



Photo: Grouard Hockey Team, 1951.

Helping Aboriginal People Heal Themselves



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Photo: Regina Industrial School – Graduating Class, 1898. Indian Affairs Annual Report.

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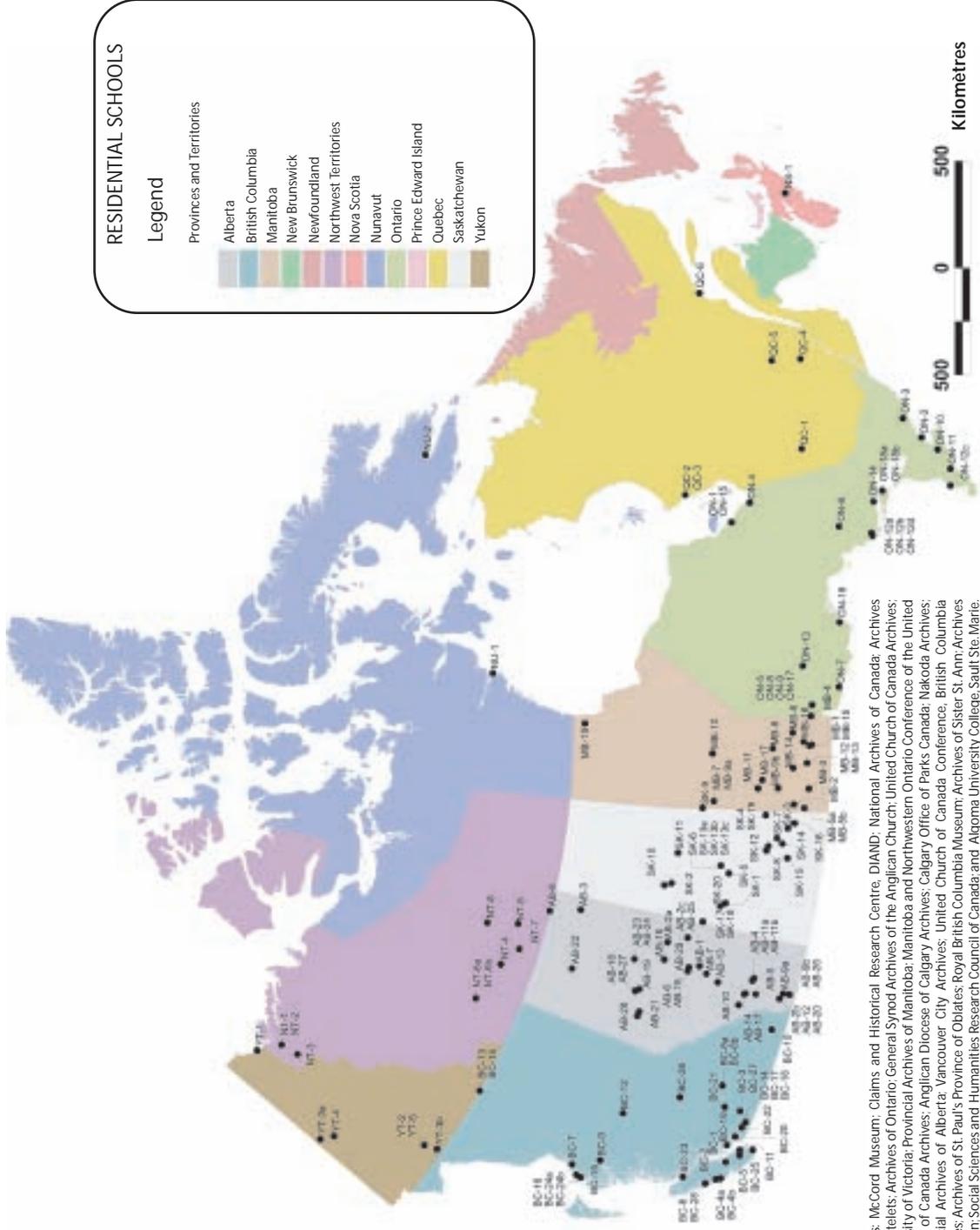


Photo: "Wabasca Postman's Family Picnic."

Many of the photos used in this publication have been generously shared with author and Residential School Survivor Larry Loyie in the research for his upcoming children's book on residential school history, Remember the Children, and have been reprinted with respect and gratitude to the families who provided them.

The Aboriginal Healing Foundation also acknowledges La société généalogique et historique de Smoky River of Donnelly, Alberta (<http://www.shgsr.com>) for the use of additional photographs.

Residential School Map



Sources: McCord Museum; Claims and Historical Research Centre, DIAND; National Archives of Canada; Archives Deschêtelais; 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 2007, Kathy Kettler, Aboriginal Healing Foundation.

Lambert Conformal Projection, Standard Parallels 49° N and 77° N



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).]



Photo: "Family Working on Moosehide."

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.



Board Message

As of the end of fiscal year 2006-2007, the Aboriginal Healing Foundation is putting into place its plan for the \$125 million committed to healing in the Government of Canada's Indian Residential School Settlement Agreement (IRSSA) with former students of Indian residential schools. The Aboriginal Healing Foundation supports the important commitment to healing, commemoration, and truth and reconciliation represented by the initiatives contained within the IRSSA.

The Aboriginal Healing Foundation's work over the coming years will be focused on supporting direct therapeutic healing in communities, including communities of interest. Our current resource levels have prohibited us from funding new projects in the past few years, but we have been able to use our funding to sustain critical healing activities. Our principal objective has been to keep the most promising healing initiatives active.

The past year has once again been an active and challenging time for all involved in matters related to the Indian Residential School System. As the IRSSA Implementation Date approaches, the Aboriginal Healing Foundation has been working with its partners to support Survivors and their families. The Aboriginal Healing Foundation continues to play a role in each aspect of the IRSSA by articulating the centrality of trauma and healing. The negotiations successfully concluded, we have been able to focus on the work at hand.

In practical terms, this work has concerned putting together an operations strategy for the next five years and concluding extensions of existing project contribution agreements. The Aboriginal Healing Foundation reported its long-term operational plans in the 2007-2012 Corporate Plan, available from the Foundation's office. This document outlines year-by-year strategic planning for all AHF activities, including funding, research, staffing, and winding-down/dissolution.

The \$125 million committed to the Aboriginal Healing Foundation in the IRSSA represents three years of program funding and five years of operation funding. This money will extend existing projects for three years, and ten healing centres for 4.5 years. Of the \$125M, \$116 million will be used to fund projects, and the remainder plus interest will be used for administration. No new projects will be funded. Following this period, there will be a Government evaluation of the AHF (as indicated by the Settlement Agreement) and, we anticipate as a possibility, a decision concerning funding. In the absence of additional funds, we will initiate our winding-down strategy, culminating in a final audit and closure of AHF.

This past year has also been one of much anticipation, as the AHF and its funded projects awaited the money committed in the IRSSA. At the time of the Settlement



Agreement's final approval, announced March 21, 2007, the Aboriginal Healing Foundation's funding to all projects was about to be exhausted. We required bridge funding from the Government of Canada to sustain 144 nationally-distributed healing projects beyond March 31, 2007, the date when our existing funds would be

and the appropriate agencies were provided with information concerning the critical importance of healing services, particularly in mitigating any negative individual and community impacts arising from the Common Experience Payments and triggered memories of abuses suffered in residential schools.

Photo: "Family Wagon."



The Minister of Indian Affairs publicly committed on December 8, 2006 to a solution of this cash flow problem during the Assembly of First Nations Special Chiefs Assembly. As March 31 approached we made best efforts to prepare our funded projects for a short-term funding gap, to ensure that lay-offs and closures of the national healing infrastructure would be minimized.

depleted. Because the funds from the IRSSA would likely not be available until late 2007, we anticipated a funding gap of at least eight months, during which time projects serving former students of Indian residential schools would have no funding support for healing services.

We feel the commitment of funds to healing in the IRSSA represents an endorsement of the work of the Foundation and a recognition of the valuable work of healing being undertaken in the communities. These funds are sustaining Canada's only nation-wide healing network committed first and foremost to addressing the legacy of physical and sexual abuse suffered by Aboriginal children in the institutional

This "funding gap" issue was brought to the attention of Government as early as Spring 2006. Senior officials were briefed





Photo: "Championship Basketball Team, Alberni."

environment of residential schools, boarding schools, hostels, and industrial schools.

We look forward to further opportunities to promote the work of healing and reconciliation. As the Indian Residential School Settlement Agreement unfolds over the coming months and years, the work of the Truth and Reconciliation Commission will present additional challenges and opportunities to which the Aboriginal Healing Foundation may provide support, as it has done to present.

In the meantime, we hope you find the information in this Annual Report clear and helpful. With all of the recent

activities, initiatives, and announcements around Indian residential schools in Canada, these are very confusing times for many people. We have tried therefore to present concise and relevant information whenever possible on the topics of greatest interest. We invite readers to contact us for further information and updates.

In closing, the Board of Directors acknowledges the resilience and courage of Aboriginal people who have risen up within many communities to undertake the difficult work of healing.

- In the spirit of healing and peace,
Board of Directors.



—| Vision, Mission, 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 organisations.

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 one where those affected by the legacy of physical abuse and sexual abuse experienced in residential school have addressed the effects of unresolved trauma in meaningful terms, have broken the cycle of abuse, and have enhanced their capacity as individuals, families, communities and nations to sustain their well being and that of future generations.

