



07 08 Annual Report

First Peoples' Cultural Foundation



Letter from the Chair

First Nations' leadership, cultural stakeholders and community partners

On behalf of the Board of directors, I present the First Peoples' Cultural Foundation Annual Report for the fiscal year 2007/08. This report highlights our work in support of the preservation and community-based revitalization of First Nations' arts, languages and cultures in British Columbia.

The First Peoples' Cultural Foundation is still in its infancy and part of its growth has been updating the bylaws to enable it to fundraise and partner more effectively in support of the First Peoples' Heritage, Language and Culture Council and other First Nations' organizations whose goals are to preserve and revitalize Aboriginal culture in B.C. Work is underway to recruit new board members to support this necessary focus.

We are proud of the continuing successes of the FirstVoices program, which the First Peoples' Council administers for the Foundation. I'm pleased to report that in fiscal year 2007/2008, the First Peoples' Council and Network BC received a Premier's Innovation and Excellence Award in recognition of a successful partnership that helped provide FirstVoices electronic language resources to First Nations throughout British Columbia.

With funding provided by the New Relationship Trust, the First Peoples' Council and the Ministry of Aboriginal Relations and Reconciliation, this year the Foundation was able to award funds for language nests to help preschool children and their parents become fluent in their original languages. Reports from the language nests show progress and reflect the need for more funding for this vital pursuit.

During the fiscal year, the Foundation again supported First Nations' communities in northern B.C. in connecting with their children in government care through culture and language. The Foundation disbursed this provincial government one-time funding over two years with 2007/2008 being the final year.

Our mandate is clear and the organization is stable. We look forward to a future of growth and partnerships in the interests of revitalizing and celebrating Aboriginal languages, arts and cultures.

Sincerely



Pauline Terbasket
Chair of the Board of Directors
First Peoples' Cultural Foundation

About the First Peoples' Cultural Foundation

The First Peoples' Cultural Foundation is a non-political, independent non-profit foundation established in 2000 to generate financial support and resources for community-based First Nations' language, arts and cultural preservation and revitalization in British Columbia.

The First Peoples' Cultural Foundation was initially created to enable the First Peoples' Council to access potential funding sources open only to non-profit societies.

A recent update of the bylaws has broadened the scope of the Foundation to enable it to fundraise and partner more effectively in support of other First Nations' organizations whose goals are to preserve and revitalize Aboriginal culture in B.C.

Purpose of the First Peoples' Cultural Foundation

The Foundation generates funds through charitable donations and other activities, which are disbursed by the First Peoples' Heritage, Language and Culture Council and other organizations, to:

- ▣ Preserve and enhance Aboriginal heritage, language and culture;
- ▣ Increase understanding and sharing of Aboriginal knowledge, within both the Aboriginal and non-Aboriginal communities;
- ▣ Heighten appreciation for the wealth of Aboriginal cultural diversity.
- ▣ Raise funds for the First Nations arts, culture and language programs

Governance of the First Peoples' Cultural Foundation

The First Peoples' Cultural Foundation is governed by a five-member Board of Directors. The Foundation is a transparent, accountable, and results-based organization. Annual audited statements are available to the public.

Board members for fiscal 07/08 were:

Pauline Terbasket, Chair

Dan Smith, Treasurer

Tyrone McNeil, Board member

Supported by

Ian Batey – Consultant, governance

Lorraine Blashill – Consultant, communications

Anders Orum – Consultant, legal

FirstVoices

One of the Foundation's major projects is the on-line language archive known as FirstVoices.com, a unique web-based tool that makes it possible for any language community to develop and manage its own authentic and authoritative language and culture archives and resources.

FirstVoices acts not only as a record of many First Nations' languages from B.C. and across Canada, it is a powerful learning tool which includes games for children, teacher resources, stories, songs and multi-media files. An important aspect of the archives is that they are built and maintained within the community. Youth and Elders working together to keep their language and culture alive and accessible for future generations is the driving force behind FirstVoices.com.

FirstVoices is working with 41 First Nations' communities in B.C. and has archived 63 languages and dialects on the FirstVoices website.

FirstVoices is administered by the First Peoples' Heritage, Language and Council. In 2008, the First Peoples' Council and Network BC received a Premier's Innovation and Excellence Award in recognition of a successful partnership that helped provide FirstVoices electronic language resources to First Nations throughout British Columbia. The Award recognizes Network BC's incorporation of FirstVoices in the province's broadband internet plan to bridge the digital divide for First Nations. Through the partnership, 15 First Nations across the province gained high-speed internet access, while FirstVoices on site training sessions ensured that participating community teams were conversant with the operation of their new audio recording equipment, computer hardware and software, the FirstVoices web application and the technical support communications systems.



