# 2019-2020
# Annual Report

First Nations
Technology Council

# First Nations Technology Council 2019-2020 Annual Report

For the year ended March 31, 2020

This Annual Report is produced by the Administration and Communications & Engagement Divisions at the First Nations Technology Council.

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# Introduction

The First Nations Technology Council is an Indigenous-led organization working to ensure that Indigenous Peoples have full and equitable access to the tools, training, and support required to maximize opportunities presented by technology and innovation. Since 2002, the Technology Council has proudly served the 204 First Nations communities of British Columbia.

The Technology Council is mandated by First Nations leadership to deliver digital skills training opportunities, establish and improve community connectivity, and provide information management, technical support, and services to Indigenous communities in BC.

The Technology Council sees strengthening local indigenous economies and empowering Indigenous innovators as an important contribution to self-determination and Nationhood. These efforts can serve as a tangible form of reconciliation as we work toward a shared and sustainable future in what is currently called Canada.

Working to ensure that Indigenous Peoples have the tools, education and support required to thrive in the digital age.

## Scaling Up

2018-2019 was a transformative year at the Technology Council, but we knew much more had to be done in 2019-2020 to increase program enrollment, graduation rates, and ensure the success of class participants as they transition to professional careers in the technology and innovation sectors.

An increasing number of requests from within these sectors to hire our participants demonstrate that many Canadian and BC-based tech companies are serious about recognizing the importance and value of diversity and inclusion. However, we felt a responsibility within our mandate to establish these prospective work environments as educated in their responsibility in Truth and Reconciliation and aware of the value Indigenous Peoples bring to the sector. With more than 100,000 people employed in these sectors in BC, and less than 1% identifying and Indigenous, we knew there was significant work to be done.

Indigenous Peoples are often surrounded by managers, colleagues, and senior executives unfamiliar with their history and cultures. Work was completed with sector partners to foster opportunities for building respectful, genuine, and trusting relationships between employers and Indigenous People, and provide a roadmap to address complex and interconnected barriers that exist concerning Indigenous participation and leadership in the technology and innovation sectors.

## COVID-19

The onset of the COVID-19 pandemic has highlighted the urgency for accelerating progress toward digital equity – from education and work to culture and health – our lives and the services we depend on have rapidly shifted online. This transition has made it critical for Indigenous Peoples and communities to have access to the technology and training needed to succeed in today's digital age, including an affordable and reliable internet connection.

> We believe that Indigenous Peoples and communities should equally benefit from the improvements and opportunities of technology.

## What We Do

- We provide funded and accredited education programs to advance Indigenous Peoples careers in innovation and technology.
- We participate in and lead community research projects that result in tangible benefits for Indigenous Peoples.
- We create strategies to advance equitable, affordable and sustainable access to technology in Indigenous communities.
- We advocate for better policy solutions for internet affordability and reliability in Indigenous communities.

# Vision

We envision Indigenous communities fully utilizing technology to advance their visions and Indigenous voices actively shaping the technology sector as it responds meaningfully to reconciliation.

# Our Board of Directors

**President**
Charlie Clappis, Huu-Ay-Aht First Nation

**Vice President**
Ryan Day, Secwépemc First Nation

**Board Members**
Jasmine Thomas, Saik'uz First Nation
Tom Konek, Syilx Okanagan First Nation
Janice Parsey, Stó:lō Nation

**First Nations Leadership**
BC Assembly of First Nations
First Nations Summit
Union of BC Indian Chiefs

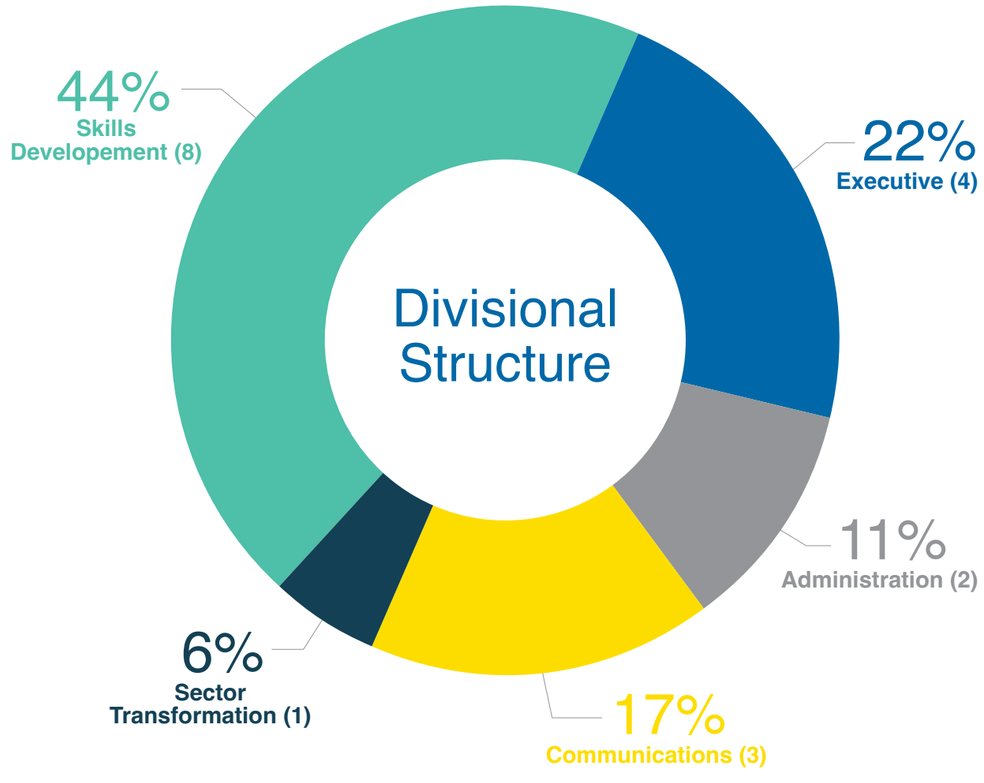
We're scaling up to lengthen our stride and increase Indigenous voices, wisdom, and ways of being throughout the technology sector.

## Organizational Development: Scaling Up

Guided by Indigenous values and our organizational goals, we empower a highly skilled team through professional development opportunities, relationship building, mentorship, collaboration, and cultural sharing.

To meet the demands of an increasingly expansive suite of programs and projects, we have continued to refine and develop our divisional structure toward strengthened staff capacity and administrative infrastructure. As we advance the organization to deliver on future key mandates, the Technology Council is attracting innovative and experienced professionals with a demonstrated commitment to reconciliation in the technology and innovation sectors.

A major focus has been redesigning our internal infrastructure and processes to support increased quality and efficiency in the areas of administration, financial management, and employee performance assessment.



# Message from the Chief Executive Officer

I am pleased to have the opportunity to share with you the important work we've been doing at the First Nations Technology Council. Our focus this year has been on providing digital skills training opportunities; advocating for affordable, sustainable connectivity; creating systems change and policy solutions, and moving Indigenous digital equity forward.