Our mission is to encourage and support Aboriginal people in building and reinforcing sustainable healing processes that address the legacy of physical abuse and sexual abuse in the residential school system, including intergenerational impacts.

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



Photo: Grouard Girls' Sewing Room.

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 resiliency of Aboriginal people.



We emphasise approaches that address the needs of Aboriginal individuals, families and the broader community. We view prevention of future abuse, and the process of reconciliation between victims and offenders, and between Aboriginal people and Canadians as vital elements in building healthy, sustainable communities.



Photo: "Potato Picking Time, Grouard."

By making strategic investments of the resources entrusted to us, and by contributing to a climate of care, safety, good will and understanding, we can support the full participation of all Aboriginal people, including Métis, Inuit and First Nations, both on and off reserves and both status and non- status, in effective healing processes relevant to our diverse needs and circumstances.



Common Questions

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. 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 intergenerational 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
- suicide
- depression
- poverty
- alcoholism
- lack of parenting skills
- weakening or destruction of cultures and languages

- 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 well-being for themselves and for their descendants seven generations ahead.

How is the AHF managed?

The Aboriginal Healing Foundation is governed by a Board of Directors made up of Aboriginal people from across Canada. The Members are appointed by Aboriginal political organizations, the federal government of Canada, and Aboriginal people at-large. The Board establish policy and give direction to staff. The Foundation is accountable through its Funding Agreement with Canada and through its By-law. Guided by these arrangements, the Aboriginal Healing Foundation has committed its resources according to clear and transparent funding criteria established in consultation with Aboriginal people.

Is there any funding available?

No. All of our funds have been committed by the AHF Board of Directors to community-based healing grants. (Details of every funding grant are available on-line.



For project details, please visit:

<http://www.ahf.ca/funded-projects>

You may also contact the AHF office for details.

What is the “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:

<http://www.residentialschoolsettlement.ca/> or phone 1-866-879-4913. Please note that this is a Government of Canada initiative.

The Settlement Agreement is not a program of the Aboriginal Healing Foundation.

Is the Foundation closing its doors?

Prior to the announcement of a commitment of an additional \$125 million from the federal government, in the

Indian Residential Schools Settlement Agreement, the Aboriginal Healing Foundation mandate expired March 31, 2009. If approved by the courts, the Indian Residential Schools Settlement Agreement will extend the Foundation's life an additional five years beyond the date it takes effect. In other words, the Aboriginal Healing Foundation mandate will be extended to March 2012.

Will there be funding for new proposals?

There will not be a call for new funding proposals at this time. The additional \$125 million committed to the AHF in the Indian Residential Schools Settlement Agreement will be committed to existing AHF-funded projects.

Why haven't the additional funds committed to the AHF been used to fund new proposals?

The Board struggled with this decision. We know there are many survivors and communities in urgent need of healing support. The decision came down to the following reasoning. For some years we have been delivering the message to government that the healing has just



begun and must be continued. The Board felt an obligation to those who had put their trust in an AHF-funded healing project, and therefore decided it would be potentially harmful to allow those beginning the healing journey suddenly to lose their support. We therefore set ourselves to the task of deciding which projects would receive additional funds. Although of great importance, the additional money committed to the AHF is modest in relation to need. We knew we would have to apply as best we could a clear, reasonable, and public set of criteria. The Board therefore settled on the following criteria:

- the project must have a history of sound financial management
- the project must have a broad reach, serving women, youth, Elders etc.
- the project must deliver direct therapeutic services

Even when the criteria were applied, there were many good projects doing good work that we could not fund. The decision was a matter of limited resources, by an organization that has already received over 1.3 billion dollars in funding requests from Aboriginal communities.

What help can I get to start a project in my community?

The Aboriginal Healing Foundation has many free resources, including research materials, practical guides, and a directory of funding resources — all of which were designed to help you go forward with healing in your community. We can also help you get in touch with others who have faced the same challenges and who have found creative and hopeful ways to take action. Please contact us for these resources.

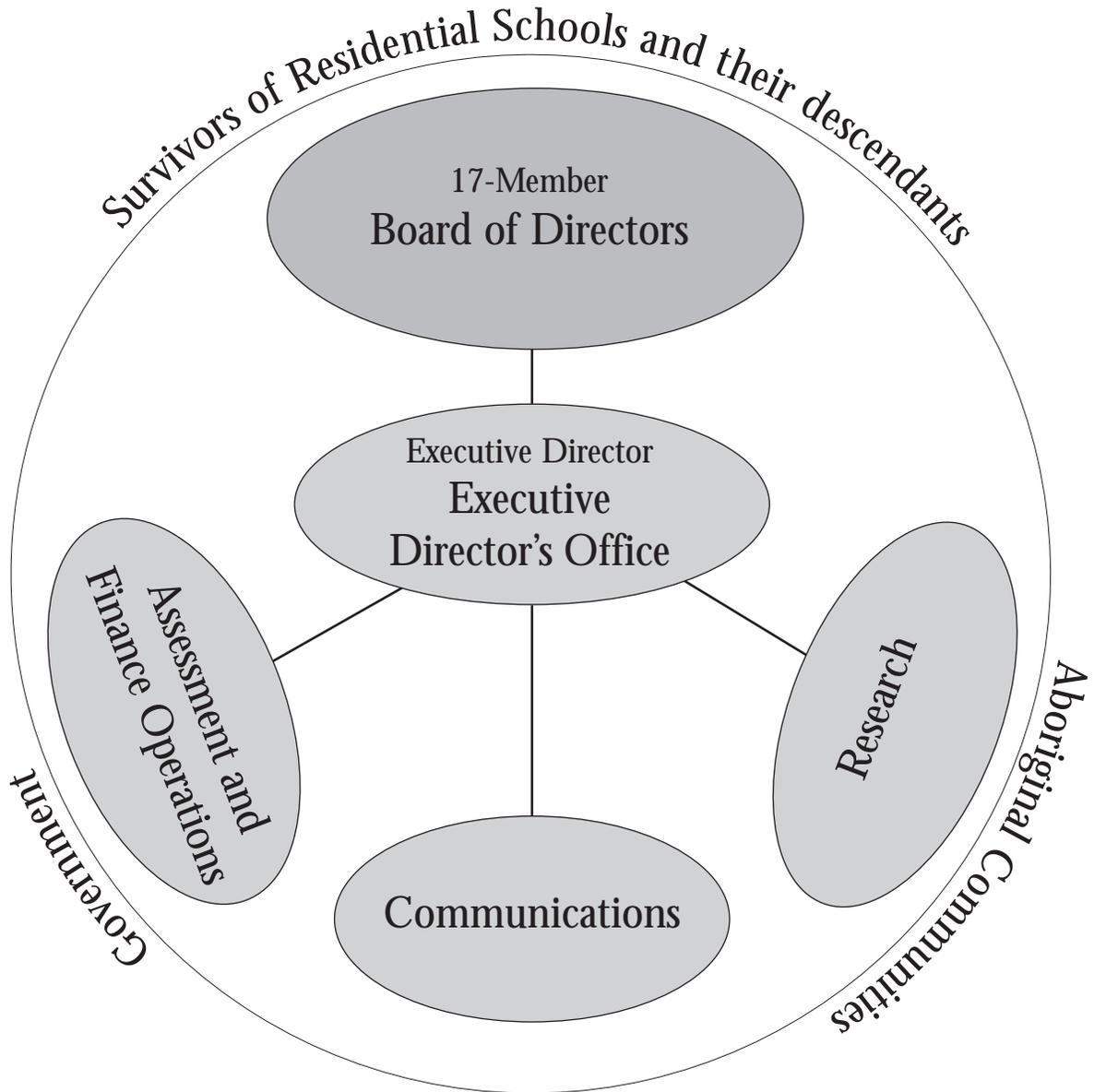
How can I get more information?

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>



Structure & Accountability



Historical Landmarks

In the wake of the Oka conflict, the Federal Government of Brian Mulroney appointed the Royal Commission on Aboriginal Peoples in August of 1991. One of the two Co-chairs of the Commission was Georges Erasmus, the former National Chief of the Assembly of First Nations. The Commission had a very broad mandate, drafted by Brian Dickson, the former Chief Justice of the Supreme Court of Canada. The Commission held hearings across the country and oversaw an extensive analysis of Aboriginal issues.



Photo: "Church and Boy's Dormitory, Grouard."

In November 1996, the Commission issued its final five-volume report featuring over 100 pages of detailed recommendations. Chapter 10, which addresses the issue of residential schools, revealed the full extent of the abuse perpetrated in residential schools.

On January 7th, 1998, as part of the Federal Government response to the report of the Royal Commission on Aboriginal Peoples, the Honourable Jane Stewart, Minister of Indian Affairs, announced Gathering Strength – Canada's Aboriginal Action Plan at a public ceremony. The Minister issued a Statement of Reconciliation to all Aboriginal peoples for the abuses in residential schools and announced a Healing Strategy and a \$350 million fund to address the healing needs of First Nations, Inuit and Métis individuals, families and communities who suffer the legacy of physical and sexual abuse at residential schools, including intergenerational impacts.

In mid-February, following discussions with residential school focus groups, a preliminary document entitled "Healing Strategy: principles and Proposed Approach" was tabled with five national Aboriginal organisations, and an interim Founding Board of prominent Aboriginal people was formed. During the three months of its initial mandate, the Interim Founding Board established a non-profit organisation to oversee the \$350 million fund.

