



MÉTIS ADDICTIONS COUNCIL OF SASKATCHEWAN INC. REPORT

Métis Nation Legislative Assembly,
Batoche, Saskatchewan
June 2000.

PUBLISHED UNDER THE AUTHORITY OF

Don Favel, Minister of Health
Métis Nation of Saskatchewan
June 2000

June 1, 2000

MINISTERS' REPORT TO OUR MEMBERS

It is exciting to note, particularly on MACSI's thirty-first birthday, that our corporation is doing well and is in financial recovery. We are quickly moving forward to improve on our strengths and develop MACSI into an extremely strong and revitalized Metis Nation of Saskatchewan Affiliate. In spite of our difficulties, together we have continued to build and maintain services and activities that strengthen our treatment centres, detox unit, outpatient and field education/addiction as well as our correctional services.

MACSI continues to fulfill its mission to reduce and eventually eliminate the harmful effects of alcohol and drug abuse among Aboriginal people and to assist communities in restoring a balanced and harmonious lifestyle. It is important to reaffirm that the key to overcoming addictions is to restore harmony – to become WHOLE. Each time a client leaves our programs with a feeling of being whole, with an inner peace and equipped with the necessary living skills to continue their journey and assist others, we have achieved our goal.

The goal is about assisting Metis and other Aboriginal people recover from addictions and come back to themselves, their families, communities and nations alive, healthy and sober. To accomplish this, we have committed ourselves to strengthening the financial and administrative capacity of the corporation. Since November 1999, MACSI Board, Committees, Management and Staff have been successful in several key areas as noted below:

- On November 19, 2000, the Board implemented a 13 point recovery plan to deal with the financial debt and operating deficits of the corporation. The plan is working and contract amendments have been obtained from Saskatchewan Health till March 31, 2001 to recover the MACSI debt. The corporation is actively seeking to increase revenue and control expenses.
- On November 19, 1999, the Board and Service Employees International Union (SEIU), Locals 299 (Moose Jaw) and 333 (Saskatoon and Prince Albert) unanimously ratified and signed a new Collective Agreement for the period from July 1, 1996 to March 31, 2000. In promoting a collective working atmosphere with our employees represented by SEIU, the Board and Management have been improving and maintaining harmonious relations with the Union. Over ten outstanding grievances, some dating back to 1995, have been successfully resolved.
- On March 13, 2000, the Board accepted from our auditor Ernst & Young, the corporation's Audited Financial Statement for the fiscal year ending March 31, 1999, showing a \$181,940.00 operating deficit. (please see attachment)
- On March 13, 2000, the Board accepted the Spruce River Research (Mr. Ray Funk) final report of the MACSI Needs Assessment of addiction programs and services. At the same meeting the Board adopted as its policy the draft MACSI Development

Strategy (please see attachment) to implement the Needs Assessments recommendations for vision and program review and renewal.

- On April 28, 2000, the Board accepted Ernst & Young as the corporation's auditor for the fiscal year ending March 31, 2000 and recommends that the members of the Metis Nation Legislative Assembly name Ernst & Young as the corporation's auditor for its March 31, 2000 year end.
- On April 28, 2000, the Board accepted James Froh's successful completion of his six month probationary period and appointed him as a permanent employee of the Board of Directors.
- On May 18, 2000, MACSI and the Union agreed that MACSI salaries and benefits need to be more adequately funded by Saskatchewan Health to reflect wage parity under the province's labour legislation. The Union will be assisting the Board in lobbying Saskatchewan Health in support of MACSI negotiations during the summer to enhance current contracts, particularly in the area of wage parity and shortfalls. The Board is requesting that the Metis Nation of Saskatchewan also lobby the Government of Saskatchewan under its Bilateral Process Agreement to secure additional resources for MACSI 2001/2002 contracts from Saskatchewan Health's Community Care Branch.
- On May 18, 2000, the MACSI Job Description Evaluation project was established in partnership with SEIU. Its objective is to ensure all job descriptions reflect current, best practice in the industry. The methodology, Canada's Treasury Board guidelines, will ensure the corporation is prepared for a comparative employment audit within Saskatchewan's addiction sector.
- The corporation's Barrister and Solicitor, Mr. Dwayne (Trudeau) Roth, is preparing draft amendments to the MACSI Articles of Incorporation and its Bylaw #1. When these amendments are ready, the Board will submit them to the Provincial Metis Council in order to get the appropriate resolutions from the Metis Nation Legislative Assembly.
- MACSI Community Residential Facility (CRF) Contract with Correction Services Canada, Prince Albert Area Parole for its Prince Albert CRF for federally sentenced Aboriginal men is under negotiation. The contract has not changed in the past three years, and we are concluding a three-year contract that will result in a 15% increase by the end of year three.
- MACSI has been working closely with the Metis Nation LaRonge Region to establish a CRF for 14 federally sentenced Aboriginal men in LaRonge district. If the current community support and acceptance phase is successful, then MACSI will submit a detailed proposal and business plan for a CRF in the LaRonge district to Correction Services Canada, Prince Albert Area Parole. When successful, the CRF will be the first of its kind in northern Saskatchewan and provide over 7 full-time equivalent employment positions.