2019-2020 was a transformational year for the First Nations Technology Council, with much emphasis on building our capacity to not only meet programmatic goals but to also make strides in our strategic planning and fundraising strategy efforts. We've paid special attention to improving internal processes and procedures in anticipation of upcoming efforts to scale up that will help us serve more people across the province. Of note, we have made key resourcing decisions to strengthen our Administration Division and launch a new Communications Division so that we can be even more present across channels - sharing more of the stories and celebrations that come from our work together.

We've also created a new Division, entitled, Sector Transformation. The focus of this new area of work will be to create real systems change in the technology and technology-enabled sectors in BC. A huge function of this division will be to carry out research and gather data that is currently missing or incomplete to better understand the role Indigenous people currently play in BC's technology industry and economy. Ultimately, this Division will help increase Indigenous participation and leadership in BC's technology sector and economy while advancing reconciliation as the industry responds to the TRC's Calls to Action.

This year, we experienced an immense amount of interest in our digital skills training programs. We have seen increased enrollment, course offerings, and completion and re-enrollment rates. Learners who are coming to us to learn about computer basics are re-enrolling to further their learning journey with us. Our courses are Indigenous designed and led with access to hardware, cultural support, networking, career mentorship and more. That's why our program completion rates are 35% higher than non-Indigenous programs. Creating indigenous designed and led programs that are extending essential, future-ready skills to indigenous learners is our priority and an area of wonderful success over the years.

I am particularly proud of the work our team has done to launch our first online cohort of Foundations Digital Skills Training. We've certainly seen the face of the world change in a short period of time with the onset of the COVID-19 pandemic. Being able to deliver courses online will help us do our part, keep class participants safe, and reduce transmission of the virus by decreasing in-person classes. While we don't know what's next, or when the global pandemic will end, continuing to explore how we can effectively deliver courses online will help us maintain agility in the face of uncertainty.

With all that we have accomplished this year, I very much look forward to supporting our team to keep doing the best work we can to serve First Nations peoples in BC. We are incredibly grateful to everyone who has continued to work with and support the Technology Council this year.

**Denise Williams**
Chief Executive Officer

# Together, We Achieved Great Things in 2019-2020

*Building a strong foundation to empower Indigenous innovators and advance First Nations communities in the digital age.*

## First Nations in BC Knowledge Network

The First Nations in BC Knowledge Network (**fnbc.info**) is a resouce sharing platform operated by the Technology Council for First Nations in the province to share ideas, tools, and best practices on many aspects of governance and community development. With a strong membership list and connected online channels, the Knowledge Network offers an opportunity to centralize and distribute accurate, relevant and up-to-date information to communities.

First launched in 2008, the platform has gone through three redesigns with a fourth redesign needed to modernize its technology and content. Priorities for a redesign include an updated platform, media-rich content and integration with our customer relationship management system for better engagement with membership. We will be seeking funds for this strategic update.

### The website remains a well-used resource in the province:

**65,551** users

**198,542** page views

**272** jobs posted

## Foundations Online

Conveniently launched at the onset of the COVID-19 pandemic after intensive program development and beta testing, our new online adaptation of the successful Foundations in Innovation and Technology (Fit) program provides participants with video modules while receiving complete access to instructors and their classmates through live and interactive webinar sessions. The burden of relocating to an urban centre for in-person program delivery is no longer required.

## Career fair

Following a successful inaugural Career Fair the previous year, the First Nations Technology Council hosted our second Career Fair in September 2019. Held at RED Academy, this event was open to graduates of Foundations and Futures programs and included the following employers:

- **Shopify**
- **Cossette**
- **IM4 Media Lab**
- **UBC Press**
- **Traction on Demand**
- **First Peoples Cultural Council**
- **Unbounce**

# Indigenous Digital Skills Development

**With increasing capacity** and a growing pool of Indigenous innovators graduating, we have begun turning our focus on transforming and increasing Indigenous representation in the technology sector.

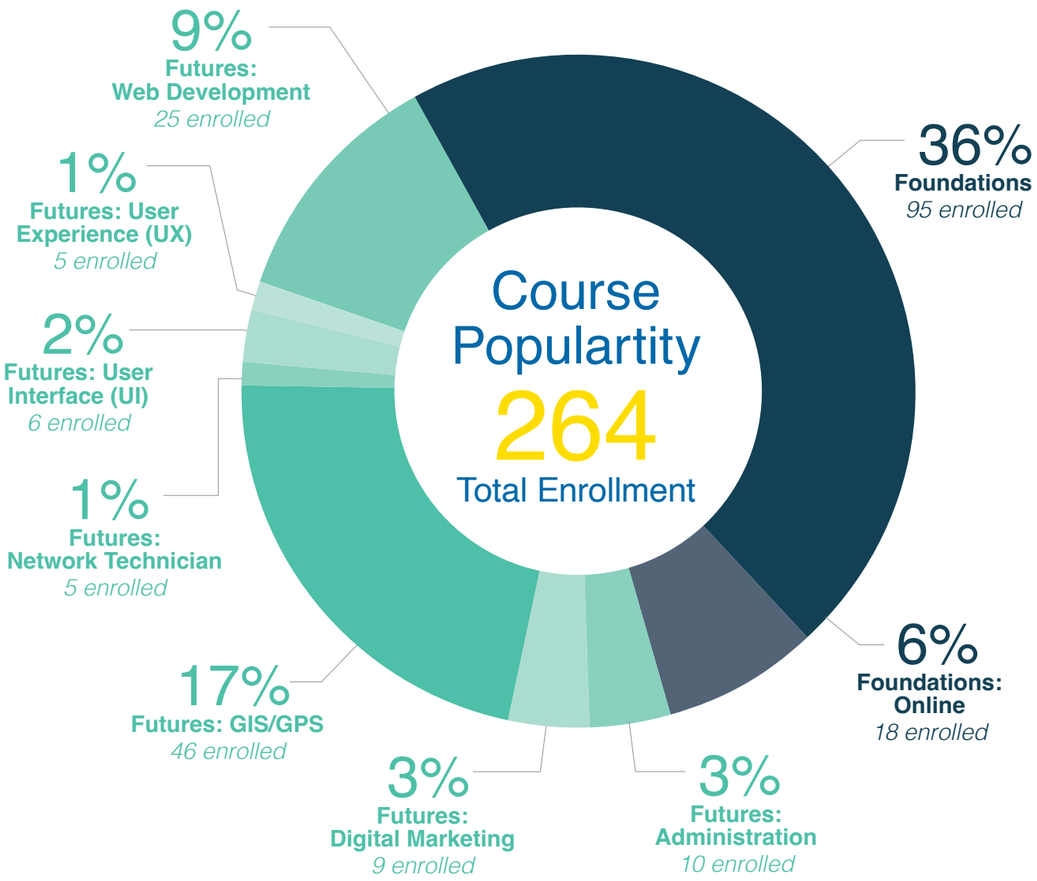
> I have been approached by two companies to do some work for them in the tech field when I complete my course. We don't have any community members that are educated in technology, so it's wonderful to have been given this opportunity.
>
> – Past Class Participant

## Capacity Building

Technology is not only a meaningful career option but can also support and underpin many aspects of Indigenous self-determination and Nationhood. As a result, our community and employment training programs have been designed with the needs of both Indigenous communities and technology companies in mind.