In March 1998, the federal government convened a two-day meeting to provide residential school survivors and



representative groups, the healing community, and other interested parties with an update and an opportunity for input on developments regarding the Healing Strategy and Fund. The Interim Founding Board took part in the meeting as observers, to listen to the input of the participants.

On July 14, 15 and 16, 1998, a residential School Healing Strategy Conference was held at the Squamish Longhouse, in Squamish Territory. This conference was held to listen to the recommendations and ideas of Survivors of the legacy of physical and sexual abuse in residential schools.

On March 31, 1998, a funding agency called the Aboriginal Healing Foundation was established as an Aboriginal-run, not-for-profit corporation, independent of the government and the representative Aboriginal organisations. The Foundation was established with an 11-year mandate, ending March 2009.

In the Spring of 2000, the Aboriginal Healing Foundation initiated discussion with the Government of Canada concerning potential improvement of its performance, through an extension of its mandate and a revision of its investment restrictions.

In February 2001, a meeting was held with Federal Government representatives.

The AHF presented the findings of a KPMG study which substantiated its established track record. An in-depth analysis of the AHF's current investment portfolio was also provided, as well as balanced and prudent alternative investment strategies, each with its respective financial benefits.

This analysis provided several scenarios, delineating the benefits of optional investment policies and their respective lengths of mandate. Taking into account the amount of capital still available to the Foundation at the time of analysis, and with annual grants and expenditures of 21.2 million dollars, the Foundation would have been able to function indefinitely.

In late 2002, the capital of the Foundation, diminished by 2 years of grants and expenditures, was no longer sufficient to implement the strategy it developed in early 2000, and with no governmental decision forthcoming the Board proceeded to commit its funds within the terms and conditions of the original funding agreement.

In 2003, the Government of Canada offered to extend the timeframe for the Foundation's commitment of funds. The Board of the Aboriginal Healing Foundation, having already taken the step to commit its funds, declined the offer to extend the timeframe.



With the exception of Inuit applications and applications for Healing Centres, the last deadline for submitting proposals to the Foundation was February 28, 2003. In October 2003, approximately six months ahead of our March 31, 2004 mandated deadline, the Foundation's Board of Directors committed the remaining available funds, bringing the commitment phase of our 11-year mandate to a close.

On May 10, 2006, the Indian Residential School Settlement Agreement received cabinet approval. Part of the Settlement Agreement concerned a \$125 million commitment to the Aboriginal Healing Foundation. For more information on this funding, please see the section FAQs beginning at page 10.



Photo: "Kuhberg Family Three Girls."

On February 23, 2005, the Honourable Ralph Goodale, Minister of Finance, announced a commitment of \$40 million to the Aboriginal Healing Foundation. The AHF Board of Directors decided that there would be no call for new funding proposals and that the additional funds should be applied to existing projects. These additional funds enabled the AHF to extend the funding period of approximately one-quarter of the projects in operation at the time. The AHF mandate and timeframe were unchanged.



Resolving the Legacy of Residential Schools

Residential schools officially operated in Canada between 1892 and 1969 through arrangements between the Government of Canada and the Roman Catholic Church, the Church of England (or Anglican Church), the Methodist (or United) Church, and the Presbyterian Church.

Although in 1969 the Government of Canada officially withdrew, a few of the schools continued operating throughout the 70s and 80s. For example, Gordon's Indian Residential School in Saskatchewan did not close until 1996.

The impacts of the residential schools have been felt in every segment of Aboriginal societies. Communities suffered social, economic and political disintegration. Languages were attacked and continue to be threatened. Families were wrenched apart. The lives of individual students were devastated. Many of those who went through the schools were denied any opportunity to develop parenting skills and lost the ability to pass these skills to their own children. They struggled with the destruction of their identities as Aboriginal people, the loss of personal liberty and privacy, and memories of abuse, trauma, poverty, and neglect.

Thousands of former students have come

forward to reveal that physical, emotional, and sexual abuse were rampant in the school system and that little was done to stop it, to punish the abusers, or to improve conditions. Many passed the abuse they suffered on to their children, thereby perpetuating the cycle of abuse and dysfunction arising from the residential school system.

After years of resistance, protest, and activism on the part of many Aboriginal people and others, the first major steps towards healing began. The churches involved in running the schools publicly apologised. The first to apologise was the United Church of Canada in 1986. Other apologies and statements followed – by the Oblate Missionaries of Mary Immaculate (Roman Catholic) in 1991, the Anglican Church in 1993, and the Presbyterian Church in 1994.

Around this same time, the Royal Commission on Aboriginal Peoples (RCAP) was examining the issue of residential schools as part of its larger mandate, and in November 1996 its final report was released. The report included a section outlining research and findings on residential schools and contained recommendations specific to residential schools.



In 1997, the Canadian Conference of Catholic Bishops issued a statement expressing their regret for the pain and suffering that many Aboriginal people experienced in the residential school system. Pope John Paul II expressed similar regrets in the year 2000.

The creation of the Aboriginal Healing Foundation, in 1998, heralded a period of attempts to find solutions to the trauma that still affects Aboriginal individuals, families and communities as a result of the residential school legacy of physical and sexual abuse as well as the assaults on cultures and languages.

Between 1998 and 1999, the Government of Canada conducted a series of nine exploratory dialogues across the country with abuse victims and religious denominations to resolve Indian residential schools claims of physical and sexual abuse. In 1999, Canada initiated a series of dispute resolution projects, which explored various approaches to resolving these claims.

In September 2000, Jean Chrétien announced the appointment of the Deputy Prime Minister, Herb Gray, as Special Representative on Residential Schools. Herb Gray was given the responsibility of co-ordinating all initiatives on behalf of the Government of Canada. To this end, the residential school file was moved from Indian and Northern

Affairs Canada, and, in June 2001, the Prime Minister announced the creation of the Office of Indian Residential Schools Resolution (OIRSR), to centralise federal resources and efforts dedicated to addressing the legacy of Indian residential schools.

In August 2002, the Honourable Ralph Goodale, Minister of Public Works and Government Services Canada and also Federal Interlocutor for Métis and Non-Status Indians, assumed responsibility for the Office of Indian Residential Schools Resolution Canada.

On May 10, 2006, the Government of Canada formally approved the Indian Residential Schools Settlement Agreement and announced an Advance Payment program for former students 65 years of age or older on May 30, 2005, the day the negotiations began. Application forms for the Advance Payment, as well as the Settlement Agreement itself, are available on the IRSRC website at:

www.irsr-rqpi.gc.ca

See also:

<http://www.residentialschoolsettlement.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 compensation 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 compensation, 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 does financial compensation for a victim's pain and suffering heal physiological and psychological scars.

Government’s commitment to the Common Experience Payments can lead

to quicker compensation. As noted by the Law Commission of Canada, in its report *Restoring Dignity* (March 2000), compensation is but one means of reparation which, on its own, does not necessarily lead to healing and reconciliation; as compensation flows to survivors, it should be received in the context of a healing environment.



Photo: “Emil Loyie (Centre) and Friends.”

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



—| Our 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 Indian 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, organisations or groups in Canadian organisations (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 so it 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 AHF funding contract; submission of a budget appropriate to the activities of the project.



Funding Snapshot*

* as at March 31, 2007

Revenues

Grants from the Government of Canada · \$390,000,000

Total interest generated · \$96,561,811

Total Fund · \$486,561,811

Expenditures

Total committed to project funding · \$406,460,182

AHF Administration costs to date · \$60,209,591 ¹

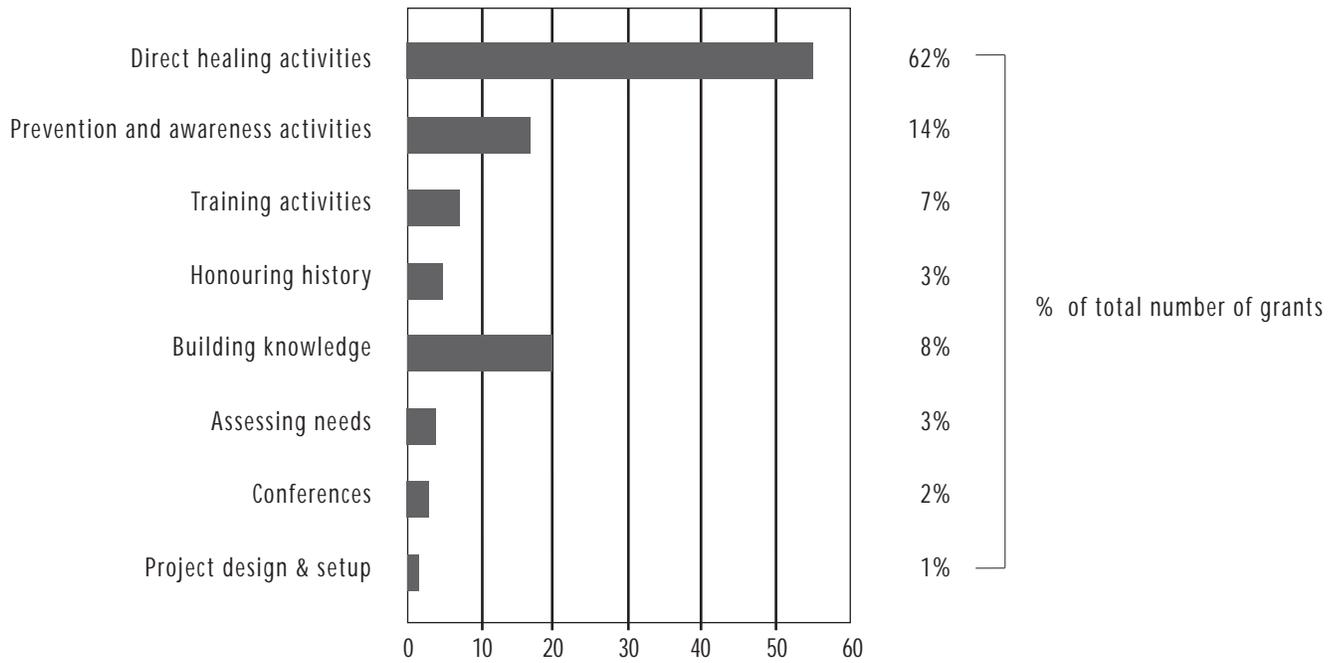
Total expenditures/commitments · \$466,669,773 ²

¹ Represents approximately 13% of Total Fund (includes research).

