

GITXSAN CHILD & FAMILY SERVICES SOCIETY

FINANCIAL STATEMENTS

MARCH 31, 2012

GITXSAN CHILD & FAMILY SERVICES SOCIETY

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MARCH 31, 2012

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AUDIT REPORT

TO THE MEMBERS

Report on the Financial Statements

We have audited the accompanying balance sheet of Gitxsan Child and Family Services Society as at March 31, 2012 and the statements of revenue and expenditure and cash flows for the year then ended and a summary of significant accounting policies.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal controls as management determines are necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with Canadian generally accepted auditing standards. These standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate for the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2012 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Terrace, BC
July 25, 2012



GITXSAN CHILD & FAMILY SERVICES SOCIETY

BALANCE SHEET

MARCH 31

ASSETS

STATEMENT 1

	2012	2011
	\$	\$
CURRENT		
Cash	845,487	407,953
Accounts receivable	487,507	686,599
Prepaid expenses	23,336	-
	<u>1,356,330</u>	<u>1,094,552</u>
PROPERTY AND EQUIPMENT (notes 1 and 2)	<u>267,599</u>	<u>295,589</u>
	<u>1,623,929</u>	<u>1,390,141</u>

LIABILITIES AND MEMBER EQUITY

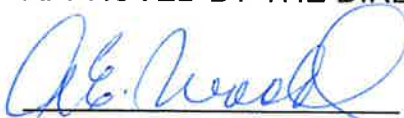
CURRENT

Accounts payable and accruals	75,213	131,949
Deferred revenue	-	123,134
Bank demand loan (note 3)	39,811	45,207
	<u>115,024</u>	<u>300,290</u>

MEMBER EQUITY

Surplus (note 4)	1,281,116	839,470
Equity in property and equipment (note 5)	227,789	250,381
	<u>1,508,905</u>	<u>1,089,851</u>
	<u>1,623,929</u>	<u>1,390,141</u>

APPROVED BY THE DIRECTORS

 Director

 Director

GITXSAN CHILD & FAMILY SERVICES SOCIETY

STATEMENT OF REVENUE AND EXPENDITURE - CONSOLIDATED

YEAR ENDED MARCH 31

STATEMENT 2

	2012	2011
	\$	\$
REVENUE		
AANDC	1,317,080	1,264,049
Ministry of Children and Families	840,065	542,544
Government of Canada	91,292	24,550
Other	94,063	57,584
	<u>2,342,500</u>	<u>1,888,727</u>
EXPENDITURE		
Advertising	17,385	6,810
Automotive	24,128	8,382
Contract services	260,659	233,775
Director's expense	43,044	36,450
Insurance	6,383	6,383
Maintenance payments	454,706	276,277
Materials and supplies	57,998	61,153
Mortgage payments	7,932	39,192
Professional services	57,401	41,219
Program funding enhancement	-	14,080
Property and equipment purchases	15,243	50,053
Rent and utilities	35,449	25,594
Repairs and maintenance	33,314	25,154
Telephone	24,273	19,608
Training	16,808	545
Travel and meetings	160,951	122,712
Wages and benefits	685,180	645,131
	<u>1,900,854</u>	<u>1,612,518</u>
REVENUE OVER EXPENDITURE	441,646	276,209
OPENING SURPLUS	<u>839,470</u>	<u>563,261</u>
CLOSING SURPLUS	<u>1,281,116</u>	<u>839,470</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY

STATEMENT OF REVENUE AND EXPENDITURE - SUMMARY

YEAR ENDED MARCH 31, 2012

STATEMENT 3

Fund	Schedule	Opening Surplus (Deficit)		Revenue		Total Current Revenue	Total Current Expenditure	Revenue Over Expenditure	Transfer Other Funds	Closing Surplus (Deficit)
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Unrestricted										
Operations	1	-126,613	1,114,714	261,565	1,376,279	1,121,066	1,121,066	255,213	-4,547	124,053
Foster Care - AANDC	2	-	202,366	51,586	253,952	224,154	224,154	29,798	-	29,798
Group Homes - AANDC	3	-	-	-	-	35,263	35,263	-35,263	-	-35,263
Foster Care - Other	4	17,356	-	422,793	422,793	221,875	221,875	200,918	-	218,274
Family Group Conferencing - MCFD	5	92,592	-	94,102	94,102	84,025	84,025	10,077	-	102,669
Family Support Worker Program	6	16,385	-	72,240	72,240	86,790	86,790	-14,550	-	1,835
Enhanced Operations - MCFD	7	-	-	-	-	-	-	-	-	-
Investment	8	839,750	-	-	-	-	-	-	-	839,750
Infrastructure Grant - MCFD	9	-	-	123,134	123,134	127,681	127,681	-4,547	4,547	-
FASD	10	-	-	-	-	-	-	-	-	-
Positive Indian Parenting	11	-	-	-	-	-	-	-	-	-
Roots	12	-	-	-	-	-	-	-	-	-
		<u>839,470</u>	<u>1,317,080</u>	<u>1,025,420</u>	<u>2,342,500</u>	<u>1,900,854</u>	<u>1,900,854</u>	<u>441,646</u>	<u>-</u>	<u>1,281,116</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

STATEMENT 4

	2012	2011
	\$	\$
OPERATING ACTIVITIES		
Revenue over expenditure	441,646	276,209
Marketable securities	-	412,793
Accounts receivable	199,092	-278,843
Prepaid expenses	-23,336	-
Accounts payable and accruals	-56,734	5,034
Deferred revenue	-123,134	123,134
Capital fund transactions in operations	20,639	85,321
	<u>458,173</u>	<u>623,648</u>
FINANCING ACTIVITIES		
Bank demand loan	<u>-5,396</u>	<u>-115,268</u>
INVESTING ACTIVITIES		
Property and equipment purchases	<u>-15,243</u>	<u>-50,053</u>
CHANGE IN CASH	437,534	458,327
OPENING CASH BALANCE	<u>407,953</u>	<u>-50,374</u>
CLOSING CASH BALANCE	<u>845,487</u>	<u>407,953</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY

NOTES

MARCH 31, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Property and equipment are reported at cost and are amortized using the declining balance method at the following annual rates:

Buildings	5%
Equipment	20%, 25%, 30% & 55%

Revenue is recorded in the period in which the transactions or events that give rise to the revenue occur. Funding from external parties restricted by agreement or legislation is reported as deferred revenue until used for the purposes specified. Investment revenue is recognized when earned.

Expenditures are recorded in the period when the goods and services are acquired and the liability is incurred.

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

It is management's opinion that the Society's financial instruments are not exposed to significant interest rate, liquidity, market or other price risks.

Budget information has not been reported.

2. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	Net Book Value	
			2012	2011
	\$	\$	\$	\$
Land	35 000	-	35 000	35 000
Buildings	282 290	114 369	167 921	176 761
Office equipment	287 192	222 514	64 678	66 488
Automotive equipment	-	-	-	17 340
	<u>604 482</u>	<u>336 883</u>	<u>267 599</u>	<u>295 589</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY

NOTES

MARCH 31, 2012

3. BANK DEMAND LOAN

Royal Bank of Canada, \$661/month including interest at 5.91% per annum; secured by a mortgage on property.

Scheduled principal repayment during the next five years is as follows:

2013	\$ 5 733
2014	6 082
2015	6 451
2016	6 843
2017	<u>7 258</u>
	<u>\$ 32 367</u>

4. SURPLUS AND AANDC RECOVERY

AANDC has the option to recover specific unspent funds related to contribution funding.

5. EQUITY IN PROPERTY AND EQUIPMENT

Opening balance	\$ 250 381
Contribution from operations	20 639
Disposal of assets	-17 339
Amortization	<u>-25 892</u>
Closing balance	<u>\$ 227 789</u>

6. COMMITMENT

Key Lease Canada Ltd., three vehicle operating leases, \$1 285/month, expiry September 2014.

GITXSAN CHILD & FAMILY SERVICES SOCIETY

NOTES

MARCH 31, 2012

7. PURPOSE OF ORGANIZATION

The Society is an association with the Gitksan Nation committed to providing services for the children and families of the Gitksan Nation.

8. SUBSEQUENT EVENT

AANDC imposed mandatory third party management of the Society subsequent to the year-end date as a result of non-compliance with operational reporting requirements.