Working for Indigenous learners: The Technology Council provides funded education programs to increase Indigenous participation and leadership in the technology, technology-enabled, and innovation sectors.

## Overview




## Completion Rates by Course

## Laddering to other Courses

**33** **Foundations** Graduates to Futures Programs

**76** **Futures** Graduates to additional training

# Futures in Innovation and Technology

The Futures training program continues to offer participants with different program options for advanced training in specialized career paths. All Futures programs were developed through partnerships to provide advanced digital skills training opportunities for Indigenous Peoples in BC.

Our graduates are emerging as Web Developers, Digital Marketers, User Experience (UX) and User Interface (UI) Designers, Global Information Systems (GIS) and Global Positioning Systems (GPS) Mappers, Network Technicians, and more.

> I feel confident to start a tech consulting business. Web Development will be the backbone but it will cover many aspects of technology. One step closer to closing the digital divide.
>
> – Past Class Participant

## About Our Courses and Programs

### Web Development

This full or part-time five to 12-week program offers participants the opportunity to learn how to build websites and web applications in an environment that reflects what it is like to work as a professional developer. This field is in high demand with an estimated 2,500 new jobs in BC between 2017 and 2021. There are usually four program intakes every year welcoming 10-15 participants per intake.

The Technology Council works closely with Lighthouse Labs and RED Academy to deliver training and continuously improve upon program delivery for adaptation to a rapidly changing learning environment. This has been especially critical to remove barriers for participants who would normally travel from their home communities to receive an education.

### Digital Marketing, User Experience (UX) Design, and User Interface (UI) Design

We are seeing a high number of participants complete these full-time, 12-week programs and going on to fill diverse roles in the tech sector. We are exploring company-wide cultural safety training with our partner, RED Academy, to create an increasingly positive environment for Technology Council participants.



**2,700** estimated new job openings in Networking Technology between 2019-2029

### Global Information Systems and Global Positioning Systems (GIS/GPS)

This eight-week program equips participants with comprehensive GIS/GPS skills, invaluable to the land stewardship needs of First Nations communities. The structure of this program aligns with best practices in advanced community-based education where the first and last week of training is delivered in-person to create connection, while the six weeks in between is delivered remotely so participants can learn from their home communities. The Advanced GIS/GPS program has been developed by Thompson River Mapping, a long-time partner of the Technology Council.

### Networking Technology

With an estimated 2,700 new job openings between 2019-2029, the Technology Council is exploring solutions to offer this high demand program through distance education versus existing programs that require participants to relocate.

The Technology Council has submitted a proposal to Royal Roads University to develop a community-centred approach to training. Using augmented and virtual reality – coupled with Indigenous designed and led curriculum – participants will learn how the concepts of network programs can be applied to real technical challenges in their home communities. The program will be designed to ensure participants have the necessary skills to progress through a complex curriculum while working toward certification.

# Foundations in Innovation and Technology (FiT)

Foundations is a 12-week exploratory program offered in-person. This program introduces Indigenous course participants to six in-demand fields within the tech sector, allowing them to decide what they would like to pursue as a career. Topics include computer basics and professional practices, web development and coding, GIS/GPS mapping, communications and digital marketing, software testing, and network setup and support.

## Accessible and experiential learning delivered in diverse regions across the province

Foundations has been designed by the Technology Council's Indigenous Education Specialists in partnership with subject matter experts. The program offers accessible and experiential learning delivered in diverse regions across the province. Foundations launched in July 2018 and has been successfully delivered in six locations to date, including Musqueam Nation, Prince Rupert, Merritt, Terrace, Port Alberni, and Nak'azdli Nation.

The program is hosted in partnership with Indigenous Skills and Employment Training (ISET) organizations and First Nations communities to ensure localized support.

## Foundations Online

The Technology Council has been working since 2017 to adapt the Foundations program to a Learning Management System for online delivery. It is anticipated that launching Foundations Online will greatly expand access to participants in BC. Much like the development of the Foundations curriculum, which required two years of development, the online version of the program has undergone a similar iterative development process in partnership with Royal Roads University.

The new online adaptation was subject to beta testing in the fall, which saw a handful of Indigenous participants independently complete the modules with significant support from the Technology Council. From January through March, Foundations Online was piloted in partnership with the Prince George Native Friendship Centre (PGNFC), which saw 18 participants complete the program. The finalized program conveniently launched at the onset of the COVID-19 pandemic at the beginning of the 2019-2020 fiscal year.

## New! Drone Stewardship Program

Funded by Lands and Economic Development Services Canada (Indigenous Services Canada), this full-time, three-week program launches in April 2020. Drone technology data and imaging can be utilized and applied by Nations for a diverse range of reasons including land stewardship, resource management and multimedia projects. The program will also prepare participants for their Remotely Piloted Aircraft (RPA) Licence.

This program uses a new recruitment model where a community or organization (host) applies and sponsors two applicants to take the course. When training is complete, the applying host will be provided with a professional-level drone and supporting equipment to own and operate.

## Internship Opportunities

To facilitate increased Indigenous participation and leadership in the technology sector, the Technology Council actively encourages requests from employers and internship hosts to work with us to support company efforts to improve inclusion and diversity in the workplace.

We held our second Tech Opportunity Fair in September 2019 which connected our graduates with prospective employers for an informal evening of networking to align skills with potential job opportunities. In attendance were RADIUS SFU, Shopify, Cossette, Employment and Social Development Canada, and the First Peoples' Cultural Council.

*Keep doing what you're doing.*
*I cannot preach louder how much this program is going to create opportunities for Indigenous Peoples. This is how a school should be run, by Indigenous Peoples (and allies) honouring our heritage and strengthening our community.*

– Past Class Participant

# Learning and Listening

## Income Assistance Technology Capacity Project

First Nations communities are facing significant challenges and barriers to new reporting mechanisms implemented by Indigenous Services Canada (ISC). The Income Assistance Technology Capacity Project is a research initiative aiming to better understand the needs of Band Social Development Workers concerning Income Assistance reporting in BC.

In August 2019, the Technology Council submitted a six-month project proposal to Indigenous Services Canada to complete an Indigenous-led research and engagement opportunity with First Nations communities across the province. The Technology Council hosted five regional engagement sessions between September 2019 to March 2019 to better understand how technology can improve income assistance reporting for Band Social Development Workers.