Front from left: Peter Brand, FirstVoices Coordinator; Sue Hanley, First Nations Technology Council Coordinator; Pauline Edwards, FirstVoices Trainer; Belinda Claxton, Saanich Language Recorder; Ivan Morris, Saanich Elder, speaker and teacher; and Ray Sam, Saanich Elder and speaker

Back Row: Alex Wadsworth, FirstVoices Technical Analyst; Wilf Bangert, Executive Director, Network BC; Cliff Fregan, Executive Director, New Relationship Trust; B.C. Premier Gordon Campbell; John Elliott, Saanich Language Teacher; Tracey Herbert, Executive Director, First Peoples' Council; Arlene Paton, ADM, Ministry of Aboriginal Relations and Reconciliation; Dave Nikolejsin, Chief Information Officer, Government of B.C.; and Marisa Phillips, Ktunaxa FirstVoices Language Administrator



*“We must give our young people the
courage to carry on with our language.
It’s a language that is beautiful.”*

Ivan Morris, Elder

Trust Funds

Phillips Hager & North Investment Management, the 11th largest fund company in Canada, manages the Trust Funds of the First Peoples' Cultural Foundation. Founded in 1964, the company has a staff of about 300 and offices in Vancouver, Victoria, Calgary, Toronto and Montreal.

Recently, the Royal Bank of Canada bought Phillips Hager & North. The two businesses form one of the largest private sector asset managers and one of the largest private-client investment counselling businesses in Canada.



December 10, 2008

First Peoples Cultural Foundation
1A Boat Ramp Rd
Brentwood Bay, B.C. V8M 1N9

Attention: Tracey Herbert

Dear Tracey,

This is to confirm the Investment Account held by the First Peoples' Cultural Foundation totalling \$1,902,000.38 (December 5th, 2008).

It is currently invested in the Phillips, Hager & North Canadian Money Market Fund. The objectives of the fund are to provide a steady level of current income, and preserving capital by investing in a well-diversified portfolio of short-term Canadian money market securities.

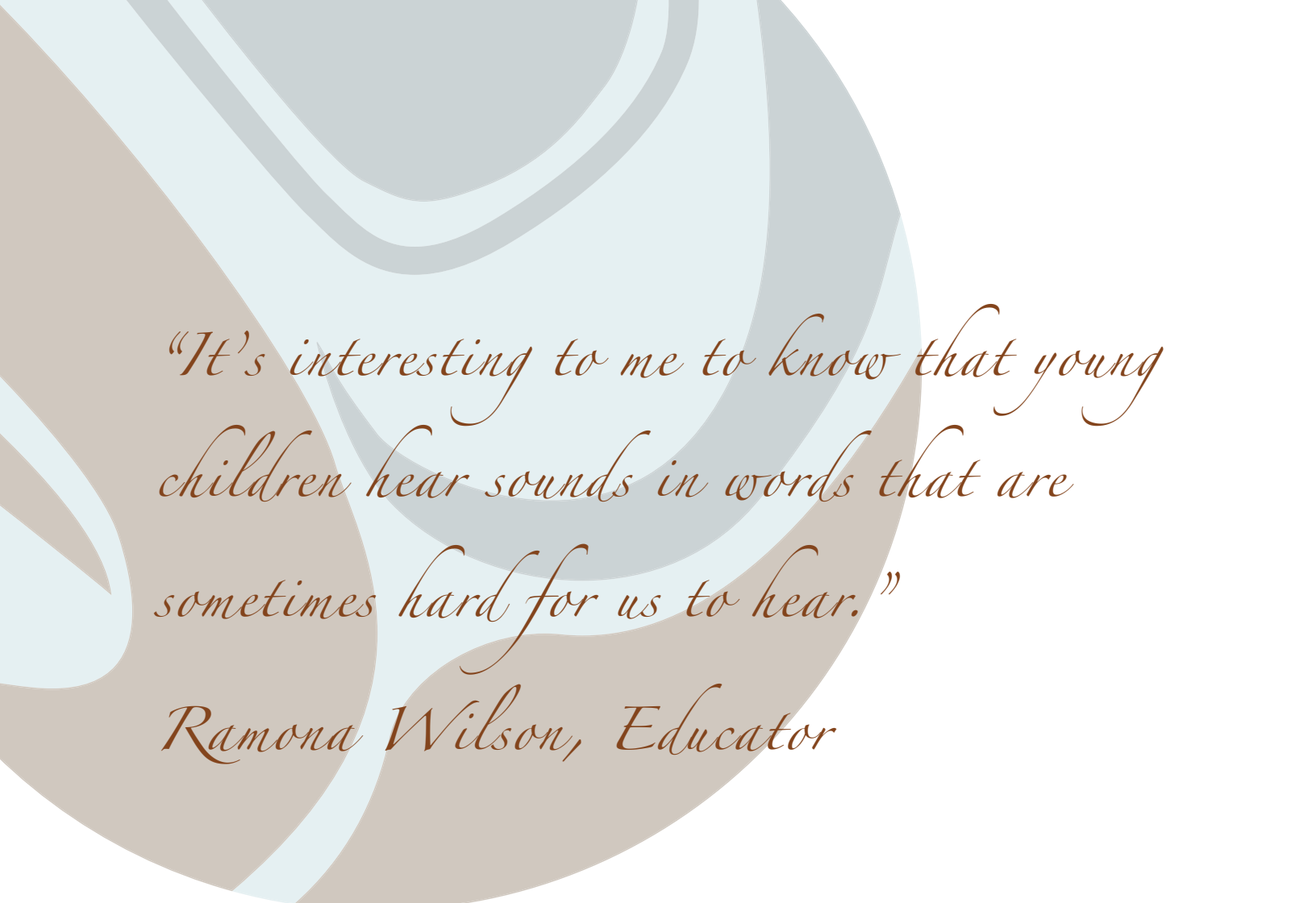
This is until the Foundation board establishes further long-term objectives for the portfolio.

