

JAMES H. STINN

Certified General Accountant

Prof. Corp.

SUITE 300 – 820 51ST STREET EAST
SASKATOON, SASKATCHEWAN S7K 0X8
PHONE (306) 955-9977 FAX (306) 955-3633
E-MAIL jstinn@sasktel.net

**ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF
SASKATCHEWAN INC.
FINANCIAL STATEMENTS
MARCH 31, 2013**

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
INDEX TO THE FINANCIAL STATEMENTS
MARCH 31, 2013

	Page
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Operations and Changes in Net Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5-9
Schedule of Program Revenues and Expenditures	10

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INDEPENDENT AUDITOR'S REPORT

To the Members of Aboriginal Financial Officers Association of Saskatchewan Inc.:

I have audited the accompanying financial statements of Aboriginal Financial Officers Association of Saskatchewan Inc. which comprise the statement of financial position as at March 31, 2013 and the statements of operations, changes in net assets and cash flows, and program of revenue and expenditures for the year then ended, and a summary of significant accounting policies and other explanatory information.

Organization's responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Canadian accounting standards for non-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.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2013 and its financial performance for the year then ended, in accordance with Canadian accounting standards for non-profit organizations.

Saskatoon, Saskatchewan
July 9, 2013




CERTIFIED GENERAL ACCOUNTANT, PROF CORP

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT		
Cash (Note 4)	\$ 68,117	\$ 211,306
Term deposits	50,648	0
Accounts receivable (Note 5)	34,536	11,729
GST receivable	<u>4,051</u>	<u>3,737</u>
	157,352	226,772
CAPITAL ASSETS (Notes 2 and 6)	<u>248</u>	<u>328</u>
	<u>\$ 157,600</u>	<u>\$ 227,100</u>
LIABILITIES		
CURRENT		
Accounts payable (Note 7)	<u>\$ 15,118</u>	<u>\$ 16,828</u>
NET ASSETS		
UNRESTRICTED	<u>142,482</u>	<u>210,272</u>
	<u>\$ 157,600</u>	<u>\$ 227,100</u>

APPROVED ON BEHALF OF THE BOARD

 _____ Director

 _____ Director

The accompanying notes are an integral part of these financial statements.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
REVENUES		
INAC - Contribution (Note 8)	\$ 0	\$ 121,000
AFOA Sask. Conference Registrations, Sponsorships	50,504	74,026
Expense Recoveries	4,092	941
Interest earned	670	7
Memberships	35,454	39,259
Other Revenue	22,000	37,325
Summer Student	<u>6,088</u>	<u>6,272</u>
	<u>118,808</u>	<u>278,830</u>
EXPENDITURES		
AFOA Canada Conference	17,337	7,040
AFOA Sask. Conference expenses	2,944	38,718
Accounting and Legal Fees	5,571	7,273
Advertising and Promotion	6,013	15,322
Amortization	80	106
Bad Debts	0	350
Bank charges and interest	40	29
CFOIP	0	90,000
Career Fair	9,510	0
Catering	22,588	18,873
Consultants	550	14,291
Insurance	1,176	1,176
Meeting expenses	575	1,102
Memberships	282	250
Office and postage	686	1,786
Printing and Binding	4,137	9,680
Professional Development	198	0
Rent	11,511	7,585
Telephone	3,465	3,515
Travel - board of directors	4,408	10,169
Travel - staff	3,833	3,787
Wages and benefits	<u>91,694</u>	<u>89,970</u>
	<u>186,598</u>	<u>321,022</u>
EXCESS OF EXPENDITURES OVER REVENUES	(67,790)	(42,192)
UNRESTRICTED NET ASSETS, beginning of year	<u>210,272</u>	<u>252,464</u>
UNRESTRICTED NET ASSETS, end of year	<u>\$ 142,482</u>	<u>\$ 210,272</u>

The accompanying notes are an integral part of these financial statements.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2013

	<u>2013</u>	<u>2012</u>
OPERATING ACTIVITIES		
Excess of expenditures over revenues	\$ (67,790)	\$ (42,192)
Item not involving cash:		
Amortization	<u>80</u>	<u>106</u>
	(67,710)	(42,086)
Net change in non-cash working capital:		
Accounts receivable	(22,807)	140,703
Prepaid expenses	0	525
Accounts payable	(1,710)	(331)
GST	<u>(313)</u>	<u>(948)</u>
INCREASE (DECREASE) IN CASH	(92,540)	97,863
CASH, beginning of year	<u>211,306</u>	<u>113,443</u>
CASH, end of year	<u>\$ 118,766</u>	<u>\$ 211,306</u>
 COMPONENTS OF CASH		
Cash	\$ 68,117	\$ 211,306
Term deposits	<u>50,649</u>	<u>0</u>
	<u>\$ 118,766</u>	<u>\$ 211,306</u>

The accompanying notes are an integral part of these financial statements.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013

1. NATURE OF ORGANIZATION

Aboriginal Financial Officers Association of Saskatchewan Inc. was incorporated in the Province of Saskatchewan on May 14, 2002 under the Non-Profit Corporations Act 1995. The Association's mandate is to provide leadership in First Nation and Aboriginal financial management activities by developing and promoting education, training, information and standards to expand technical capacity for Members and First Nation and Aboriginal Organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Association prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Capital Assets

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Display booth	- 20% declining balance method
Computer equipment	- 30% declining balance method

Revenue Recognition

The Association uses the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as a direct increase to net assets.