We participate in and lead community research projects that result in tangible benefits for all Indigenous Peoples in BC

## First Nations Labour Market Study (FNLMS)

In January 2019, the Technology Council completed the first phase of a multi-year, first-of-its-kind project aimed at understanding the challenges and barriers that have prevented Indigenous Peoples from participating in employment and leadership opportunities within the technology and innovation sectors in BC. Using an Indigenous-led research approach that aligns with the principles of Ownership, Control, Access, and Possession (OCAP®), the initial phase of the project was focused on engaging Indigenous Peoples, communities, Nations, and organizations to uncover themes that will guide ongoing research and engagement.

In-person and online engagement opportunities were held with First Nations communities across the eight economic regions of BC. These meetings engaged 177 individuals and 50 communities, and an additional 123 individuals via an online survey. This preliminary research identified four key findings and themes: inequitable access to connectivity, the need for increased technology sector partnership and mentorship opportunities, unique requirements for inclusion and leadership in the sector, and a keen interest in digital skills training and potential employment opportunities.

These results will inform phase two of our Labour Market Study. Beginning in January 2020, we are going to further explore the research and engagement outcomes that have emerged to date. This study is in partnership with the Information and Communications Technology Council and Reciprocal Consulting, funded by the Ministry of Advanced Education and Skills Training's Sector Labour Market Partnerships program. There will be many opportunities for participation during this phase of the project.

### First Nations Labour Market Study Engagement:

**177** individuals in-person and online

**50** communities

**123** individuals via online-survey

## Indigenous Framework for Innovation and Technology (IFIT)

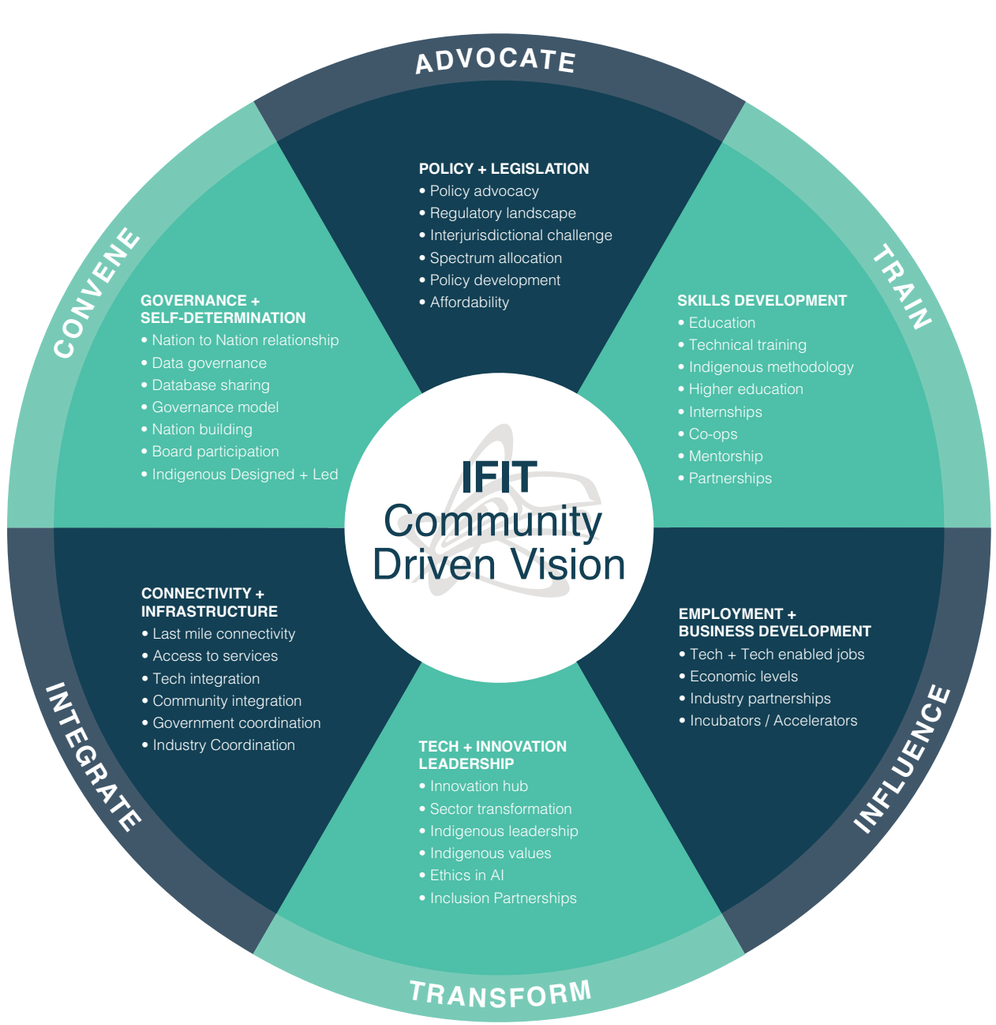
The Indigenous Framework for Innovation and Technology is a strategy to realize digital equity for all Indigenous Peoples in BC. The Technology Council defines digital equity as a state in which every Indigenous person, community, and First Nation in BC is equipped to access and effectively use technology to contribute, thrive, and succeed in today's digital society while preserving self-determination.

Data shows that only 25% of BC's 204 First Nations communities currently meet the Canadian Radio-television and Telecommunications Commission (CRTC) target speeds of 50 megabits (mbps) per second download and 10 mbps upload. Administered by the All Nations Trust Company, a $48.5 million investment from federal and provincial sources in 2010 to connect First Nations communities has failed to do so.

What we have heard from Indigenous Peoples throughout the last decade is being analyzed to inform the first-ever strategy to be developed in British Columbia. Over the next 18 months, we will work with First Nations, government, sector, and Indigenous organizations to co-create the Framework. Once this is completed, further engagement will be carried out to create a five-to-ten-year implementation plan. The Technology Council is in ongoing discussions with the federal and provincial governments about how the co-creation of this roadmap can expedite the critical investment needed to achieve meaningful digital equity in the province.

The Technology Council has applied to the Canadian Internet Registration Authority (CIRA) to receive funding for this project.

Advancing digital and connected technologies for Indigenous peoples


ADVOCATE
POLICY + LEGISLATION
• Policy advocacy
• Regulatory landscape
• Interjurisdictional challenge
• Spectrum allocation
• Policy development
• Affordability
CONVENE
GOVERNANCE + SELF-DETERMINATION
• Nation to Nation relationship
• Data governance
• Database sharing
• Governance model
• Nation building
• Board participation
• Indigenous Designed + Led
TRAIN
SKILLS DEVELOPMENT
• Education
• Technical training
• Indigenous methodology
• Higher education
• Internships
• Co-ops
• Mentorship
• Partnerships
IFIT
Community
Driven Vision
INTEGRATE
CONNECTIVITY + INFRASTRUCTURE
• Last mile connectivity
• Access to services
• Tech integration
• Community integration
• Government coordination
• Industry Coordination
INFLUENCE
EMPLOYMENT + BUSINESS DEVELOPMENT
• Tech + Tech enabled jobs
• Economic levels
• Industry partnerships
• Incubators / Accelerators
TRANSFORM
TECH + INNOVATION LEADERSHIP
• Innovation hub
• Sector transformation
• Indigenous leadership
• Indigenous values
• Ethics in AI
• Inclusion Partnerships

# Technology Partnerships and Reconciliation

We have continued turning our focus to transforming and increasing Indigenous participation and leadership in the technology and innovation sectors.