² Represents approximately 96% of Total Fund (\$486,561,811).



Project Categories



* Project Submissions, Healing Centre Proposals & Applications for under \$50,000



Board of Directors

Board Elders



Nora Cummings



Helen Maksagak



Danny Musqua

Directors



Garnet Angecone
Secretary



Georges Erasmus
President and Chair



Carri Lynn Lund
Treasurer



Richard Kistabish
Vice-President



Rose-Marie Blair



Marlyn Cook





Martha Flaherty



Dan George



Susan M. Hare



Murray Ironchild



Elizebeth Hourie Palfrey



Viola Robinson



Cindy Swanson



Navalik (Helen) Tologanak



David Turner



Dr. Dennis Wardman



Gina Wilson



Board Biographies

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); Chairman, University Canada North (1971-75); 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, Decho First Nations (2004).

Membership: Honorary Member, Ontario Historical Society (1990).

Awards, Honours:

Representative for Canada on Indigenous Survival International (1983); Canadian delegate to World Council of Indigenous Peoples International Conferences (1984-85); appointed Director of the World Wildlife Fund of Canada (1987); 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); art, school, athletic awards.



Interests: Reading, travel, outdoors, canoeing and art.

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

Mr. Angeconeb is Anishinabe originally from the Lac Seul First Nation near Sioux Lookout, Ontario. He has a Diploma in Journalism from the University of Western

Ontario. A former Director of the Wawatay Native Communications Society, he also served as Executive Director of Independent First Nations Alliance. More recently, Mr. Angeconeb is semi-retired due to living with a rare muscular degenerative disease. He continues to be active with the Indian Residential School healing movement. Mr. Angeconeb is a Survivor of the Pelican Indian Residential School in Sioux Lookout.

Carrielynn Lund Treasurer

Ms. Lund is a Métis consultant from Gift Lake, one of Alberta's eight Métis settlements. She possesses a degree from the Royal Conservatory of Music and a Master's degree in Social Work. An Aboriginal person with disabilities, she works with governments, businesses, and educational institutions to identify and remove barriers that prevent or discourage persons with disabilities from full participation in community. Among her extensive committee work is service on the Premier's Council on the Status of Persons with Disabilities, the Provincial Human Rights, Multicultural Education Fund Advisory Committee, the Canadian Institute of Health Research Ethics Standing Committee, and Chairperson of the Gift Lake Peace Advisory Committee. Ms. Lund co-ordinated and facilitated several events, including the Métis



Settlements General Council Youth and Elder's conferences. As a child, she attended St. Mary's Residential School in Kenora, Ontario.

Nora Cummings Board Elder

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.

Helen Maksagak Board Elder

Helen Mamayaok Maksagak was born at Bernard Harbour in the Northwest

Territories. Her professional history includes work as a civilian employee of the Royal Canadian Mounted Police and the management of a transient center. In 1992, Ms. Maksagak became the Deputy Commissioner for the Northwest Territories, receiving in December 1994 an appointment to Commissioner. She was both the first woman and the first Inuk to occupy these positions. In March, 1999, she was chosen the first Commissioner of the then-newly created Nunavut Territory. Her term lasted until April 2000.

Danny Musqua Board Elder

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.

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 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 enrolled as a student in the Yukon Native Teacher Education Program. Rose-Marie is a devoted grandmother to Nantsana 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.

Dr. Marlyn A. Cook

Dr. Cook was born at Norway House, Manitoba. A graduate of the University of Manitoba (M.D.), she currently practices Family Medicine at the Mohawk Council of Akwesasne Department of Health, in Cornwall, Ontario.

Among her previous positions are Co-Chair, First Nations Task Force on Child and Family Services (in Winnipeg, Manitoba), Consultant to the Medical Services 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 Medical Services 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, the National Pharmacy and Therapeutics Committee (NIHB-Medical Services Branch), 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 currently a member of the First Nations and Inuit Health Branch Drug Utilization Committee.



Elizebeth Hourie Palfrey

Ms. Palfrey is a Métis based in Winnipeg and Rankin Inlet and has an extensive health and business background. She is currently working on special projects for the Evaz Group as a Board Member and shareholder.

The Evaz Group, a company with operations throughout Nunavut, has been active in business development for thirty years and is committed to developing a healthy and diverse private sector economy to allow greater opportunity for its residents.

Ms Palfrey, a grandmother, has been active on community boards and issues for many years and continues to be committed to aboriginal youth, assisting wherever possible to instill cultural pride, self-esteem, and hope for the future.

Viola Robinson

Ms. Robinson is a Mi'kmaq woman born in Amherst, Nova Scotia. She attended the Indian Day School at Shubenacadie Reserve (Indian Brook), then went to the Sacred Heart Academy in Meteghan, Nova Scotia and Maritime Business College in Halifax, Nova Scotia. 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 now a Senior Mi'kmaq Advisor on the Negotiations Team with the Mi'kmaq Rights Initiative. Although she is not a Survivor of the Residential Schools, her close family members, including her late brother, are all Survivors.

Dan George

Dan George, President of Four Directions Management Services Ltd. (1994) and Chief Executive Officer of the First Nations Mountain Pine Beetle Initiative, is a lifelong resident of Prince George B.C. Mr. George is a member of the Gilseyhu Clan (Big Frog) of the Wet'suwet'en People.

Mr. George's extensive experience in Aboriginal community social development includes: Chief Negotiator, Office of the Wet'suwet'en; Executive Director, Prince George Native Friendship Centre; Treaty Director, Carrier Sekani Tribal Council; and Chair of the Aboriginal Youth in Crisis Task Force in Northern British Columbia.



He is also a member of the Ministry of Child and Family Development Transformation Team.

Dan is a proud and committed Board Member of: the Fraser Basin Council, the Aboriginal Healing Foundation, Positive Living North, and the Cedar Project.

Dan has been involved in First Nations issues for more than twenty-five years. He has been married for twenty years to his wife Teresa and they have two teenage daughters, Amanda and Brittany.

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.

"I have three wonderful children, a daughter and 2 sons Kingnektak and Tologanak and Scott."

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.

Martha Flaherty

Ms. Flaherty was born in Inukjuaq, Nunavik (formerly Port Harrison, Quebec) and resides in Almonte, Ontario with her family.



She is past President of Pauktuutit Inuit Women's Association, and also a previous Executive member of the Inuit Tapiriit Kanatami (ITK). Due to her extensive experience and training, she is a distinguished Inuktitut interpreter and translator - one of the first Inuktitut/English Interpreters for television, film and radio, and one of the select few Canadian Interpreter/Translators for the Tunngavik Federation of Nunavut.

As a steadfast advocate for Inuit Women, children and youth, she has served as a member of the Canadian Panel on Violence Against Women, the Panel on Economic Development for Canadian Aboriginal Women, the Nunavut Implementation Commission on Gender Equality, and the Canadian delegation of representatives to counter the powerful anti-fur lobby groups in Europe.

Ms. Flaherty has studied journalism and photography and has developed her own photography collection of the North. One of the most respected Inuit leaders in Canada, she is inspired by her grandfather, Robert Flaherty, an internationally acclaimed film-maker.

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.

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.

Susan Hare

Ms. Hare is an Ojibway of the M'Chigeeng First Nation. A practicing lawyer, she worked to establish the Intensive Program in First Nations Lands, Resources and Governance at York University's Osgoode Hall.

Dr. Dennis Wardman

Dr. Dennis Wardman is a member of the Key Band in Saskatchewan.

He has completed medical school, a fellowship in Public Health, Addiction Medicine training, and a Masters Degree



in Community Medicine (Universities of Alberta and Calgary). He is the first Aboriginal person in Canada to complete specialty training in public health.

Dr. Wardman is employed with First Nations and Inuit Health Program, BC Region as a Community Medicine Specialist with a special interest in Addiction Medicine and presently is the Director of the Health Promotion and Prevention Directorate.

In addition, Dr. Wardman practices clinical medicine - he has a methadone maintenance clinic in downtown Vancouver.

He has served on several advisory committees, including the Assembly of First Nations' Public Health advisory committee and the advisory committee for the National Collaborative Centre on Aboriginal Health. He has represented Aboriginal people on expert addiction committees, including Canada's National Alcohol Strategy Working Group and the Expert Group for Alcohol Policy within the Northern Dimension Partnership in Public Health and Social Well-being, an international initiative.

Dr. Wardman is also committed to Aboriginal health research - he has been a team member of research-funded projects, has published numerous peer-reviewed research papers and serves on

the scientific peer review committee for the Canadian Institutes of Health Research - Institute of Aboriginal Peoples' Health.