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

OPERATIONS

SCHEDULE 1

	2012	2011
	\$	\$
REVENUE		
AANDC	1,114,714	1,049,046
Ministry of Children and Families	167,502	149,689
Other	94,063	42,504
	<u>1,376,279</u>	<u>1,241,239</u>
EXPENDITURE		
Advertising	16,785	6,715
Automotive	24,128	8,382
Contract services	117,945	221,659
Directors' expense	40,044	34,950
Insurance	6,383	6,383
Materials and supplies	34,072	29,946
Mortgage payments	7,932	39,192
Professional services	57,401	41,219
Property and equipment purchases	15,243	2,031
Rent and utilities	35,449	25,594
Repairs and maintenance	33,314	25,154
Telephone	24,273	19,608
Training	16,808	545
Travel and meetings	127,208	101,304
Wages and benefits	564,081	534,603
	<u>1,121,066</u>	<u>1,097,285</u>
REVENUE OVER EXPENDITURE	255,213	143,954
TRANSFER - OTHER FUNDS	-4,547	241,267
OPENING SURPLUS (DEFICIT)	<u>-126,613</u>	<u>-511,834</u>
CLOSING SURPLUS (DEFICIT)	<u>124,053</u>	<u>-126,613</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY

STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

FOSTER CARE- AANDC

SCHEDULE 2

	2012	2011
	\$	\$
REVENUE		
AANDC	202,366	184,003
Government of Canada	<u>51,586</u>	<u>-</u>
	<u>253,952</u>	<u>184,003</u>
 EXPENDITURE		
Maintenance payments	214,342	104,461
Materials and supplies	5,890	5,290
Travel and meetings	<u>3,922</u>	<u>6,197</u>
	<u>224,154</u>	<u>115,948</u>
 REVENUE OVER EXPENDITURE	29,798	68,055
 TRANSFER - OTHER FUNDS	-	-106,753
 OPENING SURPLUS	<u>-</u>	<u>38,698</u>
 CLOSING SURPLUS	<u>29,798</u>	<u>-</u>

GITSXAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

GROUP HOMES - AANDC

SCHEDULE 3

	2012 \$	2011 \$
REVENUE		
AANDC	<u>-</u>	<u>31,000</u>
EXPENDITURE		
Maintenance payments	<u>35,263</u>	<u>16,289</u>
REVENUE OVER EXPENDITURE	-35,263	14,711
TRANSFER - OTHER FUNDS	-	-59,313
OPENING SURPLUS	<u>-</u>	<u>44,602</u>
CLOSING SURPLUS	<u>-35,263</u>	<u>-</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

FOSTER CARE - OTHER

SCHEDULE 4

	2012	2011
	\$	\$
REVENUE		
Ministry of Children and Families	383,087	150,668
Government of Canada	<u>39,706</u>	<u>24,550</u>
	<u>422,793</u>	<u>175,218</u>
 EXPENDITURE		
Maintenance payments	205,101	155,527
Materials and supplies	9,205	832
Travel and meetings	<u>7,569</u>	<u>1,503</u>
	<u>221,875</u>	<u>157,862</u>
 REVENUE OVER EXPENDITURE	 200,918	 17,356
 TRANSFER - OTHER FUNDS	 -	 -
 OPENING SURPLUS	 <u>17,356</u>	 <u>-</u>
 CLOSING SURPLUS	 <u>218,274</u>	 <u>17,356</u>

**GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE**

YEAR ENDED MARCH 31

FAMILY GROUP CONFERENCING - MCFD

SCHEDULE 5

	2012	2011
	\$	\$
REVENUE		
Ministry of Children and Families	<u>94,102</u>	<u>86,729</u>
EXPENDITURE		
Administration	9,964	9,976
Materials and supplies	7,666	1,283
Travel and meetings	14,804	5,880
Wages and benefits	<u>51,591</u>	<u>50,344</u>
	<u>84,025</u>	<u>67,483</u>
REVENUE OVER EXPENDITURE	10,077	19,246
TRANSFER - OTHER FUNDS	-	-
OPENING SURPLUS	<u>92,592</u>	<u>73,346</u>
CLOSING SURPLUS	<u>102,669</u>	<u>92,592</u>

**GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE**

YEAR ENDED MARCH 31

FAMILY SUPPORT WORKER PROGRAM

SCHEDULE 6

	2012	2011
	\$	\$
REVENUE		
Ministry of Children and Families	72,240	72,964
Other	-	15,080
	<u>72,240</u>	<u>88,044</u>
 EXPENDITURE		
Administration	8,669	8,672
Materials and supplies	1,165	3,234
Travel and meetings	7,448	3,067
Wages and benefits	69,508	60,184
	<u>86,790</u>	<u>75,157</u>
 REVENUE OVER EXPENDITURE	 -14,550	 12,887
 TRANSFER - OTHER FUNDS	 -	 -
 OPENING SURPLUS	 <u>16,385</u>	 <u>3,498</u>
 CLOSING SURPLUS	 <u>1,835</u>	 <u>16,385</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

ENHANCED OPERATIONS - MCFD

SCHEDULE 7

	2012	2011
	\$	\$
REVENUE		
Ministry of Children and Families	<u>-</u>	<u>16,000</u>
EXPENDITURE		
Administration	-	1,920
Program funding enhancement	<u>-</u>	<u>14,080</u>
	<u>-</u>	<u>16,000</u>
REVENUE OVER EXPENDITURE	-	-
TRANSFER - OTHER FUNDS	-	-
OPENING SUPLUS	<u>-</u>	<u>-</u>
CLOSING SURPLUS	<u>-</u>	<u>-</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

INVESTMENT

SCHEDULE 8

	2012	2011
	\$	\$
REVENUE	<u>-</u>	<u>-</u>
EXPENDITURE	<u>-</u>	<u>-</u>
REVENUE OVER EXPENDITURE	-	-
TRANSFER - OTHER FUNDS	-	-
OPENING SURPLUS	<u>839,750</u>	<u>839,750</u>
CLOSING SURPLUS	<u>839,750</u>	<u>839,750</u>

GITSXAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

INFRASTRUCTURE GRANT - MCFD

SCHEDULE 9

	2012	2011
	\$	\$
REVENUE		
Ministry of Children and Families	<u>123,134</u>	<u>66,494</u>
EXPENDITURE		
Advertising	600	95
Contract services	124,081	12,116
Directors' expense	3,000	1,500
Property and equipment purchases	-	48,022
Travel and meetings	<u>-</u>	<u>4,761</u>
	<u>127,681</u>	<u>66,494</u>
REVENUE OVER EXPENDITURE	-4,547	-
TRANSFER - OTHER FUNDS	4,547	-
OPENING SURPLUS	<u>-</u>	<u>-</u>
CLOSING SURPLUS	<u>-</u>	<u>-</u>

**GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE**

YEAR ENDED MARCH 31

FASD

SCHEDULE 10

	2012	2011
	\$	\$
REVENUE	<u>-</u>	<u>-</u>
EXPENDITURE	<u>-</u>	<u>-</u>
REVENUE OVER EXPENDITURE	-	-
TRANSFER - OTHER FUNDS	-	10,404
OPENING SURPLUS (DEFICIT)	<u>-</u>	<u>-10,404</u>
CLOSING SURPLUS	<u>-</u>	<u>-</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

POSITIVE INDIAN PARENTING

SCHEDULE 11

	2012 \$	2011 \$
REVENUE	<u>-</u>	<u>-</u>
EXPENDITURE	<u>-</u>	<u>-</u>
REVENUE OVER EXPENDITURE	-	-
TRANSFER - OTHER FUNDS	-	-30,896
OPENING SURPLUS	<u>-</u>	<u>30,896</u>
CLOSING SURPLUS	<u>-</u>	<u>-</u>

GITXSAN CHILD & FAMILY SERVICES SOCIETY
STATEMENT OF REVENUE AND EXPENDITURE

YEAR ENDED MARCH 31

ROOTS

SCHEDULE 12

	2012	2011
	\$	\$
REVENUE	<u>-</u>	<u>-</u>
EXPENDITURE	<u>-</u>	<u>-</u>
REVENUE OVER EXPENDITURE	-	-
TRANSFER - OTHER FUNDS	-	-54,709
OPENING SURPLUS	<u>-</u>	<u>54,709</u>
CLOSING SURPLUS	<u>-</u>	<u>-</u>