- MACSI has worked in partnership with the Metis Nation of Saskatchewan, Saskatchewan Indian Federated College and Re-Evaluation Counseling International in submitting Speaking Out/Listening for Healing Project to the Aboriginal Healing Foundation. This three-year, province-wide project will build safe community for Metis survivors to assist each other in recovery from the legacy of abuse in their childhood from Orphanages and Residential/Boarding Schools. On May 8, 2000, the Aboriginal Healing Foundation's Board of Directors gave this project conditional approval. (Please see attached Executive Summary)
- The MACSI lawyer continues to represent the corporation in lawsuits for wrongful dismissal against the corporation from past employees Judy Panko, Robert Shaw, LouAnn Roach and Pam LaValley.

In summary, MACSI continues to operate its programs and services despite extremely challenging circumstances. With a strong, dynamic and committed board, healthy and skilled employees, we are confident that 2000/2001 will see continued stability, success and growth for the Council. We join together to show our families, communities and Nation that recovery from alcohol and other drugs is possible and within our reach.

In the spirit of reovery,

Don Favel

MNS Minister of Health
MACSI Chair

Helen Johnson

MNS Associate Minister of Health
MACSI Vice-Chair

James Froh

MACSI Executive Director

Executive Summary

SPEAKING OUT – LISTENING FOR HEALING

Community gatherings for healing Metis Residential School Survivors

The purpose of the project is to build safe community for Metis survivors to assist each other in recovering from the legacy of abuse in their childhood. We acknowledge that Metis who survived find it difficult to talk about their experiences. It is also important that people get a chance to show caring by listening. Survivors will learn healing skills of exchanging listening, caring and physical, emotional and spiritual support for facing the past and claiming their full humanity. The project will also honor the silence of many survivors who choose not to speak out.

This project will focus on teaching skills to heal from the effects of chronic patterns of abuse installed in Residential Schools¹. These patterns include shame, secrecy, self-injury, invalidation and isolation, self-hatred and internalized mistreatment about inter-racial and inter-cultural heritage, powerlessness and other patterns like helplessness, victim/violence, and bad feelings and destructive patterns imposed by the Indian Act and Residential Schools.

Project Goals

- 1) To organize healing gatherings put together and led by trained Metis Residential School Survivors
- 2) To train Metis residential school survivors in healing skills for assisting each other in recovering fully from the legacy of physical and sexual abuse.
- 3) To build community centered support networks for survivors to do ongoing healing on residential school sexual and physical abuse as well as mental and spiritual abuse.
- 4) To train other groups, connected to Metis Nations, how to be effective allies to Metis Residential School Survivors.

¹ **Residential Schools** means the residential school system in Canada, attended by Aboriginal students (and sometimes by non-Aboriginal students). It may include industrial schools, boarding schools, homes for students, hostels, billets, residential schools, residential schools with a majority of day students, *orphanages* or a combination of any of the above. (AHF Red Book, A2)

Target Population

2. The project will serve Residential School Survivors and later Metis generations and First Nations and Family members.
3. Survivors of Residential School Abuse are everywhere. Board members, staff and clients share this legacy. Survivors will be involved in the development of materials, community development, and in the training and delivery of the project components. Survivors will lead the healing activities in each community.
4. The benefits will be direct person to person healing whereby survivors recover their true humanity and release the pain and patterns that were installed through sexual and physical abuse in schools. Survivors will learn to trust their own thinking and use their strength to build their lives and families around their courage and spirit. Sons and daughters, grand children and family members will be released from the hurt of the past and enjoy belonging in loving supportive caring relationships. It will be coming home to their real selves at last.

Methodology

1. How have you determined the healing needs of your community?

Metis Survivors identify the needs in centers and in fieldwork and through listening to Board members, clients and staff Survivors.

