

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**FINANCIAL STATEMENTS**

**AS AT MARCH 31, 2023**

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**FINANCIAL STATEMENTS  
AS AT MARCH 31, 2023**

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Comptables professionnels agréés  
Chartered Professional Accountants

## INDEPENDENT AUDITOR'S REPORT

To the members of the Board of Directors  
**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

### *Qualified opinion*

We have audited the financial statements of **CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL** (the Organization) which comprise the balance sheet as at **March 31, 2023**, and the statements of revenues and expenses, 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 effects of the matters 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 results of operations and its 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 charitable organizations, the organization derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to recorded contributions, the excess of revenues over expenses, and cash flows from operations for the years ended **March 31, 2023** and March 31, 2022, current assets as at **March 31, 2023** and March 31, 2022 and net assets as at April 1 and **March 31** for both the **2023** and 2022 years.

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 qualified opinion.

***Responsibilities of Management and Those Charged with Governance 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.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

*LeFobne Gendun Beaulieu Dussan s.e.n.c.r.l.* <sup>1</sup>

Partnership of Chartered Professional Accountants

Laval, November 27, 2023

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<sup>1</sup> By: Jean-François Beaulieu, CPA auditor

## CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL

### STATEMENT OF REVENUES AND EXPENSES FOR THE YEAR ENDED MARCH 31, 2023

	2023	2022
	\$	\$
<b>REVENUES</b>		
Justice Canada / Justice Québec :		
Operating grant	243 300	136 234
Amortization of deferred contributions related to capital asset (note 9)	4 091	-
Montreal Indigenous Community NETWORK	230 708	283 388
Makivik	194 044	77 201
Indigenous Services Canada (ISC)	158 117	169 727
Canadian Heritage	95 250	5 501
Donations	72 184	22 743
Justice Québec - Victim Services	69 587	-
Justice Canada - Special projects	30 720	60 500
Justice Canada - Restorative Justice	9 000	9 630
McConnell Foundation	8 350	84 402
Secrétariat aux affaires autochtones (SAA)	-	83 774
United Church	-	5 407
Interest and other	1 444	480
	<b>1 116 795</b>	<b>938 987</b>
<b>EXPENSES</b>		
Salaries and benefits	600 959	428 736
Program materials and supplies	90 581	120 122
Travel, accommodation and conferences	60 965	82 820
Program fees	52 178	51 189
Rent and utility for clients	22 054	77 899
Food security	14 189	40 689
Professional fees	65 764	20 045
Rent	40 396	24 000
Office and administrative fees	38 069	19 263
Training	28 028	5 549
Translation and communication	15 268	9 186
Web and database	-	25 759
Insurance	4 107	1 349
Amortization of capital assets	4 523	432
Bank fees	2 156	1 409
Miscellaneous	3 000	3 792
	<b>1 042 237</b>	<b>912 239</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>74 558</b>	<b>26 748</b>

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>Invested in capital assets</u> \$	<u>Internally restricted</u> \$	<u>Unrestricted</u> \$	<u>2023 Total</u> \$	<u>2022 Total</u> \$
<b>NET ASSETS, BEGINNING OF YEAR</b>	719	25 000	104 193	<b>129 912</b>	103 164
Excess of revenues over expenses (expenses over revenues)	<u>(432)</u>	<u>-</u>	<u>74 990</u>	<u><b>74 558</b></u>	<u>26 748</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>287</u></u>	<u><u>25 000</u></u>	<u><u>179 183</u></u>	<u><u><b>204 470</b></u></u>	<u><u>129 912</u></u>