David Turner

A non-status Indian of Saulteaux (Fairford Band, Manitoba) and African American descent, David is an independent consultant with a Diploma of Social Work (Honours) from Mount Royal College in Calgary. Formerly a contract manager for Health Canada's Aboriginal Head Start Program, David's experience includes initiatives in health, social services, management, and policy development. A former director of child welfare with Tsuu T'ina First Nation, David has worked with both urban and First Nations social services programs. Mr. Turner has 15 years experience facilitating complex government contracts and public relations/stakeholder relations with Aboriginal communities across Canada. His current consulting activities include meeting facilitation, team development, and cross cultural understanding between northern First Nations and Métis Settlements and the oil and gas industry.

Gina Wilson

Gina Wilson is Algonquin and has been working over the past fifteen years in senior-level and executive positions in the



Aboriginal community and federal government. She worked in her First Nation community of Kitigan-Zibi as Executive Director of Health and Social Services and as Director of the Wanaki Treatment Centre.

Ms. Wilson worked from 1992-97 as Chief Executive Officer with the Assembly of First Nations (AFN), a national Aboriginal organization, representing First Nation communities in Canada and then joined the Federal Government as Director General of the Aboriginal Issues branch at the Correctional Service of Canada. Gina has worked in claims and self-government at Indian and Northern Affairs and led the renewal of the Aboriginal Human Resources Development Strategy (AHRDS) in 2005, before moving to the Privy

Council Office (PCO) as Director General of Engagement in the Aboriginal Affairs Secretariat. At PCO, Gina worked with federal departments, provinces, territories and national Aboriginal organizations in a process leading to the First Ministers Meeting (FMM) on Aboriginal Issues in Kelowna in November, 2006.

Gina Wilson is currently Assistant Deputy Minister (ADM) of the Indian Residential Schools Canada (IRSRC) and a partner in the implementation of a settlement agreement for approximately 80,000 survivors of residential schools in Canada.

She lives with her husband Royce and children Dylan, Kayla and RJ in Aylmer, Quebec.



Board of Directors

The Board of Directors, composed of Aboriginal members (First Nation, Métis, and Inuit), governs the Aboriginal Healing Foundation. The Board manages the property, business and affairs of the Foundation and is responsible for the establishment and monitoring of investment policies, standards, and procedures, for relationships with political entities, and for giving final approval to the funding of healing projects. It is morally accountable to Aboriginal people and legally accountable to the Government of Canada and to Aboriginal people.

Main Objectives

- To review and approve major organizational planning activities
- To review and approve projects
- To oversee the Executive Director's management of the AHF
- To manage Board affairs in conformity with all legal and ethical requirements
- To build public trust and communicate an effective public image of the AHF and its work
- To maintain integrity, reliability and transparency of the AHF.



Photo: "Kuhberg Family Sledding."



Executive Director

The Executive Director reports to the Board of Directors. In partnership with the President, he enables the Board of Directors to fulfil its governance role and facilitates interaction between management, staff, and the Board of Directors. He provides the leadership required for the achievement of the AHF mission, strategy, and objectives, and exercises powers and duties as specified and delegated by the Board of Directors.

With a staff of three, the Executive Director's office assists the Board of Directors to fulfil its governance role, builds and maintains the integrity of the AHF in the eyes of the public and enhances its public profile, implements the AHF mission and objectives, ensures the efficient performance of Management and that all AHF activity complies with legal and ethical requirements.

The Executive Director's office attends to its responsibilities in the following areas:

- Board of Directors
- Management
- Staff
- Finances
- Research
- Communications

Objectives

- To assist the Board of Directors to fulfil its governance role
- To build and maintain the integrity of the AHF in the eyes of the public and to enhance its public profile
- To implement the AHF mission and objectives
- To ensure the efficient performance of Management
- To ensure that all AHF activity complies with legal and ethical requirements.



Communications

Function

Communications is made up of a Director, an Executive Assistant, a Communications Officer, and a Public Affairs Officer.

Main strategic responsibilities are communicating Board policy decisions and promoting the vision, mission, goals, and activities of the Aboriginal Healing Foundation.

The AHF is guided by a Communications Strategy which identifies issues related to the residential school system, healing, and reconciliation, and which establishes principles and guidelines for Communications work.

Communications bears the lead responsibility for:

- Non-research publications
- AHF website (www.ahf.ca/www.fadg.ca)
- Media liaison (interviews, media requests, background information)
- Public presentations and presentations to Government and Aboriginal organisations
- Promotions / promo items
- Public education initiatives
- Mailing and database
- General Inquiries
- Translation & editing services
- Funded project support related to media work and informational resources
- Regional Gatherings and other events

Communications provides regular funding updates, showcasing projects and profiling issues of interest to our target audiences. We accomplish this through our website, newsletters, and public presentations.

Objective

To report on the Foundation's activities to Survivors and their descendants, as well as to Government and the Canadian public, and to generate awareness of our mandate.

Strategy

Updates of AHF activities were integrated into our public presentations and our media work. As always, we have taken every opportunity to communicate publicly and whenever possible face-to-face the lessons we have learned as an organisation.

In the past year Foundation Board and Staff have delivered dozens of presentations to senior federal Government officials and universities. We have also participated in international events such as Australia's National Reconciliation Week.

Communications has prepared briefing notes, decks, and background materials for Members of Parliament, media, and the general public.



Objective

To foster understanding of the nature and effect of Indian residential school abuses on victims, their families and their communities.

Strategy

In this fiscal year Communications organized two Parliamentary Breakfasts for Senators and Members of Parliament to raise awareness of the importance of healing.

Communications also produced copies of a residential school documentary, *Muffins for Granny*, which it distributes free of charge.

Public education is also a component of all speeches, interviews, and presentations prepared for Parliament, media, and the general public by the Communications team.

Results

The Aboriginal Healing Foundation has become one of the principal sources of information on residential schools in Canada, both among media and the public-at-large. The AHF is invited to dozens of gatherings, meetings and events a year to present on the residential

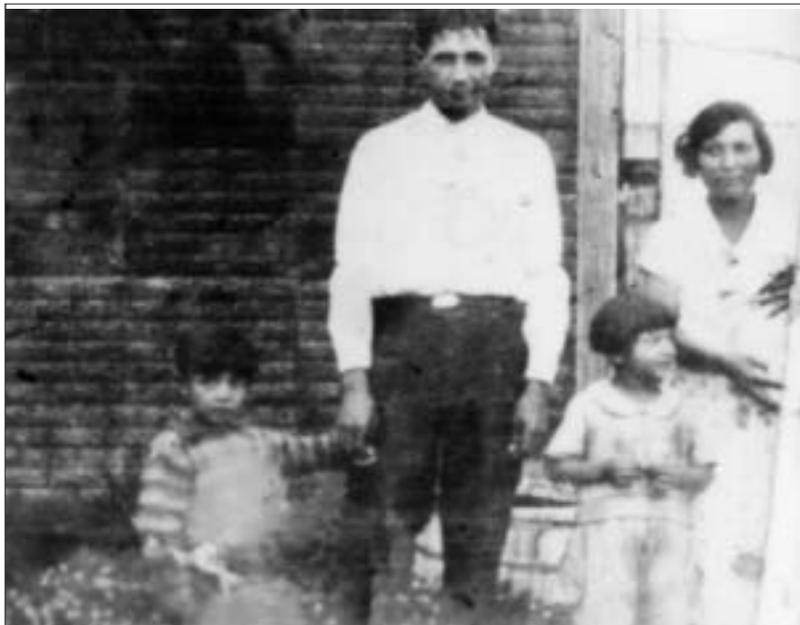


Photo: "Loyie Family Mom and Dad."

school system. Our resources are used in Government, healing programs, and schools, as well as by Canadian and international journalists.

Objective

To provide support to AHF staff in the areas of document translation and editing, correspondence, briefings, and preparation of documents.

Strategy

- Providing editing and translation services
- Supervising the performance of a core team of external translators



Results

During this fiscal year, Communications arranged the internal editing and external translation of research studies (in-house and external), of items of correspondence, of documents and other materials from other AHF departments, and of all Communications publications.

Objective

Promote and support the funded projects of the Aboriginal Healing Foundation

Strategy

Communications supports projects through the provision of documents, images, and information related to the residential school system. We also provide resources and support for the projects' media relations. To promote funded projects, we have provided profiles and summaries through printed materials and the AHF website (<http://www.ahf.ca>). We also provide speakers at project gatherings and workshops.



Photo: "Baby in a Moss Bag."

Results

We have provided funded projects with educational resources and supplemented their promotional materials. AHF documents are being used in the context of healing and education among our funded projects.



Assessment and Finance Operations

Functions

Led by the Chief Operating Officer, Assessment and Finance Operations is grouped into two units, Finance and Programs, who work closely together day-by-day. Assessment and Finance Operations supports all corporate needs and objectives.

This Department has twenty-two employees that are responsible for:

- information and community support services;
- data entry and proposal assessment;
- contracting and monitoring funded projects;
- budgeting and financial reporting;
- managing the \$390 million healing fund (initial \$350 million plus \$40 million) investment portfolio;
- informatics and system maintenance, including the project database (GIFTS);
- overall administration, including reception, mail and supplies.
- managing all accounting processes and maintaining financial controls.