Sincerely,

PHILLIPS, HAGER & NORTH
Investment Funds Ltd.

A handwritten signature in cursive script that reads "Bonnie Campbell". The signature is written in a dark ink and is positioned below the company name.

Bonnie Campbell, CFP, BSC
Investment Funds Advisor



“It’s interesting to me to know that young children hear sounds in words that are sometimes hard for us to hear.”

Ramona Wilson, Educator

Trust Fund Initiatives

Empowering Relationships Fund

The First Peoples' Cultural Foundation managed and administered this one-time \$500,000 provincial government fund. It supported First Nations' communities in northern B.C. in connecting with their children in government care through culture and language.

The Foundation, in consultation with child welfare experts, developed program criteria and the application process. A peer review committee of child welfare experts reviewed submissions and made funding decisions. The Foundation provided cultural expertise.

The second and final round of funds totalling \$275,000 was disbursed in 2008.

Early Childhood Development Fund

A total of \$300,000 is being committed over three years to provide language nests or immersion environments to help preschool children and their parents become fluent in their original languages. This is the second year of this commitment.

Funding is also being provided by the New Relationship Trust, the First Peoples' Council and the Ministry of Aboriginal Relations and Reconciliation.

Language Nest Fosters Learning for Children and Educators

"It's interesting to me to know that young children hear sounds in words that are sometimes hard for us to hear," says early childhood educator, Ramona Wilson. "Sometimes it's very tiny sounds at the end of words or words from deep in the back of the throat that children pick up."

It's all part of her learning as Ramona teaches 15 two and three year olds the Okanagan language at the Snc'c'amala?tn Early Childhood Education centre in Vernon. And with the help of a successful Language Nest proposal submitted to the First Peoples' Heritage and Language Council, she has also been able to have an Elder, Virginia Gregoire, in the classroom.

"She's grandmotherly and kind and she helps us out in so many ways," says Ramona. "I'm Okanagan and she's helped me to learn the language, too."

The Okanagan Indian Band was one of six successful applicants for Language Nests in 2007-08, the first year of this new First Peoples' Council program. Funded by the Ministry of Aboriginal Relations and Reconciliation, the First Peoples' Cultural Foundation (through a trust established by the Ministry of Children and Family Development) and the New Relationship Trust, Language Nests are intended to help preschool children and their parents to become fluent in their original languages.

The Okanagan Band reports that the Language Nest experience was valuable for staff and teachers as they have improved their skills and knowledge generally in the Okanagan language through modeling and coaching, and have benefited from the presence of Elders as they have someone to ask, "how do you pronounce that?" Over six months, the children in the infant/toddler room and the age three- to five-room have learned basic vocabulary and how to respond to simple directions and commands.