2. What activities or methods will your project use to achieve goals?

The methods used are community building, leadership training and skills training in peer counseling for healing. There is also a component of community education. Community education activities will assist communities in reclaiming their history and honoring the survivors and loved ones who did not survive.

Community Building sees community as a natural way for humans to live. Community is a pre-condition to justice and healing. This approach proposes a shift from an individual clinical model to a Community model of healing.

Our understanding of the determinants of health have shifted in time and we are beginning to think more holistically. The World Health Organization says: Health is a state of complete physical, mental and social well being and not merely the absence of disease and infirmity. The circle (AHF Program handbook 2nd Edition 1999 pg. 8) chart illustrates that there are many factors that surround and influence a person's healing.

In the context of a social community-healing model, the project will organize ways for Metis Residential School Survivors to re-learn to use their natural ability to deeply enjoy their lives and wellbeing. Metis Residential School survivors will acquire tools for healing and workable ways to assist other survivors in healing. By exchanging listening and caring, and offering persistent love and courage, Survivors give each other the healing they needed when hurts were laid in on them as children in Residential schools.

The project promotes a holistic approach in the specific skills, which acknowledges the need for emotional healing in building community. The key idea is that human minds, unless there is physical damage to the brain, can fully recover and are self-healing just as our bodies are. This approach also works from an understanding that our spirits are not damaged by our experience. Spirit remains complete and whole.

What humans do in healing is release the experience that they were unable to heal inherently at the time of the hurt. At the time of the abuse it was not safe to heal; it made sense at the time to not heal but survive. The process of humans healing in community involves accepting and encouraging the physical release of old grief and terror, and physically held feelings that are in our body memories. At the heart of healing from early sexual victimization and bodily harm is great heartbreak for the vulnerability and loss that a person experiences. In sexual abuse in particular, personal and community reality is altered from belonging to feeling the unreality of not belonging.

In this holistic approach, persons healing get to look at how the trauma changed their view of reality and how they changed their thinking and feelings to fit on top of a foundation of trauma and distress. Healing, in this approach means that the person re-learns to trust her/his own thinking and live in a natural way with others. The natural way is with pride and in community, cooperating, trusting, enjoying and showing caring and using the gift of her or his intelligence.

MACSI DEVELOPMENT POLICY AND STRATEGY

Purpose

Implement the Metis Addictions Council of Saskatchewan Inc. (MACSI) Strategic Goals (Spruce River Research, 2000) through vision and program review processes focussed on client needs.

Strategic Goals

1. Enhanced Credibility

1.1. The reinforcement of a solid reputation for stability, professionalism and accountability among the various stakeholders in the MACSI universe, including the Metis community, clients, staff, funding agencies and partners.

2. New Programming Responses

2.1. The development of appropriate resources, methods and structures to address the geographic and demographic and addiction profiles of today's and future client target populations.

3. Increased Capacity

3.1. The provision and organization of the personnel, facilities, program resources and management required to achieve the goals and objectives of the five-year plan. Of critical importance are:

3.1.1. Training and certification;

3.1.2. The ability to conduct research and development;

3.1.3. Efficient integration and coordinate management of all MACSI resources; and,

3.1.4. An evaluation of physical assets in light of new structures and objectives.

4. Improved Linkages

4.1. Ensuring that effective communication is taking place between MACSI and its key internal and external stakeholders and partners. Relationships which will be of increasing importance over the next five years (in addition to new funding sources) are:

4.1.1. National Native Alcohol and Drug Abuse Program (NNADAP) and others providing programming with an Aboriginal perspective;

4.1.2. MNS and its affiliates, particularly Gabriel Dumont Institute (GDI) and Metis Employment and Training of Saskatchewan Inc. (METS); and,

4.1.3. Community-level health and social service providers planning groups.

5. New Revenue Sources

5.1. Providing MACSI with a secure financial base and the ability to finance new innovations by diversifying its revenue sources while maintaining its existing funding. Potential new revenue sources include:

5.1.1. The design and delivery of pilot projects;

5.1.2. Metis participation in 'Gathering Strength' initiatives;

5.1.3. Contracted services to District Health Boards;

5.1.4. Marketing of services to the private sector, i.e. insurance companies, employee support programs, etc.

5.1.5. Aboriginal justice programs, i.e. Correction Services Canada – Section 81 program.

Principles

- Community-based planning through existing and future partnerships;
- Holistic approach to recovery – spirituality is central to recovery from addictions;
- Work in balance with other peoples and backgrounds – addictions are not unique to Aboriginal peoples;
- Métis and Indian cultural traditions are important carriers of values and spiritual practices;
- Accommodation of differences in values, interests and perspectives of Aboriginal client population;
- Practical, results-based approach;
- Balanced approach based on respect, trust, openness, sharing and fairness;
- Sustainability – recognition and ongoing support by community and government partners

