

**RÉSEAU de la communauté autochtone à Montréal  
Montréal Indigenous Community NETWORK**

**Financial Statements**

**March 31, 2024**

**RÉSEAU de la communauté autochtone à Montréal  
Montréal Indigenous Community NETWORK**

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## INDEPENDENT AUDITORS' REPORT

To the Members of  
RÉSEAU de la communauté autochtone à Montréal /  
Montréal Indigenous Community NETWORK

**Opinion** - We have audited the financial statements of RÉSEAU de la communauté autochtone à Montréal / Montréal Indigenous Community NETWORK (the Organization), which comprise the balance sheet as at March 31, 2024 and the statements of operations, changes in net assets and cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2024, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

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

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

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

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

**Auditor's Responsibilities for the Audit of the Financial Statements** - Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

By: R. Amstutz, CPA auditor  
May 17, 2024  
Montreal, Quebec  
Permit No: A105202

RÉSEAU de la communauté autochtone à Montréal  
 Montréal Indigenous Community NETWORK  
 OPERATIONS  
 year ended March 31, 2024

	<u>2 0 2 4</u>	<u>2 0 2 3</u>
<b>REVENUES</b>		
Contribution agreements		
Projects	\$ 6,496,083	\$ 871,235
Operations	241,928	766,237
Service agreements and other	12,208	1,427,834
Advice and consulting	1,238	5,781
Donations	7,077	-
Investment income	53,265	-
Amortization of deferred grants related to capital assets	527	726
Canada's COVID-19 Economic Response Plan	-	589,002
	<u>6,812,326</u>	<u>3,660,815</u>
<b>EXPENSES</b>		
Salaries and fringe benefits	783,378	998,798
Community support fund	5,629,168	2,058,223
Professional and consulting fees	134,302	176,067
Honoraria	4,480	20,245
Mental Health program	81,636	33,338
Office supplies and materials	257	18,929
Rent and utilities	71,592	66,321
Transportation	4,526	7,715
Culturally appropriate	2,486	1,595
Interest and bank charges	7,870	2,477
Amortization	2,070	2,926
Communications	5,480	27,310
Taxes and licenses	13,453	9,435
Administration	450	13,358
Professional developpement	13,251	50,955
Gatherings	18,265	13,496
Advertising and promotion	-	96
Intervention program	-	103,802
Equipment and furniture	-	11,646
Event space rentals	-	1,629
Non recoverable sales taxes	-	45,904
	<u>6,772,664</u>	<u>3,664,265</u>
<b>EXCESS (DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ <u>39,662</u></b>	<b>\$ <u>(3,450)</u></b>

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

**RÉSEAU de la communauté autochtone à Montréal**  
**Montréal Indigenous Community NETWORK**  
**CHANGES IN NET ASSETS**  
**year ended March 31, 2024**

	<u>Restricted</u> Invested in capital assets	Un- <u>restricted</u>	<u>2 0 2 4</u>  <u>Total</u>	<u>2 0 2 3</u>  <u>Total</u>
Balance, beginning of year	\$ 5,174	\$ 45,001	\$ 50,175	\$ 53,625
Excess of (deficiency) revenues over expenses	-	39,662	39,662	(3,450)
Amortization of capital assets	(2,070)	2,070	-	-
Amortization of deferred grants related to capital assets	<u>527</u>	<u>(527)</u>	<u>-</u>	<u>-</u>
Balance, end of year	\$ <u><u>3,631</u></u>	\$ <u><u>86,206</u></u>	\$ <u><u>89,837</u></u>	\$ <u><u>50,175</u></u>

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

RÉSEAU de la communauté autochtone à Montréal  
 Montréal Indigenous Community NETWORK  
 BALANCE SHEET  
 as at March 31, 2024

	<u>2 0 2 4</u>	<u>2 0 2 3</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 2,858,853	\$ 614,096
Accounts receivable (Note 3)	1,292,669	189,804
Prepaid expenses	<u>-</u>	<u>3,977</u>
	4,151,522	807,877
<b>CAPITAL ASSETS (Note 4)</b>	<u>5,121</u>	<u>7,191</u>
	<b>\$ <u>4,156,643</u></b>	<b>\$ <u>815,068</u></b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable (Note 5)	\$ 2,110,518	\$ 169,557
Deferred grants (Note 6)	<u>1,954,798</u>	<u>593,319</u>
	4,065,316	762,876
<b>DEFERRED GRANTS RELATED TO CAPITAL ASSETS (Note 7)</b>	<u>1,490</u>	<u>2,017</u>
	<b><u>4,066,806</u></b>	<b><u>764,893</u></b>
<b>NET ASSETS</b>		
<b>RESTRICTED</b>		
Invested in capital assets	3,631	5,174
<b>UNRESTRICTED</b>	<u>86,206</u>	<u>45,001</u>
	<u>89,837</u>	<u>50,175</u>
	<b>\$ <u>4,156,643</u></b>	<b>\$ <u>815,068</u></b>

ON BEHALF OF THE BOARD

....., administrator

....., administrator

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

RÉSEAU de la communauté autochtone à Montréal  
 Montréal Indigenous Community NETWORK  
 CASH FLOWS  
 year ended March 31, 2024

	<u>2 0 2 4</u>	<u>2 0 2 3</u>
<b>OPERATING ACTIVITIES</b>		
Excess (deficiency) of revenues over expenses	\$ 39,662	\$ (3,450)
Items not affecting cash		
Amortization	2,070	2,926
Amortization of deferred grants related to capital assets	<u>(527)</u>	<u>(726)</u>
	41,205	(1,250)
Changes in non cash operating working capital		
Accounts receivable	(1,102,865)	224,805
Prepaid expenses	3,977	(3,977)
Accounts payable	1,940,961	129,601
Deferred grants	<u>1,361,479</u>	<u>(473,000)</u>
 INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 2,244,757	 (123,821)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>614,096</u>	<u>737,917</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u>2,858,853</u>	\$ <u>614,096</u>

Cash and cash equivalents are comprised of cash.