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**BALANCE SHEET  
AS AT MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	294 754	19 345
Temporary investment (Note 3)	23 493	72 735
Accounts receivable (Note 4)	123 942	220 982
Prepaid expenses	43 400	2 000
	<u>485 589</u>	<u>315 062</u>
<b>CAPITAL ASSETS</b> (Note 5)	<u>45 292</u>	<u>719</u>
	<u><u>530 881</u></u>	<u><u>315 781</u></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 6)	62 158	63 101
Deferred contributions (Note 8)	219 248	122 768
	<u>281 406</u>	<u>185 869</u>
<b>DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS</b> (note 9)	<u>45 005</u>	<u>-</u>
	<u><u>326 411</u></u>	<u><u>185 869</u></u>
<b>NET ASSETS</b>		
Invested in capital assets	287	719
Internally restricted (note 10)	25 000	25 000
Unrestricted	179 183	104 193
	<u>204 470</u>	<u>129 912</u>
	<u><u>530 881</u></u>	<u><u>315 781</u></u>

On behalf of the Board of directors

\_\_\_\_\_, Director

\_\_\_\_\_, Director



**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED MARCH 31, 2023**

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>CASH FLOWS FROM OPERATING</b>		
Excess of revenues over expenses	74 558	26 748
Non-cash items :		
Amortization of capital assets	4 523	432
Amortization of deferred contributions related to capital assets	<u>(4 091)</u>	<u>-</u>
	<u>74 990</u>	<u>27 180</u>
Net change in non-cash working capital items		
Accounts receivable	97 040	(179 764)
Prepaid expenses	(41 400)	(974)
Accounts payable and accrued liabilities	(943)	16 468
Deferred contributions	<u>96 480</u>	<u>(67 787)</u>
	<u>151 177</u>	<u>(232 057)</u>
	<u>226 167</u>	<u>(204 877)</u>
<b>INVESTING ACTIVITIES</b>		
Acquisitions of capital assets	<u>(49 096)</u>	<u>-</u>
<b>FINANCING ACTIVITES</b>		
Increase in deferred contributions related to capital assets	<u>49 096</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<u>226 167</u>	<u>(204 877)</u>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>92 080</u>	<u>296 957</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>318 247</u>	<u>92 080</u>
Cash and cash equivalents are represented by:		
Cash	294 754	19 345
Temporary investement	<u>23 493</u>	<u>72 735</u>
	<u>318 247</u>	<u>92 080</u>

# **CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL**

## **NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2023**

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### **1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES**

The CENTRE DE JUSTICE DE PREMIERS PEUPLES DE MONTRÉAL is a registered charitable organization, incorporated under Part III of the Quebec Companies Act on January 22, 2014.

Its objectives are to work in partnership with the Indigenous community and the Montreal justice system to :

- Support, inform and enable Indigenous people to take control of their involvement with the justice system and continue their transition to a healthy balanced quality of life.
- Adapt the justice system to Indigenous people, including training key players to deal with Indigenous people in a fair, culturally respectful and restorative manner.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

#### **Use of estimates**

The preparation of these financial statements in conformity 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 and disclosure of contingent assets and liabilities at the reported date and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates.

Significant financial statement items that require the use of estimates include amortization of financial assets and useful life of capital assets.

#### **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 they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

## CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL

### NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2023

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#### 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Capital assets

Furniture and equipment are recorded at cost and are amortized over their useful lives according to the straight-line method over 3 years.

##### Impairment

Capital assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to be held and used with the total of the undiscounted cash flows expected from its use and disposition. The impairment loss to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair value.

##### Financial instruments

CENTRE DE JUSTICE DE PREMIERS PEUPLES DE MONTRÉAL initially measures its financial assets and financial liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

The financial assets subsequently measured at amortized cost include cash, temporary investment, and accounts receivable.

The financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

##### Cash and cash equivalents

The organization's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and temporary investments with a maturity period of three months or less from the date of acquisition.

