
Amortization of tangible capital assets	(108,197)	108,197	–
Balance, end of year	\$ 194,629	\$ 24,099,824	\$ 24,294,453

See accompanying notes to financial statements.

ABORIGINAL HEALING FOUNDATION

Statements of Cash Flows

Years ended March 31, 2013 and 2012

	2013	2012
Cash provided by (used for):		
Operations:		
Items not involving cash:		
Amortization of tangible capital assets	\$ 61,447	\$ 108,197
Amortization of deferred capital contributions	(61,447)	(108,197)
Loss (gain) on disposal of tangible capital assets	(453)	21,077
Realized gain on sale of investments	(2,092)	(7,297)
Change in cumulative unrealized gains on investments	1,576	45,699
Change in non-cash operating working capital:		
Decrease (increase) in amounts receivable	(883,427)	62,197
Decrease in interest receivable	54,752	46,094
Decrease (increase) in prepaid expenses	(26,514)	37,307
Decrease in accounts payable and accrued liabilities	(267,941)	(284,110)
	(1,124,099)	(79,033)
Investments:		
Purchase of investments	(924,340)	(2,000,000)
Disposals (additions) of tangible capital assets	8,932	(58,977)
	(915,408)	(2,058,977)
Financing:		
Increase in deferred capital contributions	(8,479)	37,900
Sale of investments	13,198,028	12,672,111
Decrease in deferred grant	(11,098,377)	(10,591,137)
	2,091,172	2,118,874
Increase (decrease) in cash	51,665	(19,136)
Cash, beginning of year	143,481	162,617
Cash, end of year	\$ 195,146	\$ 143,481

See accompanying notes to financial statements.

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements

Years ended March 31, 2013 and 2012

1. Description:

Aboriginal Healing Foundation (the "Foundation") was incorporated without share capital on March 30, 1998 under Part II of the Canada Corporation Act. The Foundation is a not-for-profit organization and therefore is, under Section 149 of the Income Tax Act, exempt from income tax.

On April 1, 2012, the Foundation adopted Canadian accounting standards for not-for-profit standards in Part III of the CICA Handbook. These are the first financial statements prepared in accordance with not-for-profit standards.

In accordance with the transitional provisions in not-for-profit standard, the Foundation has adopted the changes retrospectively, subject to certain exemptions allowed under these standards. The transition date is April 1, 2011 and all comparative information provided has been presented by applying not-for-profit standards.

There were no adjustments to net assets as at April 1, 2012 or to excess of revenue over expenses for the year ended March 31, 2012 as a result of the transition to Canadian accounting standards for not-for-profit organizations.

The Foundation was established for the purpose of funding projects which address the healing needs of Aboriginal People affected by the Legacy of Physical and Sexual Abuse in Residential Schools, including intergenerational impacts. In 1998, The Foundation entered into a funding agreement with the Department of Indian Affairs and Northern Development (the "Department"), under which the Foundation received a one-time grant of \$350,000,000. The Foundation is required to hold, invest, administer and disburse the grant, plus any investment income earned on it, in accordance with the funding agreement. The decisions with respect to grant approval were to be made by April 1, 2003 and the actual disbursements were to be made over a ten-year-period ending March 31, 2009.

The funding agreement was amended in the 2005 Federal Budget and, as a result of the amendment; the Foundation received a one-time grant of \$40,000,000 during that year. The Foundation is required to hold, invest, administer and disburse the grant, plus any investment income earned on it, in accordance with the funding agreement. The decisions with respect to grant approval were to be made by March 31, 2008 and the actual disbursements were to be made over a four-year period ending March 31, 2009.

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 2

Years ended March 31, 2013 and 2012

1. Description (continued):

In fiscal 2008, the Government of Canada made a payment to the Foundation of \$125,000,000 in accordance with the Contribution Agreement. The Foundation is required to hold, invest, administer and disburse the grant, plus any investment income earned on it, in accordance with the funding agreement. The funding agreement requires the Foundation, on a best efforts basis, to commit the grant by March 31, 2009, and, on a best efforts basis, to distribute the grant by March 31, 2012. Those best efforts are to continue until the following conditions are met:

- (a) none of the amount remains with the Foundation;
- (b) eligible recipients have accounted for all funds received from the Foundation in a manner acceptable to the Foundation; and
- (c) the Foundation has fulfilled all its obligations under the funding agreement.

The Catholic Diocese of Canada has made payments of \$14,924,340 to the Foundation; \$924,340 received in fiscal 2013. The Foundation is to use this funding to provide grants in line with its mandate.

2. Significant accounting policies:

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and include the following significant accounting policies.

(a) Basis of presentation:

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

(b) Revenue recognition:

Unrestricted contributions are recognized as revenue when received or receivable. Externally-restricted grant contributions are deferred and recognized as revenue in the period in which the related expenses are recognized.