Vision Review Process – A Renewed Vision for MACSI

“Many respondents identified the need and opportunity to fundamentally renew the mission, mandate, and program of the MACSI organization. This sense of a need for renewal stems from a variety of sources, including internal dynamics within MACSI, and factors in the larger social, community and political environment.” (SRR, 1999)

The Métis National Council has been working with its provincial affiliates to change federal health policy as it concerns Métis as one of Canada's Aboriginal peoples. Addiction is just one area of health policy, program and service delivery in Canada. *Gathering Strength*, Canada's response to its Royal Commission on Aboriginal Peoples, recommended establishing an:

- Aboriginal Health Institute to study and coordinate Aboriginal Health in Canada;
- Aboriginal Healing Foundation to encourage and support Aboriginal people in building and reinforcing sustainable healing processes that address the legacy of physical and sexual abuse in the residential schools, including intergenerational impacts.

The MNC has also successfully lobbied the federal government to change its exclusion of Métis from Health Canada programs. During 1998/1999, the Medical Services Branch of Health Canada established two new strategies that include Métis as active participants. They are:

- Canada's Aboriginal HIV/AIDS Strategy;

- Canada's Aboriginal Diabetes Strategy.

Métis continue to suffer from substance abuse at higher levels than do non-Aboriginal Canadians. Métis alcohol and drug services in Canada are not federally funded, whereas Indian and Inuit programs have been federally funded under the National Native Alcohol and Drug Abuse Program (NNADAP) for decades. Saskatchewan Health funds MACSI' alcohol and drug recovery services to reduce the harmful effects of alcohol and other drugs among Métis and Indian peoples. Other Métis Nation services, such as housing, training and employment programs, are essential tools to assist Métis individuals and families in recovering from addictions.

It is essential that MACSI engage in a renewed vision that is pro-active and reflects genuine Métis needs, values and aspirations. Therefore, it is important that MACSI' vision review process is validated within the Métis community whom it seeks to serve. MACSI will establish a process to discuss the issues, opportunities and potential new directions to incorporate into a renewed vision and mandate. This process should include:

- Board education regarding their role in governance;
- Board training in conflict resolution and mediation to help work through political issues;
- Informed discussions at Métis Nation community level;
- A provincial gathering with an agenda focussed on future direction.

Program Review Process

MACSI will establish three program review committees to review existing and proposed programming and client population needs. Each committee will determine deadlines for submission of proposals for their review. Each committee will operate out of a MACSI treatment centre in Regina, Saskatoon or Prince Albert. These committees will review MACSI' Need Assessment and program proposals, advise the Executive Director and make recommendations to Board of Directors for implementation.

Membership

Each program review committee will include the following representatives:

- Two Métis community representatives
- Two former Aboriginal clients
- Four community-based referral professionals from the following:
 - NNADAP partners
 - Mental Health (District Health Board) partners
 - Regional Saskatchewan Social Services partners
 - Addiction and Drug Services (District Health Board) partners
 - Corrections Services Canada Parole partners
- MACSI in-patient, out-patient and corrections staff

In order to form the program review committees, MACSI Program Directors will solicit a call for nomination from Aboriginal partners and community-based partners. Program Directors, in consultation with the Executive Director and their regional board representative, will then select reviewers from the nominations put forward.

The following criteria will be used when selecting representatives for the program review committees:

- Individuals with a history of addictions recovery program or service delivery to Aboriginal people, and demonstrated experience in program management, proposal writing, program design and development and evaluation;
- Individuals who can contribute to an annual review process for a two year maximum term;
- Individuals who have a minimum two years continuous sobriety/abstinence;
- Individuals who have an understanding of holistic health, community development and related issues facing Métis and First Nations peoples living in Saskatchewan, with a particular knowledge of: injection drug users (IDUs), women, prison populations, youth, men and Two-Spirited (gay, lesbian, bisexual and transgender) people;
- Individuals who are Métis or First Nations.

Attempts to ensure that the committee is representative of the local community and gender equal will be made wherever possible. In the event of a conflict of interest, the member will be required to step down from the committee for the duration of the conflict.