## We’re changing the technology ecosystem in BC

## Collaborating with Training and Sector Partners

Our strong partnership approach provides us with the opportunity to transform sector spaces to support economic reconciliation for Indigenous Peoples, while simultaneously co-creating Indigenous designed and led, decolonized programs.

**We partnered with the following organizations to deliver our programs:**

- Aboriginal Skills and Employment Training Strategy
- BrainStation
- Empowered Startups
- EntrerpreNorth
- Flytbox Aerial Solutions
- Inlailawatash
- Nisga'a Employment, Skills & Training
- Northeastern University
- Nuu-chah-nulth Employment and Training Program
- Okanagan Training & Development Council
- Pinnquaq
- Prince Goerge Native Friendship Centre
- Simon Fraser University
- Slack
- Tsleil-Waututh Nation
- Unbounce
- University of British Columbia
- Vancouver Island University

## Non-Indigenous Organization Engagement and Partnerships

The Technology Council continues to make efforts to increase synergies and opportunities between First Nations communities and the technology and innovation sectors, as active partnership development leads to increased business opportunities and economic advancement for Indigenous Peoples.

## Sector Transformation

In 2015, the Truth and Reconciliation Commission of Canada called upon the corporate sector to adopt the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as a reconciliation framework, and to ensure that Indigenous Peoples have equitable access to jobs, training, and educational opportunities.

Today, more than 100,000 people are working in BC's technology and innovation sectors nationally, but less than 1% identify as Indigenous despite Indigenous Peoples representing 5.9% of BC's population. The First Nations Technology Council is committed to convening with the sector, including technology companies, academic institutions, and all levels of government to increase Indigenous representation in the technology and innovation sectors and to facilitate important conversations around economic reconciliation.

## SheEO

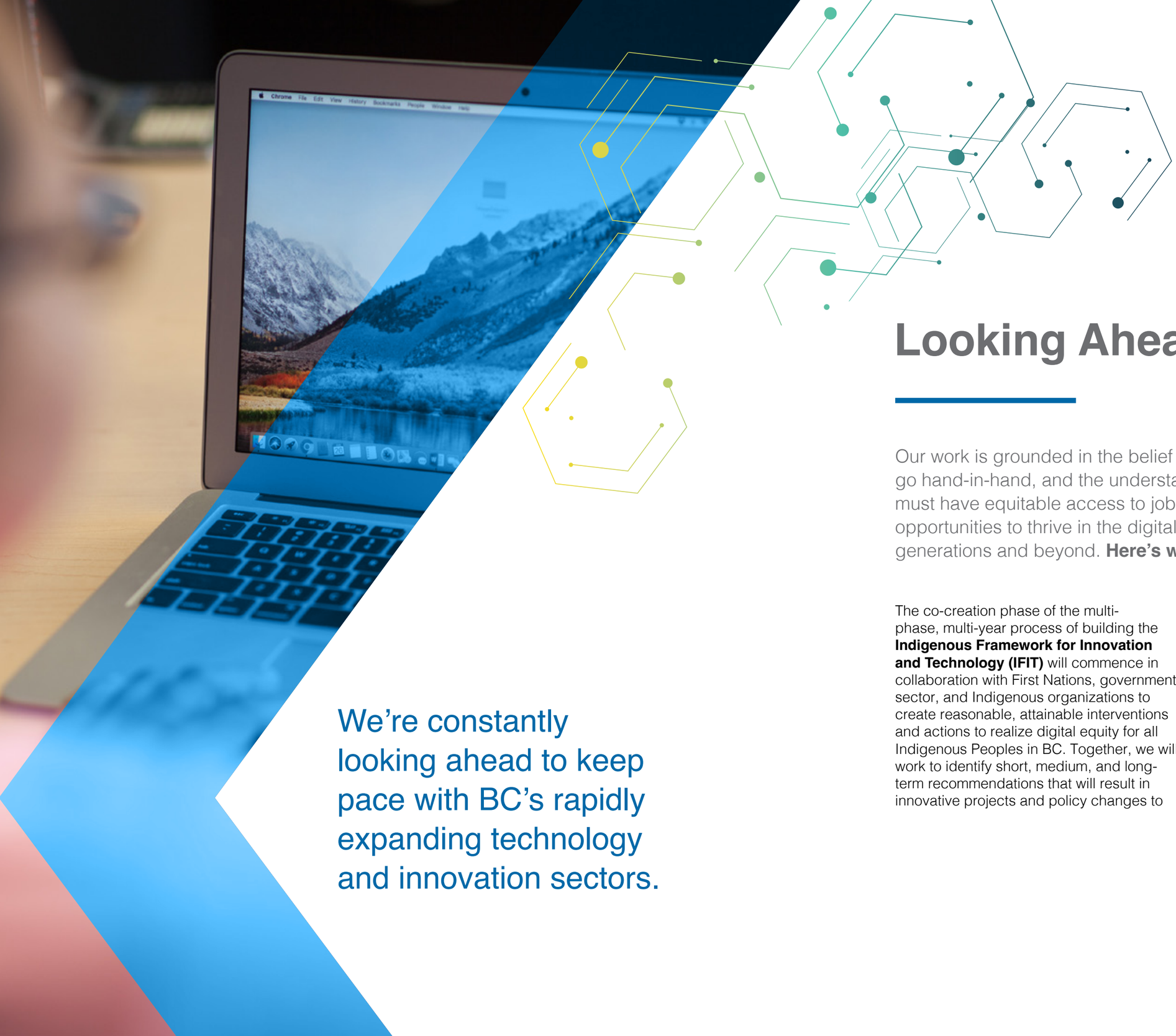
The Technology Council is represented at SheEO, a global community of generous women transforming the way we fund, support, and celebrate women-led ventures working on the World's To Do List which aims to support 10,000 women-led ventures each year for generations to come. Our CEO, Denise Williams, is an Activator with this organization.

## MIT Solve

The Technology Council is represented at the Massachusetts Institute of Technology's Solve flagship event which brings together global innovators to build partnerships and tackle global challenges in real time alongside the Solve community –Solver teams, MIT faculty, and social impact leaders from Solve Member organizations, such as General Motors, The Nature Conservatory, HP, The Bill & Melinda Gates Foundation, and many more. Our CEO, Denise Williams, speaks at this event and also serves on the Leadership Group.