Parents who have been developing their own vocabularies at language classes or through fluent speakers in their families, have expressed their pride about the amount of the language their children have internalized.

“I like the idea of our daycare having the Language Nest Program,” says Lacey Gabriel, a parent of one of the young students. “Now Devon will be able to learn the language from a young age and pass it down to his family in the future. I believe this program will better our community for language revitalization.”

Children from the Okanagan language immersion school—many of whom are older siblings of children in the infant/toddler and three to five year old rooms have also—on occasion, come to speak, sing and engage in interactive performances with the younger kids.

In the long term, Ramona believes the Language Nest will just be the beginning for the children in her classroom. “They will go on to our headstart room and to our immersion school. This experience is teaching us that we can do this and that the language is not going to be gone forever.”



Children, teachers and elders gather in celebration of a language nest experience at the Snc'ámalat'n Early Childhood Education Centre in Vernon, B.C. The Okanagan Indian Band was one of six successful applicants.

Financials

First Peoples' Cultural Foundation
Financial Statements

March 31, 2008



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Auditors' Report

To the Members of the Board of First Peoples' Cultural Foundation

We have audited the statement of financial position of First Peoples' Cultural Foundation as at March 31, 2008 and the statement of operations and changes in net assets and statement of 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.

Except as explained in the following paragraph, 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 information is 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 common with many charitable organizations, the organization derives revenue from donations the completeness of which is not susceptible of satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization. We were not therefore able to determine whether any adjustments might be necessary to donations, revenue for the year, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the effect referred to in the preceding paragraph, these financial statements present fairly the financial position of the Foundation as at March 31, 2008, and the results of operations and changes in net assets and changes in cash flows for the year then ended in accordance with Canadian generally accepted accounting principles applied on a basis consistent with that of the preceding year as required by the British Columbia Society Act.

Cowland Paterson & Co.
PROFESSIONAL ACCOUNTANTS
Sidney, British Columbia


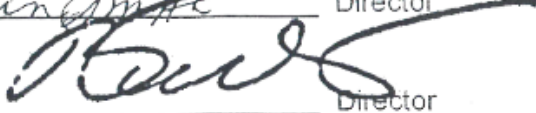
July 11, 2008

Statement of Financial Position

March 31, 2008

	2008	2007 (Note 6)
Assets		
Current		
Cash and cash equivalents (Note 2e)	\$ 2,346,028	\$ 519,315
Accounts receivable	6,405	80,578
Inventory	-	6,644
Prepaid expenses	750	-
	2,353,183	606,537
Property, plant and equipment (Note 4)	-	1,209
	\$ 2,353,183	\$ 607,746
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 20,612	\$ 9,179
Deferred revenue (Note 5)	2,259,511	504,619
Due to First Peoples' Heritage, Language and Culture Council (Note 3)	-	48,637
	2,280,123	562,435
Net Assets		
Net assets invested in property, plant and equipment	-	1,209
Unrestricted net assets	73,060	44,102
	\$ 2,353,183	\$ 607,746

Approved By The Board

 Director
 Director

Statement of Operations and Changes in Net Assets

Year Ended March 31, 2008

	2008	2007 (Note 6)
Revenue		
Grants	\$ 291,316	247,874
Interest and other revenue	99,225	6,423
Donations	293	8,645
Sales	-	39
	390,834	262,981
Expenditures		
Grants	304,710	102,620
Administration fees	10,000	-
Advertising	-	460
Bad debts	682	-
Bank charges	349	713
Board of directors	2,200	-
Contractor fees	20,202	25,429
Cost of goods sold	-	14
Equipment rental	628	-
Insurance, licences and dues	1,575	646
Inventory write-off	6,644	-
Jury/Peer Review Committee	1,716	-
Office	807	2,999
Printing	-	3,243
Professional fees	10,551	20,927
Rent	-	6,250
Travel	1,812	8,454
Wages and benefits	-	116,902
Amortization	1,209	2,838
	363,085	291,495
Excess/(Shortfall) of revenue over expenditures	27,749	(28,514)
Net Assets, beginning of year	45,311	73,825
Net Assets, end of year	\$ 73,060	\$ 45,311