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>3. TEMPORARY INVESTMENT</b>		
Enhanced Investment Business Account, 2.30 % (2022 : 0.20 %)	<u>23 493</u>	<u>72 735</u>

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023**

		<u>2023</u>	<u>2022</u>
		\$	\$
<b>4. ACCOUNTS RECEIVABLE</b>			
Grants receivable		96 764	205 902
Sales taxes receivable		22 597	12 928
Others		4 581	2 152
		<u>123 942</u>	<u>220 982</u>
		<u>2023</u>	<u>2022</u>
		\$	\$
<b>5. CAPITAL ASSETS</b>			
	Cost	Accumulated amortization	Net value
			Net value
Furniture and equipment	<u>50 391</u>	<u>5 099</u>	<u>45 292</u>
			<u>719</u>
		<u>2023</u>	<u>2022</u>
		\$	\$
<b>6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES</b>			
Trade and accrued liabilities		28 676	28 067
Salaries and vacations		33 482	35 034
		<u>62 158</u>	<u>63 101</u>
<b>7. CREDIT FACILITIES</b>			

The organization has credit facilities totaling \$40,000 on credit cards, at a rate of 15.20%

## CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL

### NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2023

#### 8. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent funds which are intended for the fulfillment of mandates of grant agreements with various government departments, foundations and organizations. As at March 31, 2023 the changes in the deferred contributions balance are as follows :

	March 31 2022	Amounts Received	Recorded in Revenues	March 31 2023
	\$	\$	\$	\$
Justice Canada / Justice Québec	-	333 261	247 391	<b>85 870</b>
Montréal Indigenous Community NETWORK	-	292 991	230 708	<b>62 283</b>
Montréal Indigenous Community NETWORK				
Lease - Security Deposit	-	22 995	-	<b>22 995</b>
Indigenous Services Canada (ISC)	41 504	135 360	158 117	<b>18 747</b>
Canadian Heritage	81 264	13 986	95 250	-
Justice Québec - Victim Services	-	85 000	69 587	<b>15 413</b>
Justice Canada - Special Projects	-	44 660	30 720	<b>13 940</b>
	<u>122 768</u>	<u>928 253</u>	<u>831 773</u>	<u><b>219 248</b></u>

#### 9. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent the unamortized amount of grants received and spent for the purchase of capital assets. The amortization of deferred capital contributions is recorded as revenue in the statement of operations at the same rate as the related capital asset. As at March 31, 2023 the changes in the deferred contributions related to capital asset balance are as follows :

	March 31 2022	Amounts Received	Recorded in Revenues	March 31 2023
	\$	\$	\$	\$
Justice Canada / Justice Québec	-	49 096	(4 091)	<b>45 005</b>

## CENTRE DE JUSTICE DES PREMIERS PEUPLES DE MONTRÉAL

### NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2023

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#### 10. INTERNAL RESTRICTIONS

The board of directors of the organization resolved to allocate \$25,000 as a reserve to pay for expenses not covered by contributions.

The organization may not use these internally restricted amounts for any other purpose without the approval of the board of directors.

#### 11. CONTRACTUAL OBLIGATIONS

The organization has entered into a lease agreement expiring on January 30, 2028 for office spaces, totaling \$598 484.

Future minimum lease payments for the next five years are as follows:

2024	\$ 114 400
2025	122 808
2026	125 264
2027	127 769
2028	108 243

#### 12. FINANCIAL RISKS

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at the reporting date, i.e. March 31, 2023.

##### **Credit risk**

For grants receivable, the organization assesses, on a continuous basis, the amounts receivable for which ultimate collection is reasonably assured based on their estimated realizable value.

##### **Interest rate risk**

The organization is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed-interest instruments subject the organization to a fair value risk while the floating-rate instruments subject it to a cash flow risk.

The organization is exposed to this risk on its temporary investments.

**CENTRE DE JUSTICE DES PREMIERS  
PEUPLES DE MONTRÉAL**

**NOTES TO THE FINANCIAL STATEMENTS  
MARCH 31, 2023**

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**13. COMPARATIVE FIGURES**

Certain comparative amounts have been reclassified from those previously presented to conform to the presentation of the current financial statements.