## Indigenous Connectivity Tech Summit

The Technology Council is represented at the Internet Society's Indigenous Connectivity Summit which aims to include Indigenous voices in the decisions and solutions that shape the internet as a vital part of closing the digital divide in North America. Our CEO, Denise Williams, is an advisor and participant at the summit and is also a speaker at the preparation course on policy and mobilizing partners around Indigenous-led solutions.



We’re constantly looking ahead to keep pace with BC’s rapidly expanding technology and innovation sectors.

# Looking Ahead

Our work is grounded in the belief that reconciliation and innovation go hand-in-hand, and the understanding that Indigenous Peoples must have equitable access to jobs, training, and skills training opportunities to thrive in the digital society for the next seven generations and beyond. **Here’s what’s ahead in 2020-2021.**

The co-creation phase of the multi-phase, multi-year process of building the **Indigenous Framework for Innovation and Technology (IFIT)** will commence in collaboration with First Nations, government, sector, and Indigenous organizations to create reasonable, attainable interventions and actions to realize digital equity for all Indigenous Peoples in BC. Together, we will work to identify short, medium, and long-term recommendations that will result in innovative projects and policy changes to address our needs in a meaningful way and benefit all our communities. The draft strategy is expected to be completed in 2022.

The Technology Council will continue research in the second phase of our Labour Market Study. During this next phase, we will further explore the research and engagement outcomes that have emerged to date. There will be many opportunities for participation during this phase of the project.

# 2019-2020 Financial Statements

March 31, 2020 (Audited)

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rhn CHARTERED PROFESSIONAL ACCOUNTANTS

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF FIRST NATIONS TECHNOLOGY COUNCIL

*Opinion*
We have audited the financial statements of First Nations Technology Council, which comprise the statement of financial position as at March 31, 2019, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

*Basis for Opinion*
We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Other Matters*
Our audit was conducted for the purpose of forming an opinion on the basic financial statements of Society taken as a whole. The supplementary information included on the schedules on pages 11-14 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, In relation to the basic financial statements taken as a whole.

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

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

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

## INDEPENDENT AUDITOR'S REPORT, CONTINUED

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

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

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

*Report on Other Legal and Regulatory Requirements*
As required by the Society Act of British Columbia, we report that, in our opinion, the accounting principles used in preparing and presenting the Society's financial statements are in accordance with Canadian accounting standards for not-for-profit organizations and have been applied on a consistent basis.

Reid Hurst Nagy Inc.

REID HURST NAGY INC.
CHARTERED PROFESSIONAL ACCOUNTANTS

RICHMOND, B.C.
NOVEMBER 4, 2019



# Summary Statement of Operations

For the year ended March 31, 2019

| | 2019 Unrestricted Funds (Schedule 1) | 2019 Restricted Funds (Schedule 2) | 2019 Total | 2018 Total |
|---|---|---|---|---|
| **REVENUE** | | | | |
| **Administrative support from revenue sources** | $ 132,904 | $ - | **$ 132,904** | $ 70,000 |
| **Advanced Education and Skills Training** | - | 97,800 | **97,800** | - |
| **First Nation Knowledge Network** | 19,285 | - | **19,285** | - |
| **Indigenous Services Canada** | - | - | **-** | 270,169 |
| **Indigenous Skills Development** | - | 169,445 | **169,445** | - |
| **Interest income** | 12,202 | - | **12,202** | 6,001 |
| **Minister of Employment and Social Development - FIIT** | - | 1,452,820 | **1,452,820** | - |
| **Ministry of Jobs, Trade and Technology** | - | 10,640 | **10,640** | 18,250 |
| **Service projects** | 19,255 | - | **19,255** | 267,790 |
| **Western Economic Diversification Canada** | - | 624,365 | **624,365** | 270,008 |
| | 183,646 | 2,355,070 | **2,538,716** | 902,218 |
| **EXPENDITURES (Note 9)** | | | | |
| **Administration** | 369,729 | 376,536 | **746,265** | 185,885 |
| **Partnership development Participant costs** | - | 18,856 | **18,856** | 169,871 |
| **Project costs** | - | 984,002 | **984,002** | - |
| **Wages and benefits** | - | 770,406 | **770,406** | 371,516 |
| | 226,549 | 850,430 | **1,076,979** | 404,658 |
| | 596,278 | 3,000,230 | **3,596,508** | 1,131,930 |
| **EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES, before** | (412,632) | (645,160) | **(1,057,792)** | (229,712) |
| **CAPITAL FUND TRANSACTIONS** | | | | |
| **Amortization (Note 4)** | - | 30,735 | **30,735** | 62,821 |
| **Acquisition of tangible capital assets** | - | (201,282) | **(201,282)** | (27,524) |
| | - | (170,547) | **(170,547)** | 35,297 |
| **EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES** | $ (412,632) | $ (474,613) | **$ (887,245)** | $ (265,009) |

*The accompanying Notes are an integral part of these financial statements.*

# Statement of Changes In Net Assets

For the year ended March 31, 2019

| | 2019 Invested in Capital Assets | 2019 Unrestricted Funds | 2019 Restricted Funds | 2019 Total | 2018 Total |
|---|---|---|---|---|---|
| **BALANCE, BEGINNING OF YEAR (Note 3)** | $ 28,800 | $ 30,837 | $ 2,398,513 | **$ 2,458,150** | $ 2,723,159 |
| **Excess (deficiency) of revenue over expenditures** | 170,547 | (412,632) | (645,160) | **(887,245)** | (265,009) |
| **BALANCE, END OF YEAR** | $ 199,347 | $ (381,795) | $ 1,753,353 | **$ 1,570,905** | $ 2,458,150 |

*The accompanying Notes are an integral part of these financial statements.*



# Statement of Financial Position

For the year ended March 31, 2019

| | 2019 | 2018 |
|---|---|---|
| **ASSETS** | | |
| CURRENT ASSETS | | |
| **Cash** | **$ 1,112,932** | $ 2,415,698 |
| **Accounts receivable** | **300,825** | 87,662 |
| **GST receivable** | **38,566** | 22,849 |
| **Prepaid expenses** | **18,110** | 46,366 |
| | **1,470,433** | 2,572,575 |
| TANGIBLE CAPITAL ASSETS (Note 4) | **199,347** | 28,800 |
| | **1,669,780** | 2,601,375 |
| **LIABILITIES** | | |
| CURRENT LIABILITIES | | |
| **Accounts payable and accrued liabilities** | **72,977** | 135,185 |
| **Payroll liabilities** | **25,898** | 8,040 |
| | **98,875** | 143,225 |
| **NET ASSETS** | | |
| **Unrestricted Funds** | **(381,795)** | (105,349) |
| **Restricted Funds** | **1,753,353** | 2,534,699 |
| **Invested in tangible capital assets** | **199,347** | 28,800 |
| | **1,570,905** | 2,458,150 |
| | **$ 1,669,780** | $ 2,601,375 |