Investment income restricted for a specific purpose is recognized as revenue in the year that the related expenses are incurred.

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 3

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(c) Tangible capital assets:

Tangible capital assets are recorded at cost. Amortization is provided on a straight-line basis using the following estimated useful lives:

Asset	Useful life
Furniture and equipment	10 years
Computer hardware	5 years
Leasehold improvements	5 years

Tangible capital assets are reviewed for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted cash flows to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and 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 not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. 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.

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 4

Years ended March 31, 2013 and 2012

2. Significant accounting policies (continued):

(e) Deferred capital contributions:

Contributions received for tangible capital assets are deferred and amortized over the same term and on the same basis as the related capital asset.

(f) Expenses:

In the statement of operations, the Foundation presents its expenses by function, except for amortization of tangible capital assets.

Expenses are recognized in the year incurred and are recorded in the function to which they are directly related. The Foundation does not allocate expenses between functions after initial recognition.

(g) Use of estimates:

The preparation of the 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 year. Actual results could differ from those estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

3. Tangible capital assets:

March 31, 2013	Cost	Accumulated amortization	Net book value
Furniture and equipment	\$ 688,771	\$ 596,097	\$ 92,674
Computer hardware	651,701	649,386	2,315
Leasehold improvements	223,106	193,392	29,714
	<u>\$ 1,563,578</u>	<u>\$ 1,438,875</u>	<u>\$ 124,703</u>

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 5

Years ended March 31, 2013 and 2012

3. Tangible capital assets (continued):

March 31, 2012	Cost	Accumulated amortization	Net book value
Furniture and equipment	\$ 713,852	\$ 589,877	\$ 123,975
Computer hardware	666,834	642,250	24,584
Leasehold improvements	223,106	177,036	46,070
	\$ 1,603,792	\$ 1,409,163	\$ 194,629

April 1, 2011	Cost	Accumulated amortization	Net book value
Furniture and equipment	\$ 743,615	\$ 580,212	\$ 163,403
Computer hardware	669,911	620,987	48,924
Leasehold improvements	205,187	152,588	52,599
	\$ 1,618,713	\$ 1,353,787	\$ 264,926

4. Investments:

(a) Investments held by the Foundation are to be used for project funding and administration. The cost and fair values of the investments are as follows:

	March 31, 2013		March 31, 2012		April 1, 2011	
	Fair value	Cost	Fair value	Cost	Fair value	Cost
Cash equivalents:						
Federal						
government	\$ 9,875,235	\$ 9,875,235	\$ 19,801,073	\$ 19,801,073	\$ 21,857,288	\$ 21,857,288
Corporate	1,984,240	1,984,240	2,496,265	2,496,265	4,378,023	4,378,023
	11,859,475	11,859,475	22,297,338	22,297,338	26,235,311	26,235,311
Bonds, coupons and residuals:						
Federal						
government	–	–	1,835,309	1,833,000	8,607,849	8,560,573
	\$ 11,859,475	\$ 11,859,475	\$ 24,132,647	\$ 24,130,338	\$ 34,843,160	\$ 34,795,884

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 6

Years ended March 31, 2013 and 2012

4. Investments (continued):

(a) (continued):

Investments are managed by investment managers in accordance with an investment policy approved by the Board of Directors. The Foundation's investment policy limits investments to bank certificates of deposit; bankers acceptances; treasury bills, commercial paper and other short-term securities, bonds and notes issued by the federal, provincial, and municipal governments and corporations; asset-based securities and mortgage-backed securities. The investment policy also limits the percentage of the portfolio invested in each type of security.

The Foundation's bond which had an interest rate of 1.5% matured in June 2012.

(b) Investment revenue is comprised of:

	March 31, 2013	March 31, 2012	April 1, 2011
Interest	\$ 196,578	\$ 381,485	\$ 674,002
Realized gains on sale of investments	2,092	7,297	11,546
Change in cumulative unrealized gains on investments	(1,576)	(45,699)	(370,928)
	\$ 197,094	\$ 343,083	\$ 314,620

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$13,969 (March 31, 2012 - 10,913; April 1, 2011 - \$12,077) which include amounts payable for employer health tax and payroll related remittances.

6. Lease commitments and guarantees:

(a) Lease commitments:

The Foundation has committed to make the following future minimum payments by fiscal year under various equipment operating and premises rental leases:

2012/2013	\$ 415,276
2013/2014	207,526
	\$ 622,802

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 7

Years ended March 31, 2013 and 2012

6. Lease commitments and guarantees (continued):

(b) Guarantees:

In the normal course of business, the Foundation has entered into lease agreements for premises and equipment. It is common in such commercial lease transactions for the Foundation as the lessee, to agree to indemnify the lessor for liabilities that may arise from the use of the leased assets. The maximum amount potentially payable under the foregoing indemnities cannot be reasonably estimated. The Foundation has liability insurance that relates to the indemnifications described above.