Strategic Objectives

Ensuring that Aboriginal communities across Canada have fair access to funding for healing projects which address the legacy of physical and sexual abuse in the residential school system, including intergenerational impacts.

Ensuring that all proposals go through the same process for funding. Managing, in an effective and efficient manner, the \$390-million healing fund and carrying out the financial policies and objectives of the Aboriginal Healing Foundation.

Ensuring that the AHF prepares for an additional \$125-million healing fund that is part of the Final Settlement Agreement.

Strategies

Support the Foundation Board of Directors to make appropriate funding decisions by providing accurate and timely information.

Deliver accurate and relevant information, assisting senior management in constantly evaluating the performance of the Foundation at all levels of the organisation.

Support communities by providing information and follow-up communication through a 1-888 toll-free line, as well co-ordinating Information Sessions and Networking Visits.





Photo: "Cleaning Windows, Lejac."

Specific Goals & Outcomes

1. To extend eligible project contribution agreements for the anticipated \$125 million.

Result: 41 percent of the eligible project contribution agreements were signed and put in place.

2. To monitor all projects in accordance with the risk management strategy.

Result: Staff undertook twenty-three site reviews. A site review determines a project's governance, program delivery, and fiscal management performance levels.

3. To close all project files with end dates between April 1, 2001 and March 31, 2004.

Result: Fifty percent of files (39 of 78) have been closed. The remaining fifty percent are in the process of being closed.

4. To ensure the AHF exercises proper financial management.

Result: For the eighth consecutive year, the AHF has received an unqualified or clean audit opinion.

5. To strengthen internal and external financial accountability.

Result: The AHF reviewed and improved upon its internal policies and procedures.

6. To develop and carry-out an organizational winding-down strategy.

Result: The AHF readjusted its wind-down strategy to accommodate the additional \$125 million to be provided by the Government of Canada under the Final Settlement Agreement.

7. To prepare staff with knowledge and skills that will assist them in future organizational contexts.

Result: AHF staff improved their skills in computerized accounting packages, writing and crisis debriefing.



Research

Function

Research includes three core employees (Director, Executive Assistant, and Research Officer) and two contract employees and a summer student funded through the AHF Publication Strategy. Research is responsible for:

- Supervising the AHF Evaluation
- Maintaining the AHF Resource Centre
- Undertaking research on AHF issues that inform Board decisions
- Contracting research that supports healing initiatives
- Co-ordinating the preparation and publication of the AHF Evaluation and Research Series

The research agenda and activities of the Aboriginal Healing Foundation focus on applied or strategic research that contributes to developing the necessary knowledge base for the design, implementation, effectiveness and evaluation of community-level healing projects.

Goals

1. To contribute to effective program design/redesign, implementation and evaluation.
2. To promote holistic healing and identify “promising healing practices” from

community-based projects.

3. To provide information on substantive issues that support healing practices and enhance capacity-building in Aboriginal communities.
4. To contribute to the national healing legacy of the Aboriginal Healing Foundation.
5. To encourage a more informed and supportive public environment.

Objectives

1. To evaluate the impact of AHF-funded projects

Strategy

Research supervises an external consultant contracted by the AHF to undertake a substantial four-year evaluation of the effectiveness and impact of the activities of AHF-funded projects. Two additional consultants contributed a narrative overview of the establishment, work and accomplishments of the Aboriginal Healing Foundation, and promising healing practices based on the work of AHF projects.

Results

Building upon three interim evaluation



reports (published in 2001; 2002 and 2003), the Aboriginal Healing Foundation completed a 3-volume report on the activities, impact and future of community-based, holistic Aboriginal healing from the legacy of physical and sexual abuse in the Residential School System, including intergenerational impacts. Volume 1 of the AHF Final Report is a narrative overview of the AHF's development, impact, accomplishments and contribution to the healing movement and a discussion of future healing needs. Volume II is an overview of AHF evaluation, including three national surveys, thirteen case studies, seven focus groups and twelve hundred individual participant questionnaires. Volume III summarizes Best or Promising Healing Practices, highlighting what AHF has learned from funded projects through file search, surveys and a national gathering. Summary points of the AHF Final Report was published as a separate document.

2. To contribute to the knowledge base for effective program design/redesign, implementation and evaluation of community-based healing projects

Strategy

The AHF published twenty-five reports or papers in the AHF Research and Evaluation Series to date: two in 2001; four in 2002; eight in 2003. In addition to

working on the AHF Final Report, Research published three studies in 2004-05; three in 2005-06; two in 2006-07; and three in 2007-08.

Published (including website:
www.ahf.ca)

Aboriginal Healing Foundation Final Report (hard copy and CD-ROM)

Volume 1: A Healing Journey: Reclaiming Wellness

Volume II: Measuring Progress: Program Evaluation

Volume III: Promising Healing Practices in Aboriginal Communities

- A Healing Journey: Final Report Summary Points;

- Aboriginal Sex Offending in Canada;

- Mental Health Profiles for a Sample of British Columbia's Aboriginal Survivors of the Canadian Residential School System;

- An Interim Evaluation Report of Aboriginal Healing Foundation Program Activity (2001);

- Journey and Balance: Second Interim Evaluation Report of Aboriginal Healing Foundation Program Activity (2002);





Photo: "Five Friends , Lejac."

- Journey and Balance: Second Interim Evaluation Report of Aboriginal Healing Foundation Program Activity (2002);
- Directory of Residential Schools in Canada (Draft);
- Aboriginal Domestic Violence in Canada;
- Aboriginal People, Resilience and the Residential School Legacy;
- Third Interim Evaluation Report of Aboriginal Healing Foundation Program Activity (2003);
- Fetal Alcohol Syndrome Among Canadian Aboriginal People in Canada: Review and Analysis of the Intergenerational Links to Residential Schools;
- Aboriginal Elder Abuse in Canada;
- Examining HIV/AIDS Among the Aboriginal Population in Canada in the post-residential school era;
- Historic Trauma and Aboriginal Healing;
- Reclaiming Connections: Understanding Residential School Trauma Among Aboriginal People: A Resource Manual;
- Warrior-Caregivers: Understanding the Challenges and Healing of First Nations Men: A Resource Guide;
- Community Guide to Evaluating Aboriginal Healing Foundation Activity;
- AHF Evaluation Update (October 18, 2002);
- A Directory of Funding Sources for Healing Activities;
- The History and Experience of Inuit in Residential Schools in Canada (Summary Booklet);
- International Perspectives on Aboriginal Healing: Colonization, Decolonization and Healing: Indigenous Experiences in the United States, New Zealand, Australia and Greenland;



- Métis History and Experience and Residential Schools in Canada.
- Addictive Behaviors and Aboriginal People in Canada; and
- Aboriginal Suicide in Canada.

Published in partnership with other organizations/governments:

- Mapping the Healing Journey: The Final Report of a First Nation Research Project on Healing in Canadian Aboriginal Communities (with Aboriginal Corrections Policy Unit, Public Safety and Emergency Preparedness Canada);
- A Cost-Benefit Analysis of Hollow Water's Community Holistic Circle Healing Process (with Aboriginal Corrections Policy Unit, Public Safety and Emergency Preparedness Canada); and
- A Cost-Benefit Analysis of Biidaabiin: the Mnjikaning Community Healing Model (with Aboriginal Corrections Policy Unit, Public Safety and Emergency Preparedness Canada).

Partnered Publications in Progress:

Models and Metaphors of Healing: Case Studies of Building A Nation (Saskatoon); Cape Dorset (Nunavut); Big Cove (New Brunswick); Tsow-Tun Le Lum Society (Vancouver Island); Nelson House

(Manitoba), edited by James Waldram, University of Saskatchewan. Research in partnership with the National Aboriginal Mental Health Research Network (CIHR-funded).

Reprinted in 2007:

AHF reprinted 14 research reports in 2007:

- Aboriginal Healing Foundation Final Report (hard copy and CD-ROM)
- Volume 1: A Healing Journey: Reclaiming Wellness
- Volume II: Measuring Progress: Program Evaluation
- Volume III: Promising Healing Practices in Aboriginal Communities
- A Healing Journey: Final Report Summary Points;
- Aboriginal Sex Offending in Canada;
- Mental Health Profiles for a Sample of British Columbia's Aboriginal Survivors of the Canadian Residential School System;
- Aboriginal Domestic Violence in Canada;
- Aboriginal People, Resilience and the Residential School Legacy;



- Fetal Alcohol Syndrome Among Canadian Aboriginal People in Canada: Review and Analysis of the Intergenerational Links to Residential Schools;
- Historic Trauma and Aboriginal Healing;
- Reclaiming Connections: Understanding Residential School Trauma Among Aboriginal People: A Resource Manual;
- Warrior-Caregivers: Understanding the Challenges and Healing of First Nations Men: A Resource Guide;
- The History and Experience of Inuit in Residential Schools in Canada (Summary Booklet);
- Decolonization and Healing: Indigenous Experiences in the United States, New Zealand, Australia and Greenland; and
- Métis History and Experience and Residential Schools in Canada.
- Where are the Children: Healing the Legacy of the Residential School (Catalogue and DVD)

AHF Research distributes 2,700 copies of research studies through the Research database; and a minimum of 2,000 copies to workshops, conferences, meetings, and college and university courses and the general public.



Photo: "Okimaw Jousard Baseball Team."