FIRST PEOPLES' CULTURAL FOUNDATION

Statement of Cash Flows

Year Ended March 31, 2008

	2008	2007
Cash Provided By (Used In):		
Operating Activities		
Excess/(Shortfall) of Revenue over Expenses	\$ 27,749	\$ (28,514)
Item not involving cash		
Amortization	1,209	2,838
	28,958	(25,676)
Cash Generated by (Committed to)		
Non-cash Operating Accounts	1,846,392	316,944
	1,875,350	291,268
Investing Activities		
Disposal of property, plant and equipment	-	944
Financing Activities		
Advances from (to) First Peoples' Heritage, Language and Culture Council	(48,637)	1,868
Increase In Cash	1,826,713	294,080
Cash and cash equivalents, Beginning of Year	519,315	225,235
Cash and cash equivalents, End of Year	\$ 2,346,028	\$ 519,315
Cash Generated By (Committed to)		
Non-cash Operating Accounts		
Accounts receivable	\$ 74,171	\$ (42,243)
Inventory	6,644	160
Prepaid expenses	(750)	-
Accounts payable and accrued liabilities	11,436	(138,715)
Deferred revenue	1,754,891	497,742
	\$ 1,846,392	\$ 316,944





Notes to Financial Statements

Year Ended March 31, 2008

1. PURPOSE OF THE ORGANIZATION

The First Peoples' Cultural Foundation is incorporated under the Society Act of British Columbia and is a Registered Charity under the Income Tax Act.

The purposes of the Foundation are as follows:

-  To preserve and enhance the heritage, language and culture of the First Nations of British Columbia;
-  To increase sharing of cultural, linguistic and heritage knowledge amongst the First Nations of British Columbia;
-  To educate the public regarding the culture, heritage and languages of the First Nations of British Columbia; and
-  To heighten appreciation and acceptance of the wealth of Aboriginal cultural diversity.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Valuation of Inventory

Inventory is valued at the lower of cost and net realizable value.

(b) Amortization

Rates and bases of amortization applied to write off the cost less estimated salvage value of capital assets over their estimated lives are as follows:

Computer equipment	3 years, straight-line
Furniture and fixtures	5 years, straight-line

(c) Revenue Recognition

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(d) Donated Services and Materials

Donated materials are recorded both as donations and expenses at their fair value when fair value can be reasonably estimated. Donated services are not recorded in the financial statements, as they cannot be reasonably estimated. The Foundation also receives a number of volunteer hours, which have not been recognized, due to the difficulty of estimating their value.

Notes to Financial Statements

Year Ended March 31, 2008

2. SIGNIFICANT ACCOUNTING POLICIES Continued

(e) Financial Instruments

The Foundation's financial instruments consist of cash and cash equivalents, receivables, prepaids, payables and accruals.

Unless otherwise noted, it is management's opinion that the Foundation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying values, unless otherwise noted.

Cash equivalents consist of restricted funds invested in the Canadian Money Market Fund held with Phillips, Hager & North Investment Funds Ltd. The amount invested at March 31, 2008 was \$1,864,177 (2007 - \$NIL).

(f) Use of Estimates

In preparing the Foundation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

3. RELATED PARTY TRANSACTIONS

First Peoples' Heritage, Language and Culture Council

In previous years the Foundation and the First Peoples' Heritage, Language and Culture Council ("the Council") were related parties due to the fact that they had some common members on their Board of Directors and shared certain employees. In April 2007, the Constitution of the Foundation was amended and the purposes of the Foundation were expanded to include charitable work outside of the Council. As of April 2007, there was a change in Board members: the Council no longer has common members or employees.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	2008 Net	2007 Net
Computer equipment	\$ 90,451	\$ 90,451 \$	-	\$ 1,068
Furniture and fixtures	706	706	-	141
	\$ 91,157	\$ 91,157 \$	-	\$ 1,209

Notes to Financial Statements

Year Ended March 31, 2008

5. DEFERRED CONTRIBUTIONS

The Foundation has continuing programs at March 31, 2008. Contributions related to the completion of these programs have been deferred as follows:

	2008	2007
Ministry of Children and Family Development		
Early Years Project	\$ 1,941,811	\$ -
Empowering Relationships	317,700	504,436
Trafford Publishing - Primer Publications	-	183
	\$ 2,259,511	\$ 504,619

During the year, the Foundation received a \$2 million grant from the Province of British Columbia, Ministry of Children and Family Development. The purpose of the funding is to establish a trust fund to support the development of resources for British Columbia First Nations' languages for early childhood development.

6. RECLASSIFICATION OF COMPARATIVE FIGURES

The 2007 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2008. The prior year comparative figures were audited by another accounting firm.

**First Peoples' Cultural Foundation
2007/2008 Annual Report**

First Peoples' Cultural Foundation

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