Roles and Responsibilities

- Develop joint guidelines for recording concise and accurate meeting notes and decisions/recommendations;
- Program Director approval is required for all travel and sustenance expenses for MACSI reimbursement;
- Minimum five working days notice and working agenda is required to convene a meeting;
- Whenever possible, decisions will be made by consensus;
- Quorum is the majority of members;
- Research best practice models within the addiction recovery sector;
- Attend the yearly MACSI Program Conference;
- Develop annual draft multi-year work plan recommendations and proposed strategies;
- Set the deadline for subsequent program proposals.

Evaluation

- Continuous evaluation of objectives will be a permanent committee agenda item;
- Committees will submit annual work plan recommendations for the Board of Director's consideration;
- Committees may be called upon to act as focus groups to workshop new program or service modules before piloting new programs and services;
- MACSI conference evaluation.

MACSI Conference

The vision and program review processes need to come together on a biannual basis to assist and direct the MACSI development strategy. MACSI will establish a conference of key stakeholders, board members and program review committee members to:

- Visioning is necessary at every step of program review and development to implement MACSI vision and mandate for future expansion.
- Interactively share and evaluate their review of MACSI' strategic goals and objectives through activities, presentations and workshops;
- Produce MACSI work plan recommendations to better meet client needs;
- Facilitate coordination of board and committee members;
- Acknowledge and honor clients, staff, board and partners success, best practice, credibility and professionalism;
- Provide a focal point for MACSI' community-based renewal process;
- Research future partnerships and innovations.
- Pull together vision and program review processes;
- Increased client group and guest partner participation at a conference level to provide additional checks and balances on MACSI' two review processes.

FINANCIAL STATEMENTS

**METIS HEALTH AND ADDICTIONS
COUNCIL OF SASKATCHEWAN INC.
(operating as Metis Addictions Council
of Saskatchewan Inc.)**

March 31, 1999

AUDITORS' REPORT

To the Members of
Metis Addictions Council of Saskatchewan Inc.

We have audited the balance sheet of **Metis Addictions Council of Saskatchewan Inc.** as at March 31, 1999 and the statements of revenue and expenses, (deficit) net assets - externally restricted, net assets - internally restricted, net assets invested in capital assets and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Canada. 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 common with many not-for-profit organizations, the Corporation derives revenue from bingos, donations and gaming ticket sales 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 Corporation and we were not able to determine whether any adjustments might be necessary to revenue and expenses, assets or deficit, end of year.

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 revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1999 and the results of its operations and the changes in its cash flows for the year then ended in accordance with accounting principles generally accepted in Canada.

Ernst & Young LLP

Saskatoon, Canada
February 14, 2000

Chartered Accountants

Metis Addictions Council of Saskatchewan Inc.
(Incorporated under the laws of Saskatchewan)

BALANCE SHEET

As at March 31

	1999 \$	[Restated Note 9] 1998 \$
ASSETS		
Current		
Cash and short term investment	92,374	148,279
Accounts receivable	31,853	81,252
Wage advances and employee loans	—	2,107
Prepaid expenses	10,740	11,692
Total current assets	134,967	243,330
Capital assets [note 3]	281,681	255,118
	416,648	498,448
LIABILITIES, DEFERRED CONTRIBUTIONS AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	142,419	53,706
Deferred contributions [note 5]	75,000	50,131
Current portion of long-term debt [note 4]	28,002	28,952
Total current liabilities	245,421	132,789
Long-term debt [note 4]	151,250	173,586
Total liabilities	396,671	306,375
Net assets		
Externally restricted (deficit)	(118,120)	113,669
Internally restricted	35,668	25,824
Invested in capital assets	102,429	52,580
Total net assets	19,977	192,073
	416,648	498,448

Commitments and contingencies [note 6 and 11]

Financial instruments [note 7]

See accompanying notes

On behalf of the Board:


Director


Director



Metis Addictions Council of Saskatchewan Inc.