In progress:

- Traditional Healing Practices;
- Aboriginal Homelessness in Canada and the Legacy of Residential Schools;
- Aboriginal Children in Care in Canada (to be published by the University of Manitoba Press);
- Curriculum: Aboriginal Awareness and Residential School (Grades 11 and 12)
- The History and Experience of Inuit in Residential Schools in Canada (to be published by the University of Manitoba Press);
- Aboriginal Residential School Workers;
- Directory of Residential Schools in Canada (Final);
- Reconciliation and Residential Schools;
- Lump Sum Compensation Research Project: Strategic Interventions and Community Recommendations; and
- L'expérience du Cercle Mikisiw pour l'espoir à Manawan (Mikisiw Circle of Hope of Manawan).

Results

The publication of ten research reports or papers are in progress, including two book-length manuscripts that will be published by the University of Manitoba Press in 2008 and a book-length Directory of Residential Schools in Canada.

- To participate in networks to maximize the AHF's limited resources for research and to contribute to an informed and supportive public environment

Strategy

Research has collaborated on four research projects that fall within the mandate of the Aboriginal Healing Foundation, three with the Aboriginal Corrections Policy Unit, Minister of Public Safety and Emergency Preparedness Canada, with whom Research also partnered on two gatherings of healers. With the Legacy of Hope Foundation AHF Research continues to support the research and curatorship of an exhibit on residential schools that continues to travel across Canada, and the development of the Legacy of Hope Foundation Exhibit website.

AHF Research has been an active participant in the network of Aboriginal, academic and government organizations that are involved in research that is



relevant to healing the Legacy of Physical and Sexual Abuse in the Residential School System including intergenerational impacts. Some of these activities in 2007-08 include:

- The Research Department participated in the following conferences/meetings:
1) National Aboriginal Mental Health Network, Edmonton; 2) Correctional Service Canada: Aboriginal Offender Substance Abuse Program Evaluation Committee; 3) Wabano Centre for Aboriginal Health and Minwaashin Lodge, Ottawa, Protecting the Circle: An Aboriginal Crime Prevention Symposiums, Ottawa; 4) Healing Our Spirit Worldwide Conference, Edmonton;

- The Aboriginal Healing Foundation is an institutional partner in a four-year, \$720,760 grant from Canadian Institutes of Health Research for a National Aboriginal Mental Health Research Network and the support of four research projects, one of which is the Models and Metaphors of Healing Project based on AHF-funded healing projects. The CIHR grant was extended for a fifth year. The Network Co-Directors and Principal Investigators are the AHF Director of Research and Dr. Laurence

Kirmayer of McGill University. In conjunction with the work of this network, the Co-Directors have edited a book on Aboriginal Mental Health entitled Healing Traditions that will be published by the University of British Columbia Press

2008. Dr. Laurence Kirmayer and the AHF Director of Research have submitted a 2007 grant proposal, entitled "Network Environment for Aboriginal Health Research."

- Along with the National Aboriginal Health Organization, the Institute of Population Health and the University of Ottawa, the Aboriginal Healing Foundation is an institutional partner in a three-year,

\$240,000 grant received from the Canadian Institutes of Health Research for research on Indigenous knowledge and knowledge translation (PI: Smylie, University of Ottawa) AHF Research is also a Co-Investigator on a CIHR-funded research project on Barriers to Health Services for Urban Aboriginal Women (PIs: D.Culhane, Simon Fraser/N. Adelman, York);



Photo: "Violet, Two Friends."



- With Prairie Health Promotion Research Centre, the Aboriginal Healing Foundation is an institutional partner in a two-year \$69,359 grant from Canadian Institute of Health Research on a study entitled Healthcare policies, Knowledge systems and Approaches to Mental Well-being in Saskatchewan: A Cree Perspective (PI: Dr. Lewis Williams, University of Saskatchewan).

- Along with the Canadian Population Health Initiative, Health Canada, Indian and Northern Affairs Canada, the Institute for Population and Public Health, the Institute for Aboriginal Peoples' Health and the National Aboriginal Health Organization, the Aboriginal Healing Foundation is an institutional Partner in a research project entitled, "Adaptation of Chandler/Lalonde Research on the Relationship between Cultural Continuity and Rates of Youth Suicide in First Nations Communities in Canada." (PIs: M.Chandler, University of British Columbia/ C. Lalonde, University of Victoria).

- AHF Research is a partner on two studies undertaken by the Canadian Aboriginal Aids Network: 1) A Needs Assessment on Incarceration Issues, Residential Schooling, with Emphasis on HIV and HIV/Hep C; and 2) Sexual Violence, HIV-Aids and Aboriginal Women.

- The AHF Director of Research serves on

the Advisory Board of the Institute for Aboriginal Peoples' Health, Canadian Institutes of Health Research; is Co-Director of the Aboriginal Mental Health Research Network; sits on the editorial Board of the Journal of the National Aboriginal Health Organization; and is a member of the Advisory Committee of the National Collaborating Centre for Aboriginal Health.

- In February 2007, the Director of Research published an article entitled Funding Research to Help Heal from Trauma of Residential School Abuse in Canadian Psychiatry Aujourd'hui, Volume 3, No.1.

Results

Networking will continue to increase our knowledge of the impacts of the residential school experience and allow us to maximize the return of our investments in research and to expand our research initiatives. In addition, through research partnerships and relevant presentations, we will continue to access the expertise and resources of outside agencies and to contribute to a more informed and supportive public environment.

- To develop a National Aboriginal Archives and Library to house materials that relate to residential schools



The AHF Incorporation Papers makes reference to establishing and operating “A National Aboriginal Archive and Library to house records concerning residential schools.” This activity responds in part to the Report of the Royal Commission on Aboriginal Peoples, recommendation 1.10.3, which calls for the “establishment of a national repository of records and video collections related to residential schools ... to facilitate access to documentation and electronic exchange of research on residential schools ...”

Strategy

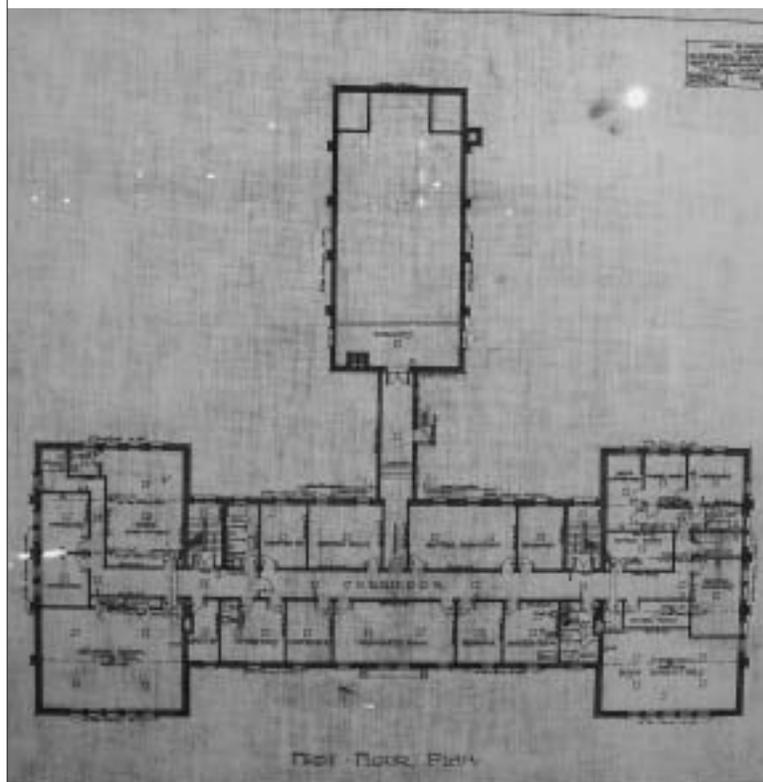
Research has continued to assemble books, articles, reports and videos on subjects related to the Legacy of Physical and Sexual Abuse in the Residential School System, including Intergenerational Impacts. This small collection includes documents donated by the Law Commission of Canada that were gathered in the process of researching the Commission's Child Abuse Report, issued in 2000; material related to the design and implementation of healing practices; archival materials and material developed by AHF-funded projects. In 2006 and 2007, Research has focused on organizing and cataloguing the material collected over the past several years.

The AHF Resource Centre currently contains over 3,700 documents.

Results

In addition to external research material, the Resource Centre houses a growing collection of materials on “promising” healing practices drawn from AHF-funded projects and materials produced by AHF-funded projects. The Resource Centre will also house any archival documents received by the AHF, including personal memoirs, journals, photographs or other items consigned by the Residential School Survivors, their descendants or other parties.

Photo: Shubenacadie Indian Residential School Floorplan



Financial Statements of

**ABORIGINAL HEALING
FOUNDATION**

Year ended March 31, 2007



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

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

AUDITORS' REPORT TO THE DIRECTORS

We have audited the statement of financial position of Aboriginal Healing Foundation as at March 31, 2007 and the statements of operations, changes in deferred contributions and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Canada Corporations Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Chartered Accountants, Licensed Public Accountants

Ottawa, Canada

May 24, 2007



ABORIGINAL HEALING FOUNDATION

Statement of Financial Position

March 31, 2007, with comparative figures for 2006

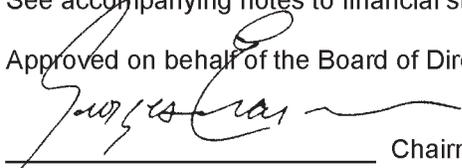
	2007	2006
Assets		
Current assets:		
Cash	\$ 348,227	\$ 141,228
Amounts receivable	117,833	353,056
Interest receivable	70,734	546,363
Prepaid expenses	129,624	171,339
	<u>666,418</u>	<u>1,211,986</u>
Capital assets (note 3)	381,318	336,038
Investments (note 4)	35,824,402	70,382,866
	<u>\$ 36,872,138</u>	<u>\$ 71,930,890</u>

Liabilities and Deferred Contributions

Current liabilities:		
Accounts payable and accrued liabilities	\$ 13,414,138	\$ 705,924
Deferred contributions:		
Deferred capital contributions	381,318	336,038
Deferred grant	23,076,682	70,888,928
	<u>23,458,000</u>	<u>71,224,966</u>
Lease commitments and guarantees (note 5)		
Project commitments (schedule)		
	<u>\$ 36,872,138</u>	<u>\$ 71,930,890</u>

See accompanying notes to financial statements.