7. General expenses:

	2013	2012
Salaries	\$ 1,174,972	\$ 1,982,558
Rent	353,296	333,919
Office	185,522	207,613
Computer maintenance	128,808	124,804
Travel	66,790	149,098
Professional fees	596,143	304,413
Training	44,060	140,954
Investment fees	45,496	49,552
Insurance	25,279	26,799
Equipment lease	37,993	41,273
Translation	10,143	3,247
Other	13,030	—
	<hr/>	<hr/>
	\$ 2,681,532	\$ 3,364,230

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 8

Years ended March 31, 2013 and 2012

8. Related party transaction:

The Foundation is related to the Legacy of Hope Foundation (the "Charity"), which is a registered charity by virtue of its ability to appoint the majority of the Board of Directors.

The Charity's mission is to encourage and support Aboriginal communities in building the capacity to sustain healing processes that address the broader Intergenerational Legacy of the Residential School System.

The Charity's assets, liabilities, revenue and expenses are as follows for the years ended March 31:

	2013	2012
Assets	\$ 1,196,217	\$ 702,336
Liabilities and Net Assets		
Liabilities:		
Due to Aboriginal Healing Foundation	\$ 789,860	\$ 6,413
Other liabilities	210,248	476,955
	1,000,108	483,368
Net assets	196,109	218,968
	\$ 1,196,217	\$ 702,336

	2013	2012
Revenue	\$ 968,947	\$ 1,253,459
Expenses	993,676	1,112,196
Excess (deficiency) of revenue over expenses	\$ (24,729)	\$ 141,263

The Foundation provides payroll services at a cost of \$16,950 (2012 - \$24,134) and subleased office space to the Charity at \$15,251 (2012 - \$19,876) for the year including operating costs.

ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 9

Years ended March 31, 2013 and 2012

9. Capital disclosures:

The Foundation considers its capital to consist of deferred capital contributions and deferred grant. The Foundation's overall objective for its capital is to fund tangible capital assets, future projects and ongoing operations. The Foundation is not subject to any other externally imposed capital requirements and its approach to capital management remains unchanged from the prior year.

10. Financial risks and concentration of credit risk:

The Foundation does not believe it has significant exposure to interest rate, credit and currency risks from its financial instruments.

ABORIGINAL HEALING FOUNDATION

Schedule of Project Commitments and Expenses

Years ended March 31, 2013 and 2012

	Opening cumulative project commitments	Current year net project commitments	Closing cumulative project commitments	Opening cumulative project expenses	Current year project expenses	Closing cumulative project expenses	Remaining project commitments
General Projects	\$ 525,454,285	\$ 10,060,182	\$ 535,514,467	\$ 497,889,085	\$ 8,596,648	\$ 506,485,733	\$ 29,028,734

Statement of Remuneration

With respect to Section 11.05 (i) of the Funding Agreement between the Government of Canada and the Aboriginal Healing Foundation, the following represents those Employees, Board Members and Contractors earning over \$75,000.

Employees

- Executive Director
- Corporate Secretary
- Director of Legacy Projects

The remuneration package for the Executive Director has been developed and recommended by an independent compensation consultant and approved by the Board of Directors. A review of Executive Director remuneration is conducted every three years. All other staff remuneration is based on two comprehensive reviews by external consultants, conducted in 2000 and 2006 by Hay Group and Peralman Iddon Associates Inc., respectively. AHF salaries are consistent with salaries for similar work in the federal public service.

AHF positions do not qualify for the Public Service Benefits and Pension Plan. Accordingly, staff are provided an equivalent plan, budgeted at 18 percent of base salaries for benefits and a payment in lieu of pension.

Other allowances are provided for health, healing, and fitness.

Contractors

- Wild Bight Enterprises
- Informici
- Spear Communications Group
- Glen Lowry

Board Members

Acting in the capacity of both President and Board Chair, the President is remunerated up to a maximum of \$75,000, as approved by Board policy.



March 31, 2013
Aboriginal Healing Foundation,
75, Albert Street,
Suite 801,
Ottawa,
Ontario K1P 5E7

Ladies and Gentlemen,

I am writing to confirm that the investments of the Foundation continue to be managed in accordance with the Guidelines laid out in the Funding Agreement with the Federal Government. These guidelines cover the credit quality, diversification and maturity structure of eligible investments and have been met since the inception of the fund in 1998.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Giraf", is centered within a light gray rectangular box.

12 Wanless Crescent Toronto Ontario Canada M4N 3B7
(416) 484-4001 giraf@wolfcrestcap.com



The Aboriginal Healing Foundation
75 Albert Street, Suite 801, Ottawa, Ontario K1P 5E7
Telephone: (613) 237-4441 Toll-free: (888) 725-8886 Fax: (613) 237-4442
Email: programs@ahf.ca Website: www.ahf.ca