Approved on behalf of the Board

Director _____ Director _____

*The accompanying Notes are an integral part of these financial statements.*

# Statement of Cash Flows

For the year ended March 31, 2019

| | 2019 | 2018 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Excess (deficiency) of revenues over expenditures** | **$ (887,245)** | $ (265,009) |
| **Adjustment for: Amortization** | **30,735** | 62,821 |
| | **(856,510)** | (202,188) |
| CHANGES IN NON-CASH WORKING CAPITAL ACCOUNTS | | |
| **Accounts receivable** | **(213,163)** | 14,939 |
| **GST receivable** | **(15,717)** | 23,532 |
| **Prepaid expenses** | **28,256** | (35,593) |
| **Accounts payable and accrued liabilities** | **(62,208)** | 44,527 |
| **Payroll liabilities** | **17,858** | 3,407 |
| | **(1,101,484)** | (151,377) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| **Acquisition of tangible capital assets** | **(201,282)** | (27,524) |
| **DECREASE IN CASH** | **(1,302,766)** | (178,901) |
| **CASH, BEGINNING OF YEAR** | **2,415,698** | 2,594,599 |
| **CASH, END OF YEAR** | **$ 1,112,932** | $ 2,415,698 |



# Notes to the Financial Statements

For the year ended March 31, 2019

## 1. NATURE OF OPERATIONS

First Nations Technology Council (the "Society") was incorporated under the Society Act of British Columbia as a non-profit organization on February 20, 2008.

The Society is an Indigenous-led organization that serves all 203 First Nations communities across British Columbia, working to ensure that Indigenous peoples have full and equitable access to the tools, training and support to maximize the opportunities presented by technology and innovation. The Technology Council sees the strengthening of local Indigenous economies and the empowering of Indigenous innovators as contributing to Indigenous self-determination and nationhood. These efforts can serve as a tangible form of reconciliation as we work towards a shared and sustainable future in Canada. The Society's mandates are to:

- Digital Skills Development
- Connectivity
- Information Management
- Technical Support and Services

## 2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are prepared in accordance with Canadian accounting standards for Not-for-Profit Organizations. The significant policies are detailed as follows:

### (a) Fund accounting

These financial statements have been prepared following the restricted fund method of accounting, where revenues are recorded in the period in which they were assessed or earned and expenditures are recorded in the period in which they became an obligation.

Unrestricted resources and revenues are reported in the Unrestricted Fund.

Contributions and grants subject to restrictions from external parties are reported in the Restricted Funds.

The Capital Fund reports tangible and intangible capital assets, their related financing and depreciation.

### (b) Revenue recognition

Restricted and unrestricted contributions are recognized as revenue of the appropriate fund in the year for which the revenue is intended when the amount to be received can be reasonably estimated and collection is reasonably assured.

# Notes to the Financial Statements

For the year ended March 31, 2019

## 2. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

### (c) Use of estimates

The preparation of financial statements In conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are the estimated useful life of tangible and intangible assets and the corresponding amortization taken, accrued liabilities and the related expenditures, and the collectibility of accounts receivable.

### (d) Tangible and intangible capital assets and amortization

Tangible capital assets are recorded all cost. Contributed tangible and intangible capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line basis over the assets' estimated useful lives.

| | | |
|---|---|---|
| **Computer equipment and software** | straight-line | 3 years |
| **Leasehold improvements** | straight-line | 5 years |
| **Furniture and equipment** | straight-line | 5 years |

The Society reviews tangible capital assets for impairment whenever changes in circumstances indicate that a tangible capital asset no longer has long-term service potential (useful life) to the Society. The impairment if any should be the excess of the tangible capital asset's net carrying value over its residual value and cannot subsequently be reversed. No impairment losses have been identified by the Society for the year ended March 31, 2019.

### (e) Income tax status

For income tax purposes, the Society is a non-profit organization exempt from income taxes under Section 149(1)(I) of the Canadian Income Tax Act.

## 3. FINANCIAL INSTRUMENTS

Financial instruments consist of recorded amounts of accounts receivable which will result in future cash receipts, as well as accounts payable and accruals and payroll liabilities which will result in future cash outlays. Unless otherwise noted, it is management's opinion that the Society is not exposed lo significant interest, currency, or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values due to their short-term maturity.

## 4. TANGIBLE CAPITAL ASSETS

| | Cost | Accumulated amortization | 2019 Net | 2018 Net |
|---|---|---|---|---|
| **Computer equipment and software** | $ 250,981 | $ 235,151 | $ 15,830 | $ 9,422 |
| **Leasehold improvements** | 92,222 | 12,423 | 79,799 | 14,403 |
| **Furniture and equipment** | 134,122 | 30,404 | 103,718 | 4,975 |
| **TOTAL** | **$ 477,325** | **$ 277,977** | **$ 199,347** | $ 28,800 |

## 5. INTANGIBLE CAPITAL ASSET

| | Cost | Accumulated amortization | 2019 Net | 2018 Net |
|---|---|---|---|---|
| **Unification license** | **$ 100,000** | **$ 100,000** | **$ -** | $ - |

## 6. LEASE COMMITMENTS

The Society has the following minimum lease commitments for its premises over the remaining term of the agreements:

**2020** **$ 52,071**

## 7. ECONOMIC DEPENDENCE

The Society is economically dependent on funding arrangements from various organizations, and federal and provincial government departments.

## 8. SOCIETY ACT DISCLOSURE

On November 28, 2016 the new British Columbia Societies Act came into force. Included in the new Act is a requirement to disclose the remuneration paid to all directors, the ten highest paid employees and all contractors who are paid above $75,000 annually.

During the year, the Society had four employees whose salaries were greater than $75,000.

During the year, Members of the board of directors have not received remuneration.

# Notes to the Financial Statements

For the year ended March 31, 2019

## 9. EXPENDITURES BY OBJECT

The above statement of operations has presented the expenditures by major categories to illustrate the expenditures by object, please see below detailed chart:

| | 2019 | 2018 |
|---|---|---|
| **Administration** | **$ 351,366** | $ 138,350 |
| **Bad debts** | **19,063** | - |
| **Bank charges and interest** | **2,578** | 20 |
| **Computer supplies and maintenance** | **29,096** | 4,713 |
| **Consulting fees** | **481,407** | 179,710 |
| **Insurance** | **10,882** | - |
| **Meetings** | **28,920** | 14,941 |
| **Office and miscellaneous** | **-** | 29,025 |
| **Participant costs** | **69,642** | - |
| **Professional fees** | **280,580** | 156,425 |
| **Rent** | **84,705** | 677 |
| **Telephone and utilities** | **36,546** | 3,736 |
| **Travel and accommodation** | **644,359** | 29,804 |
| **Tuition** | **480,385** | 169,871 |
| **Wages and benefits** | **1,076,979** | 404,658 |
| **TOTAL** | **$ 3,596,508** | $ 1,131,930 |