Approved on behalf of the Board of Directors:



Chairman



Treasurer



ABORIGINAL HEALING FOUNDATION

Statement of Operations

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Revenue:		
Grant	\$ 47,614,443	\$ 53,579,583
Grant – Brighter Futures	–	236,000
Indian Residential Schools Resolution Canada - research	89,385	–
Investment (note 4(b))	1,966,246	2,884,216
Amortization of deferred capital contributions	152,523	138,073
	<u>49,822,597</u>	<u>56,837,872</u>
Expenses:		
Project:		
Project funding (schedule)	43,568,790	50,846,167
Administrative:		
General (note 6)	4,432,494	4,014,571
Research	563,162	922,161
Governance	556,884	472,765
Communication and promotion	181,810	219,962
Amortization of capital assets	152,523	138,073
Monitoring	92,447	114,890
Community support services	27,717	16,241
Regional meetings	242,444	93,042
Loss on disposal of capital assets	4,326	–
	<u>6,253,807</u>	<u>5,991,705</u>
	<u>49,822,597</u>	<u>56,837,872</u>
Excess of revenue over expenses	<u>\$ –</u>	<u>\$ –</u>

See accompanying notes to financial statements.



ABORIGINAL HEALING FOUNDATION

Statement of Changes in Deferred Contributions

Year ended March 31, 2007, with comparative figures for 2006

	Deferred capital contributions	Deferred grant	Total 2007	Total 2006
Balance, beginning of year	\$ 336,038	\$ 70,888,928	\$ 71,224,966	\$ 84,942,622
Recognized as revenue	–	(47,614,443)	(47,614,443)	(53,579,583)
Grant received (note 1)	–	–	–	40,000,000
Capital asset additions	202,129	(202,129)	–	–
Loss on disposal of capital assets	(4,326)	4,326	–	–
Amortization of deferred capital contributions	(152,523)	–	(152,523)	(138,073)
Balance, end of year	\$ 381,318	\$ 23,076,682	\$ 23,458,000	\$ 71,224,966

See accompanying notes to financial statements.



ABORIGINAL HEALING FOUNDATION

Statement of Cash Flows

Year ended March 31, 2007, with comparative figures for 2006

	2007	2006
Cash provided by (used for):		
Operations:		
Decrease (increase) in amounts receivable	\$ 235,223	\$ (199,309)
Decrease in interest receivable	475,629	185,384
Decrease in prepaid expenses	41,715	11,053
Increase (decrease) in accounts payable and accrued liabilities	12,708,214	138,593
Amortization of capital assets	152,523	138,073
Amortization of deferred capital contribution	(152,523)	(138,073)
Loss on disposal of capital assets	4,326	-
	<u>13,465,107</u>	<u>135,721</u>
Investments:		
Purchase of investments	(167,277,321)	(206,223,552)
Sale of investments	201,849,873	219,863,583
Amortization of bond premiums (discounts)	(14,088)	(202,366)
Capital asset additions	(202,129)	(102,330)
	<u>34,356,335</u>	<u>13,335,335</u>
Financing:		
Increase in deferred capital contributions	197,803	102,330
Decrease in deferred grant	(47,812,246)	(13,681,913)
	<u>(47,614,443)</u>	<u>(13,579,583)</u>
Increase (decrease) in cash	206,999	(108,527)
Cash, beginning of year	141,228	249,755
Cash, end of year	<u>\$ 348,227</u>	<u>\$ 141,228</u>

See accompanying notes to financial statements.



ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements

Year ended March 31, 2007

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.

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 can be made over a ten-year-period ending March 31, 2008.

The funding agreement was amended under the 2005 Federal Budget and, as a result of the amendment, the Foundation received a one-time grant of \$40,000,000 during the 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 are to be made by March 31, 2007 and the actual disbursements are to be made over a four-year period ending March 31, 2009.

2. Significant accounting policies:

(a) Revenue recognition:

Grant revenue is recorded using the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable. Externally-restricted contributions are deferred and recognized as revenue in the period in which the related expenses are recognized.

Restricted investment income is recognized as revenue in the year that the related expenses are incurred.

(b) Capital assets:

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
Computer software	5 years
Leasehold improvements	5 years



ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 2

Year ended March 31, 2007

2. Significant accounting policies (continued):

(c) Investments:

Investments are recorded at cost plus or minus amortization of bond discounts or premiums. Interest on the investments is accrued as earned. Gains or losses on the sale of investments are recognized in the year of disposal. Amortization of bond discounts or premiums are accrued over the term of the investment.

(d) Deferred capital contributions:

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

(e) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles 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 period. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary they are recorded in the financial statements in the period in which they become known.

3. Capital assets:

	Cost	Accumulated amortization	2007 Net book value	2006 Net book value
Furniture and equipment	\$ 591,143	\$ 395,679	\$ 195,464	\$ 182,535
Computer hardware	581,515	445,218	136,297	96,618
Computer software	136,805	136,805	—	5,404
Leasehold improvements	91,190	41,633	49,557	51,481
	<u>\$ 1,400,653</u>	<u>\$ 1,019,335</u>	<u>\$ 381,318</u>	<u>\$ 336,038</u>

Cost and accumulated amortization at March 31, 2006 amounted to \$1,397,135 and \$1,061,097 respectively. During the year, the Foundation wrote-off \$56,303 of fully amortized capital assets no longer in use.



ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 3

Year ended March 31, 2007

4. Investments:

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

	2007		2006	
	Cost	Market value	Cost	Market value
Cash equivalents:				
Federal government	\$ 27,150,423	\$ 27,813,234	\$ 47,665,416	\$ 47,870,573
Corporate	3,187,898	3,189,364	–	–
Bonds, coupons and residuals:				
Federal government	31,263	30,147	4,064,371	4,051,561
Provincial government	868,479	855,704	16,859,658	16,832,302
Corporate	4,572,251	4,552,068	1,591,055	1,589,373
	35,810,314	36,440,517	70,180,500	70,343,809
Amortization of bond discounts (premiums)	14,088	–	202,366	–
	\$ 35,824,402	\$ 36,440,517	\$ 70,382,866	\$ 70,343,809

- (b) Investment revenue is comprised of:

	2007	2006
Interest	\$ 1,952,922	\$ 2,685,176
Loss on disposal	(764)	(3,326)
Amortization of bond discounts (premiums)	14,088	202,366
	\$ 1,966,246	\$ 2,884,216



ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 4

Year ended March 31, 2007

5. Lease commitments and guarantees:

(a) Commitments:

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

2007/2008	\$ 324,267
2008/2009	308,371
2009/2010	150,258
	<hr/>
	\$ 782,896

(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.

6. General expenses:

	2007	2006
Salaries	\$ 2,909,580	\$ 2,712,913
Rent	356,170	316,439
Office	281,352	266,442
Computer maintenance	174,318	148,386
Travel	177,474	182,026
Training	93,376	86,941
Investment fees	52,476	53,776
Insurance	42,350	44,487
Equipment lease	51,212	37,178
Professional fees	273,489	161,603
Translation	20,149	4,380
Fundraising	548	-
	<hr/>	
	\$ 4,432,494	\$ 4,014,571



ABORIGINAL HEALING FOUNDATION

Notes to Financial Statements, page 5

Year ended March 31, 2007

7. Related party transaction:

The Foundation is related to the Legacy of Hope Foundation (the "Charity"), which is a registered charity. The Foundation appoints the majority of the Board of Directors of the Charity.

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:

	2007	2006
Assets	\$ 575,604	\$ 230,598
Liabilities and Net Assets		
Liabilities:		
Due to Aboriginal Healing Foundation	\$ 26,000	\$ 14,492
Other liabilities	466,446	160,012
	492,446	174,504
Net assets	83,158	56,094
	\$ 575,604	\$ 230,598
Revenue	\$ 1,474,566	\$ 590,304
Expenses	1,447,502	609,497
Excess (deficiency) of revenue over expenses	\$ 27,064	\$ (19,193)

The Foundation provides payroll services without charge and subleased office space to the Charity at \$12,000 for the year which included operating costs.

8. Fair value of financial instruments:

The carrying values of cash, amounts receivable, interest receivable and accounts payable and accrued liabilities approximate their fair values because of the relatively short period to maturity of these instruments. The fair value of investments is disclosed in note 4.



ABORIGINAL HEALING FOUNDATION

Schedule of Project Commitments and Expenses

Year ended March 31, 2007

	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	\$ 407,803,658	\$ (1,343,476)	\$ 406,460,182	\$ 355,887,258	\$ 43,568,790	\$ 399,456,048	\$ 7,004,134





May 31, 2007
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,



Graham E. Sanders
President

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