Restricted investment income is recognized as revenue in the year in which the related expenditures are incurred. Unrestricted investment income is recognized as a revenue when earned.

Contributed Services

Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

Allocation of Expenses

The Association engages in the delivery of a number of programs to expand technical competence. The costs of each program include the costs of personnel, supplies and other expenses that are directly related to providing the program. The Association also incurs a number of general support expenses that are common to the administration of the Association and each of its programs.

The Association allocates certain of its general expense, and applies that basis consistently each year. Amortization is not allocated; other general support expenses are allocated on the following bases: Indirect salaries, occupancy (rent, insurance) and professional fees are allocated based on revenues as an approximation of the amounts required by each program.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenditures in the periods in which they become known.

Financial Instruments

Held for trading:

The Association classifies cash as held for trading. Cash is initially recognized, and subsequently measured, at fair value.

Available-for-sale:

Available-for-sale financial assets are measured at their fair value, with unrealized gains and losses recognized in net assets as changes in unrealized gains and losses on available-for-sale financial assets arising during the period. Currently, the Association has not classified any financial instruments as available-for-sale.

Loans and receivables:

The Association has classified accounts receivable as loans and receivables. These assets are initially recognized at their fair value, determined by the instrument's initial cost in a transaction between unrelated parties.

Loans and receivables are subsequently measured at their amortized cost. Amortized cost is the amount at which the financial asset is measured at initial recognition less principal repayments, and less any reduction for impairment or uncollectability. Net gains and losses arising from changes in fair value are recognized in excess of revenues over expenditures upon derecognition or impairment.

Other financial liabilities:

The Association has classified accounts payable as other financial liabilities. Accounts payable are initially recognized at their fair value determined by the instrument's initial cost in a transactions between unrelated parties.

Other financial liabilities are subsequently measured at amortized cost. Amortized cost is the amount at which the financial liability is measured at initial recognition less principal payments. Gains and losses arising from changes in fair value are recognized in excess of revenues over expenditures upon derecognition or impairment.

**ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

Financial Instruments - con't

Financial asset impairment:

The Association assesses impairment of all its financial assets, except those classified as held for trading. Management considers whether the issuer is having significant financial difficulty and, whether there has been a breach in contract, such as a default or delinquency in payments in determining whether objective evidence of impairment exists. Impairment is measured as the difference between the asset's carrying value and its fair value. Any impairment, which is not considered temporary, is included in current year excess of revenues over expenditures.

Changes in unrealized gains and losses on available-for-sale financial assets arising during the period:

Changes in unrealized gains and losses on available-for-sale financial assets represent changes in the net assets of the Association arising from certain transactions and other events with non owner sources. If such a change occurred it would be required to be reported separately in net assets on the Statement of Financial Position.

3. CHANGES IN ACCOUNTING POLICIES

Effective April 1, 2012, The Organization adopted the Canadian accounting standards for not-for-profit organizations (ASNPO). Previously, the financial statements were presented in accordance with the Canadian generally accepted accounting principles (GAAP) as issued in the Handbook - Accounting Part V Pre-changeover standards. On adoption of ASNPO, an organization is permitted to selectively elect certain exemptions and choose accounting policies that may differ from the previously presented financial statement information. This can result in adjustments to the opening net assets at the transition date, which is the first day of the period for which comparative information is presented (April 1, 2011). The Organization made no changes to the previously presented financial statements.

4. CASH

Cash is represented by the following:

	<u>2013</u>	<u>2012</u>
First Nations Bank of Canada - chequing account	\$ 60,786	\$ 203,981
First Nations Bank of Canada - business investor account	<u>7,331</u>	<u>7,325</u>
	<u>\$ 68,117</u>	<u>\$ 211,306</u>

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013

5. ACCOUNTS RECEIVABLE

	<u>2013</u>	<u>2012</u>
AFOA Canada	\$ 20,523	\$ 2,750
Agency Chiefs Tribal Council	6,000	0
AWPI Customers	0	3,992
Dakota Dunes CDC	0	300
Memberships	5,513	4,687
Meyers Norris Penny	<u>2,500</u>	<u>0</u>
	<u>\$ 34,536</u>	<u>\$ 11,729</u>

6. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2013</u>	<u>Net 2012</u>
Display booth	\$ 2,160	\$ 2,009	\$ 151	\$ 189
Computer equipment	<u>5,069</u>	<u>4,972</u>	<u>97</u>	<u>139</u>
	<u>\$ 7,229</u>	<u>\$ 6,981</u>	<u>\$ 248</u>	<u>\$ 328</u>