STATEMENT OF REVENUE AND EXPENSES

Year ended March 31

	Externally Restricted		Total 1999 \$	Internally Restricted Bingos \$	Total 1999 \$	[Restated Note 9] Total 1998 \$
	Addiction Services \$	Corrections Programs \$				
<i>(Schedule 1)</i>						
REVENUE						
Bingo operations	—	—	—	40,951	40,951	60,787
Grants						
Correctional Services Canada Parole	—	258,275	258,275	—	258,275	576,123
Saskatchewan Department of Health	2,022,274	—	2,022,274	—	2,022,274	1,864,776
Transfer from 1998 deferred revenue	50,131	—	50,131	—	50,131	—
Miscellaneous income	9,250	1,598	10,848	—	10,848	5,374
	2,081,655	259,873	2,341,528	40,951	2,382,479	2,507,060
EXPENSES						
Building occupancy	181,803	15,091	196,894	4,044	200,938	190,863
Depreciation	17,027	6,999	24,026	8,104	32,130	18,365
Food supplies	90,530	20,514	111,044	252	111,296	107,005
Housekeeping	22,906	6,515	29,421	12,181	41,602	22,411
Medical supplies	3,800	830	4,630	—	4,630	4,058
Miscellaneous	22,643	1,544	24,187	2,412	26,599	20,942
Office expenses	57,863	2,303	60,166	648	60,814	54,665
Promotion/publicity/donations	16,926	135	17,061	787	17,848	6,851
Purchased services	62,420	12,201	74,621	407	75,028	49,300
Recreation/education	5,314	3,801	9,115	930	10,045	74,998
Salaries and staff benefits	1,515,673	241,009	1,756,682	—	1,756,682	1,739,798
Staff recruiting/education	35,609	2,746	38,355	290	38,645	29,318
Travel and sustenance	171,438	5,828	177,266	1,052	178,318	113,319
	2,203,952	319,516	2,523,468	31,107	2,554,575	2,431,893
(Deficiency) excess of revenue over expenses	(122,297)	(59,643)	(181,940)	9,844	(172,096)	75,167

See accompanying notes

**STATEMENT OF (DEFICIT) NET ASSETS
- EXTERNALLY RESTRICTED**

	1999	[Restated Note 9] 1998
	\$	\$
(Deficit) net assets - externally restricted, beginning of year, as previously stated	(233,755)	(185,686)
Restatement of prior year [note 9]	347,424	287,988
As restated	113,669	102,302
(Deficiency) excess of revenue over expenses	(181,940)	55,543
Net change in net assets invested in capital assets	(49,849)	(44,176)
(Deficit) net assets - externally restricted, end of year	(118,120)	113,669

**STATEMENT OF NET ASSETS - INTERNALLY
RESTRICTED**

	1999	1998
	\$	\$
Net assets - internally restricted, beginning of year	25,824	6,200
Excess of revenue over expenses	9,844	19,624
Net assets internally restricted, end of year	35,668	25,824

**STATEMENT OF NET ASSETS INVESTED
IN CAPITAL ASSETS**

	1999	1998
	\$	\$
Repayment of debt related to purchase of capital assets	23,286	12,166
Additions to debt related to capital assets	—	(42,462)
	23,286	(30,296)
Purchases of capital assets	62,565	92,837
Disposal of capital assets	(3,872)	—
Depreciation of capital assets	(32,130)	(18,365)
	26,563	74,472
Net change in net assets invested in capital assets	49,849	44,176
Net assets invested in capital assets, beginning of year	52,580	8,404
Net assets invested in capital assets, end of year	102,429	52,580

See accompanying notes

Metis Addictions Council of Saskatchewan Inc.

STATEMENT OF CASH FLOWS

Year ended March 31

	1999	[Restated Note 9] 1998
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficiency) excess of revenue over expenses	(172,096)	75,167
Add back non cash items		
Depreciation	32,130	18,365
Loss on sale of capital assets	3,872	—
Changes in non-cash working capital balances related to operations		
Accounts receivable	49,399	(9,571)
Wage advances and employee loans	2,107	767
Prepaid expenses	952	(952)
Accounts payable	88,713	(1,648)
Deferred contributions	24,869	50,131
Cash flows from operating activities	29,946	132,259
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of capital assets	(62,565)	(92,837)
Cash flows used in investing activities	(62,565)	(92,837)
CASH FLOWS FROM FINANCING ACTIVITIES		
Additions to long-term debt	5,000	42,462
Repayment of long-term debt	(28,286)	(27,166)
Cash flows (used in) from financing activities	(23,286)	15,296
(Decrease) increase in cash	(55,905)	54,718
Cash, beginning of year	148,279	93,561
Cash, end of year	92,374	148,279

Cash consists of cash in bank less outstanding cheques and a short-term government investment certificate.