# Schedule of Unrestricted Funds – Schedule 1

for the year ended March 31, 2019

| | Administration (420) 2019 | Portal Project (464) 2019 | 2019 Total | 2018 Total |
|---|---|---|---|---|
| **REVENUE** | | | | |
| **Administrative support from revenue sources** | $ 132,904 | $ - | **$ 132,904** | $ 70,000 |
| **First Nation Knowledge Network** | - | 19,285 | **19,285** | 45,365 |
| **Interest income** | 12,202 | - | **12,202** | 6,001 |
| **Service projects** | 19,255 | - | **19,255** | 73,130 |
| | 164,361 | 19,285 | **183,646** | 194,496 |
| **EXPENDITURES** | | | | |
| **Bad debts** | 19,063 | - | **19,063** | - |
| **Bank charges and interest** | 2,004 | - | **2,004** | 20 |
| **Computer supplies and maintenance** | 556 | 2,460 | **3,016** | 4,713 |
| **Consulting fees** | 84,363 | 4,971 | **89,334** | 50,917 |
| **Insurance** | 2,338 | 1,326 | **3,664** | - |
| **Meetings** | 8,021 | 593 | **8,614** | 12,412 |
| **Office and miscellaneous** | 202,325 | - | **202,325** | 29,025 |
| **Professional fees** | 7,621 | - | **7,621** | 12,109 |
| **Telephone and utilities** | 6,974 | - | **6,974** | 3,736 |
| **Travel and accommodation** | 24,309 | 2,805 | **27,114** | 2,953 |
| **Wages and benefits** | 226,549 | - | **226,549** | 82,472 |
| | 584,123 | 12,155 | **596,278** | 198,357 |
| **EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES** | (419,762) | 7,130 | **(412,632)** | (3,861) |
| **Balance, beginning of year** | (37,130) | 67,967 | **30,837** | 34,698 |
| **Balance, end of year** | $ (456,892) | $ 75,097 | **$ (381,795)** | $ 30,837 |

# Schedule of Restricted Funds – Schedule 2

for the year ended March 31, 2019

| | New Relationship Enhancement (501) 2019 | All Nations Trust Company Projects (Schedule 4) 2019 | Indigenous Skills Development (605) 2019 | Western Economic Diversification (610) 2019 | Government of B.C. (620) 2019 | Aboriginal Career Network (640) 2019 | Labour Market Project (650) 2019 | Indigenous Services Canada (670) 2019 | Minister of Employment and Social Development FIIT (680) 2019 | 2019 Total | 2018 Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | | | | | |
| **Advanced Education and Skills Training** | $ - | $ - | $ - | $ - | $ - | $ - | $ 97,800 | $ - | $ - | **$ 97,800** | $ 54,550 |
| **Indigenous Services Canada** | - | - | - | - | - | - | - | - | - | **-** | 270,169 |
| **Indigenous Skills Development** | - | - | 169,445 | - | - | - | - | - | - | **169,445** | - |
| **Minister of Employment and Social Development - FIIT** | - | - | - | - | - | - | - | - | 1,452,820 | **1,452,820** | - |
| **Ministry of Aboriginal Relations and Reconciliation** | - | - | - | - | - | 10,640 | - | - | - | **10,640** | 18,250 |
| **Service projects** | - | - | - | - | - | - | - | - | - | **-** | 167,875 |
| **Western Economic Diversification Canada** | - | - | - | 624,365 | - | - | - | - | - | **624,365** | 270,008 |
| | - | - | 169,445 | 624,365 | - | 10,640 | 97,800 | - | 1,452,820 | **2,355,070** | 780,852 |
| **EXPENDITURES** | | | | | | | | | | | |
| **Administration** | - | - | 15,404 | 7,096 | 110,000 | 7,500 | 4,059 | - | 4,981 | **149,040** | 138,250 |
| **Bank charges and interest** | - | - | - | - | - | - | - | - | 574 | **574** | 20 |
| **Computer supplies and maintenance** | - | - | - | 616 | 11,602 | - | - | - | 13,860 | **26,078** | 4,713 |
| **Consulting fees** | - | - | - | 17,463 | 34,528 | 313,089 | 17,234 | 1,743 | 8,016 | **392,073** | 179,710 |
| **Insurance** | - | - | - | 4,185 | - | - | - | - | 3,033 | **7,218** | - |
| **Meetings** | - | - | - | - | - | - | 20,307 | - | - | **20,307** | 14,941 |
| **Office and miscellaneous** | - | - | - | - | - | - | - | - | - | **-** | 29,025 |
| **Participant costs** | - | - | - | 50,234 | 10,520 | - | - | - | 8,889 | **69,643** | - |
| **Professional fees** | - | - | - | 136,068 | - | - | 50,024 | 53,203 | 33,665 | **272,960** | 156,425 |
| **Rent** | - | - | - | 41,977 | - | - | 3,907 | - | 38,821 | **84,705** | 677 |
| **Telephone and utilities** | - | - | - | 14,102 | 33 | - | 9,142 | - | 6,295 | **29,572** | 3,736 |
| **Travel and accommodation** | - | - | - | 27,627 | 309,260 | 1,578 | 41,870 | - | 236,910 | **617,245** | 29,804 |
| **Tuition** | - | - | - | - | 336,885 | - | - | - | 143,500 | **480,385** | 79,942 |
| **Wages and benefits** | - | - | - | 264,423 | 168,752 | - | 47,293 | 113,179 | 256,783 | **850,430** | 404,657 |
| | - | - | 15,404 | 563,791 | 981,580 | 322,167 | 193,836 | 168,125 | 755,327 | **3,000,230** | 1,042,000 |
| **EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES** | - | - | 154,041 | 60,574 | (981,580) | (311,527) | (96,036) | (168,125) | 697,493 | **(645,160)** | (261,148) |
| **Balance, beginning of year** | 67,001 | (12,264) | - | (82,831) | 1,815,047 | 346,959 | 98,071 | 166,530 | - | **2,398,513** | 2,706,490 |
| **Balance, end of year** | $ 67,001 | $ (12,264) | $ 154,041 | $ (22,257) | $ 833,467 | $ 35,432 | $ 2,035 | $ (1,595) | $ 697,493 | **$ 1,753,353** | $ 2,445,342 |

# Schedule of all Nations Trust Company Projects – Schedule 3

for the year ended March 31, 2019

| | ANTCO (630) 2019 | Total 2019 | Total 2018 |
|---|---|---|---|
| **EXPENDITURES** | | | |
| **Consulting fees** | $ - | **$ -** | $ 12,264 |
| **EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES** | - | - | (12,264) |
| **Balance, beginning of year** | (12,264) | **(12,264)** | - |
| **Balance, end of year** | $ (12,264) | **$ (12,264)** | $ (12,264) |

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