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



RÉSEAU de la communauté autochtone à Montréal  
Montréal Indigenous Community NETWORK  
NOTES TO THE FINANCIAL STATEMENTS  
as at March 31, 2024

1. STATUS AND PURPOSE OF THE ORGANIZATION

The organization was incorporated under Part III of the Quebec Companies Act on April 24, 2019 and is a non profit organization.

The organization supports the ecosystem of individuals and groups committed to improving the quality of life of First Nations, Inuit and Métis communities living in the greater Montréal area.

2. SIGNIFICANT ACCOUNTING POLICIES

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

Accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

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.

Self-financing

Revenues from self-financing activities are recognized when the services are rendered or when the events have taken place.

Cash and cash equivalents

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

Capital assets

Capital assets are recorded at cost. They are amortized over their estimated useful lives using the declining-balance method at the following annual rates:

Furniture and equipment	20%
Computer equipment	30%

RÉSEAU de la communauté autochtone à Montréal  
 Montréal Indigenous Community NETWORK  
 NOTES TO THE FINANCIAL STATEMENTS  
 as at March 31, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include the accounts payable.

3. ACCOUNTS RECEIVABLE	<u>2 0 2 4</u>	<u>2 0 2 3</u>
Accounts receivable	\$ 1,000	\$ 189,804
Grants receivable	1,285,946	-
Sales taxes receivable	<u>5,723</u>	<u>-</u>
	\$ <u>1,292,669</u>	\$ <u>189,804</u>

4. CAPITAL ASSETS			<u>2 0 2 4</u>	<u>2 0 2 3</u>
	<u>Cost</u>	<u>Accumulated Amorti- zation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and equipment	\$ 2,043	\$ 1,346	\$ 697	\$ 871
Computer equipment	<u>18,303</u>	<u>13,879</u>	<u>4,424</u>	<u>6,320</u>
	\$ <u>20,346</u>	\$ <u>15,225</u>	\$ <u>5,121</u>	\$ <u>7,191</u>

Amortization provided for in the current year totalled \$2,070 (2023 - \$2,926).

5. ACCOUNTS PAYABLE	<u>2 0 2 4</u>	<u>2 0 2 3</u>
Accounts payable and accrued charges	\$ 2,107,192	\$ 98,199
Salaries and vacations payable	<u>3,326</u>	<u>71,358</u>
	\$ <u>2,110,518</u>	\$ <u>169,557</u>

RÉSEAU de la communauté autochtone à Montréal  
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 NOTES TO THE FINANCIAL STATEMENTS  
 as at March 31, 2024

6. DEFERRED GRANTS	<u>2 0 2 4</u>	<u>2 0 2 3</u>
Balance, beginning of year	\$ 593,319	\$ 1,066,319
Received during the year	6,738,538	3,192,018
Recognized as revenue	<u>(5,377,059)</u>	<u>(3,665,018)</u>
Balance, end of year	\$ <u>1,954,798</u>	\$ <u>593,319</u>

Deferred grants are comprised of the following:

CIUSSS	\$ 579,831	\$ -
Indigenous Services Canada		
FNIHB	449,118	-
FNIHB MW	-	500,000
UPIP	-	11,043
COVID-19	-	10,116
Public Safety Canada	396,329	-
City of Montréal	309,854	53,891
ESDC Infrastructure	87,890	-
McConnell Foundation	50,000	-
Foundation of Greater Montréal	33,507	-
DRSP Food security	30,000	-
Conseil des arts de Montréal	<u>18,269</u>	<u>18,269</u>
	\$ <u>1,954,798</u>	\$ <u>593,319</u>

7. DEFERRED GRANTS RELATED TO CAPITAL ASSETS	<u>2 0 2 4</u>	<u>2 0 2 3</u>		
	<u>Cost</u>	<u>Accumulated Amorti- zation</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Furniture and equipment	\$ 1,894	\$ 1,273	\$ 621	\$ 776
Computer equipment	<u>5,170</u>	<u>4,301</u>	<u>869</u>	<u>1,241</u>
	\$ <u>7,064</u>	\$ <u>5,574</u>	\$ <u>1,490</u>	\$ <u>2,017</u>

The grant awarded from the government of Canada, Crime Prevention Action Fund in connection with the acquisition of furniture and equipment and computer equipment is amortized at the same rate as the assets to which it relates.

Amortization provided for in the current year totalled \$527 (2023 - \$726).

**RÉSEAU de la communauté autochtone à Montréal**  
**Montréal Indigenous Community NETWORK**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**as at March 31, 2024**

**8. FINANCIAL INSTRUMENTS**

**Risks and concentrations**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the balance sheet date, i.e. March 31, 2024.

**Liquidity risk**

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable.

**Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risks relate to its accounts receivable.