See accompanying notes



NOTES TO FINANCIAL STATEMENTS

March 31, 1999

1. NATURE OF OPERATIONS

The Metis Addictions Council of Saskatchewan Inc. ("MACSI") is a not-for-profit organization with a mandate to provide services to the Aboriginal peoples to overcome addictions to alcohol and other dependency type drugs. MACSI is incorporated under the Non-Profit Corporations Act of Saskatchewan and as such is not subject to income tax under the Income Tax Act (Canada).

2. SIGNIFICANT ACCOUNTING POLICIES

The Council follows the deferral method of accounting for contributions.

Fund accounting

Revenue and expenses related to alcohol and drug programs and corrections programs are reported in the following funds:

Core

The core program is responsible for establishing new programs at the provincial and local levels, as determined by the board. It also endeavors to establish a positive and comprehensive addictions program, tying in all social programming at all levels within the Province of Saskatchewan related to the problems of the addicted native family. It also includes the Field Educators working as outpatient counsellors in seven historic Metis communities.

Rehabilitation centres

The residential inpatient treatment centres are co-ed facilities that provide food, shelter, and services to clients in a safe, supportive, chemical free environment. MACSI manages forty three client beds located in Regina, Saskatoon and Prince Albert.

Bingo

The bingo fund is used to supplement funding for capital purchases as specified by the board.

Corrections

The corrections program provides service to inmates coming out of the correctional system prior to mandatory release. Individual and group counseling, job searches, meals and lodging are some of the services provided through this program. MACSI runs a ten bed facility in Prince Albert and has three beds dedicated in Regina for this program.

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets

Capital assets are initially recorded at cost. Donated capital assets are recorded at their estimated fair market value plus other costs incurred at date of acquisition. Normal maintenance and repair expenditures are expensed as incurred.

Depreciation is provided on the straight line basis at the rates set out below:

Building	25 years
Computer equipment and software	3 years
Equipment	10 years
Leasehold improvements	over the life of the lease
Parking lot	10 years
Vehicle	5 years

Depreciation is charged in the year of acquisition for the full year. No depreciation is charged in the year of disposal. It is expected that these procedures will charge operations with the total cost of the assets over the useful life of the assets. Gain or loss on the disposal of individual assets is recognized in income in the year of disposal.

Revenue recognition

Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received and receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. The Council's Board of Directors has adopted the practice of internally restricting revenue from bingos and certain miscellaneous sources for the purchase of capital assets.

Deferred contributions

Deferred contributions result from grant funding received prior to year-end even though the related costs will be incurred on programs delivered subsequent to the year-end. Deferred contributions will be brought into revenue as the related expenses are incurred.

Metis Addictions Council of Saskatchewan Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

3. CAPITAL ASSETS

	1999		1998	
	Cost \$	Accumulated Depreciation \$	Cost \$	Accumulated Depreciation \$
Land	21,680	—	21,680	—
Building	346,336	156,645	346,336	142,793
Computer equipment and software	23,862	12,688	11,849	9,448
Equipment	323,117	285,421	298,864	275,370
Leasehold improvements	7,500	4,000	7,500	3,500
Parking lot	3,550	3,550	3,550	3,550
Vehicle	42,135	24,195	19,711	19,711
	768,180	486,499	709,490	454,372
Accumulated depreciation	486,499		454,372	
Net book value	281,681		255,118	

4. LONG TERM DEBT

	1999 \$	1998 \$
Royal Bank of Canada mortgage loan, due June 1, 2002, repayable in monthly instalments of \$2,017 including interest at 7.35% per annum, for which land, building, equipment and an assignment of fire insurance and accounts receivable are pledged as collateral.	147,575	160,076
Royal Bank demand loan, repayable in monthly instalments of \$671, including interest at prime plus 1.5% (8.25%).	23,822	29,620
Royal Bank demand loan, repayable in monthly instalments of \$891, including interest at prime plus 1.5% (8.25%).	2,855	12,842
Royal Bank demand loan, repayable on demand, including interest at prime plus 1.5% (8.25%).	5,000	—
	179,252	202,538
Current portion	28,002	28,952
	151,250	173,586



Metis Addictions Council of Saskatchewan Inc.