7. ACCOUNTS PAYABLE

	<u>2013</u>	<u>2012</u>
First Nations Holdbacks	\$ 0	\$ 12,000
Holiday Pay and Payroll Deductions	1,022	143
INAC	9,510	0
Sasktel	186	285
James H. Stinn, CGA Prof. Corp	<u>4,400</u>	<u>4,400</u>
	<u>\$ 15,118</u>	<u>\$ 16,828</u>

8. FUNDING RECONCILIATION

	<u>2013</u>	<u>2012</u>
INAC revenue per financial statements	<u>\$ 0</u>	<u>\$ 121,000</u>
INAC revenue received	<u>\$ 0</u>	<u>\$ 121,000</u>
INAC funding per confirmation	<u>\$ 0</u>	<u>\$ 121,000</u>

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2013

9. FINANCIAL INSTRUMENTS

The Association, as part of its operations, carries a number of financial instruments. It is management's opinion that the Association is not exposed to significant interest or credit risks arising from these financial instruments except as otherwise disclosed.

Risk Management Policy

Management observes an informal risk management policy by maintaining the majority of the Association's equity in liquid assets.

Fair Value Disclosure

The carrying amount of cash, accounts receivable and accounts payable approximates their fair value due to the short-term maturities of these items.

Liquidity Risk

Liquidity risk is the risk that the Association will encounter difficulty in meeting obligations associated with financial liabilities. The Association enters into transactions to purchase goods and services on credit, borrow funds from creditors, etc. for which repayment is required at various maturity dates. Liquidity is measured by reviewing the Association's future net cash flows for the possibility of a negative cash flow. The Association manages the liquidity risk resulting from its accounts payable by investing in liquid assets.

Credit Risk

Financial instruments that potentially subject the Association to credit risk are accounts receivable. Management performs regular credit assessments on its receivables and provides allowances for potentially uncollectable receivables.

10. CAPITAL DISCLOSURE

The Association defines capital as its net assets. The Association's overall objective with its capital is to fund capital assets, future projects and ongoing operations. In order to facilitate the management of its capital requirements, the Association prepares annual revenue and expenditure budgets that are updated as necessary depending on various factors. The Association is not subject to externally imposed capital requirements and its overall strategy with respect to capital remains unchanged from the year ended March 31, 2012.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES

	<u>AWPI</u> <u>PROJECT</u>	<u>FALL</u> <u>CONFERENCE</u>	<u>FMB</u> <u>WORKSHOP</u>	<u>FINANCIAL</u> <u>WORKSHOP</u>	<u>STC SUMMER</u> <u>STUDENT</u>	<u>OFFICE</u> <u>OPERATIONS</u>	<u>TOTAL</u>
	\$	\$	\$	\$	\$	\$	\$
PROGRAM REVENUES							
Corporate Sponsorship	-	14,750	-	-	-	-	14,750
Conference	-	35,754	-	-	-	-	35,754
Expense Recovery	-	-	4,092	-	-	-	4,092
Membership	-	-	-	-	-	35,454	35,454
Interest & Other	-	-	10,000	5,000	6,088	7,670	28,758
TOTAL REVENUES	<u>-</u>	<u>50,504</u>	<u>14,092</u>	<u>5,000</u>	<u>6,088</u>	<u>43,124</u>	<u>118,808</u>
PROGRAM EXPENDITURES							
Accounting & Legal	-	-	-	-	-	5,571	5,571
Advertising & Promotion	-	3,933	-	-	-	2,080	6,013
Amortization	-	-	-	-	-	80	80
Career Fair	9,510	-	-	-	-	-	9,510
Catering	-	18,496	4,092	-	-	-	22,588
Conference	-	-	-	-	-	20,281	20,281
Consultants	-	400	150	-	-	-	550
Insurance	-	-	-	-	-	1,176	1,176
Interest & Bank Charges	-	-	-	-	-	40	40
Meeting	-	-	-	-	-	575	575
Memberships	-	-	-	-	-	282	282
Office Supplies	-	74	-	-	-	612	686
Printing & Binding	-	913	-	3,224	-	-	4,137
Professional Development	-	-	-	-	-	198	198
Rent	-	-	-	-	-	11,511	11,511
Telephone	-	-	-	-	-	3,465	3,465
Travel	-	1,649	-	-	-	6,592	8,241
Wages & Benefits	-	-	-	-	7,331	84,363	91,694
TOTAL EXPENDITURES	<u>9,510</u>	<u>25,465</u>	<u>4,242</u>	<u>3,224</u>	<u>7,331</u>	<u>136,826</u>	<u>186,598</u>
EXCESS OF REVENUES							
OVER EXPENDITURES	<u>\$(9,510)</u>	<u>\$ 25,039</u>	<u>\$ 9,850</u>	<u>\$ 1,776</u>	<u>\$ (1,243)</u>	<u>\$ (93,702)</u>	<u>\$ (67,790)</u>