NOTES TO FINANCIAL STATEMENTS

March 31, 1999

4. LONG TERM DEBT - continued

Principal payments due in next five years are as follows:

	\$
2000	28,002
2001	21,740
2002	23,459
2003	20,408
2004	18,533
Thereafter	67,110
	<u>179,252</u>

5. DEFERRED CONTRIBUTIONS

Deferred contributions reported in the funds relate to restricted operating funding received in the current year that is related to the subsequent year. Changes in the deferred contributions balance in the funds are as follows:

	1999	[Restated Note 9] 1998
	\$	\$
Balance, beginning of year	50,131	—
Add: amount received during the year	2,097,274	1,914,910
Less: amount earned in the current year	(2,072,405)	(1,864,779)
	<u>75,000</u>	<u>50,131</u>

6. COMMITMENTS AND CONTINGENCIES

a) Commitments

The Corporation's commitments include a month-to-month rental of \$1,370 for the Saskatoon Rehabilitation Centre building and a lease which expires May 31, 2004 for the Prince Albert Rehabilitation Centre building with monthly payments of \$5,370.

b) Contingencies

To the extent that there is an excess of revenue over expenses in the Saskatchewan Department of Health funded programs, the funding for these programs for the coming year may be reduced by such excess of revenue.



NOTES TO FINANCIAL STATEMENTS

March 31, 1999

7. FINANCIAL INSTRUMENTS

The carrying value of all financial instruments including cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities approximate fair value due to the less than one year period to maturity.

8. ECONOMIC DEPENDENCE

The Corporation receives an substantial amount of its revenue in the form of grants from governments. These grants must be applied for on an annual basis.

9. RESTATEMENT OF PRIOR YEAR

The restatement of prior year is the result of the correction of previously overstated deferred contributions and understated revenue. Deferred contributions has decreased and revenue increased by a total of \$347,424, \$287,988 of which relates to the year ended March 31, 1997 and \$59,436 of which relates to the year ended March 31, 1998.

10. COMPARATIVE FIGURES

Certain of the prior year's comparative figures have been restated to conform to the current year's presentation.

11. UNCERTAINTY DUE TO THE YEAR 2000 ISSUE

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the year 2000 as 1900 or some other date, resulting in errors when information using year 2000 dates is processed. In addition, similar problems may arise in some systems which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure which could affect an entity's ability to conduct normal business operations. It is not possible to be certain that all aspects of the Year 2000 Issue affecting the entity, including those related to the efforts of customers, suppliers, or other third parties, will be fully resolved.

SCHEDULE OF REVENUE AND EXPENSES FOR ADDICTIONS SERVICES

Year ended March 31

	Core \$	Core Budget \$	Regina \$	Regina Budget \$	Saskatoon \$	Saskatoon Budget \$	Prince Albert \$	Prince Albert Budget \$	Total 1999 \$	Budget 1999 \$
REVENUE										
Grants										
Saskatchewan Department of Health	654,240	654,250	402,036	402,040	321,504	321,500	644,494	644,500	2,022,274	2,022,290
Transfer from 1998 Deferred Revenue	33,065		9,210		1,754		6,102		50,131	
Miscellaneous income	74		2,943		50		6,183		9,250	
	687,379	654,250	414,189	402,040	323,308	321,500	656,779	644,500	2,081,655	2,022,290

EXPENSES

Building occupancy	35,999	19,660	20,774	43,340	23,912	23,600	101,118	86,470	181,803	173,070
Depreciation	4,806		11,721				500		17,027	0
Food supplies	348	1,000	26,526	21,000	25,601	26,000	38,055	28,000	90,530	76,000
Housekeeping	505	1,400	5,895	3,800	3,920	2,400	12,586	9,600	22,906	17,200
Medical supplies			586	200	57	100	3,157	3,250	3,800	3,550
Miscellaneous	15,109	6,750	2,363	3,604	801	2,461	4,370	9,782	22,643	22,597
Office expenses	26,563	23,600	10,283	6,600	5,642	4,400	15,375	10,550	57,863	45,150
Promotion/publicity/donations	16,010		100		50		766		16,926	0
Purchased services	28,801	5,750	19,469	2,300	6,421	1,900	7,729	3,550	62,420	13,500
Recreation/education	1,997	63,400	80	2,000	507	500	2,730	1,700	5,314	67,600
Salaries and staff benefits	464,238	469,190	312,178	312,396	266,122	257,139	473,135	481,438	1,515,673	1,520,163
Staff recruiting/education	24,532	6,500	1,445	2,000	961	1,000	8,671	2,500	35,609	12,000
Travel and sustenance	156,110	57,000	8,544	4,800	1,692	2,000	5,092	7,660	171,438	71,460
	775,018	654,250	419,964	402,040	335,686	321,500	673,284	644,500	2,203,952	2,022,290
(Deficiency) excess of revenue over expenses	(87,639)		(5,775)		(12,378)		(16,505)		(122,297)	

See accompanying notes