

Nogdawindamin
Family and Community Services
Financial Statements
For the year ended March 31, 2016

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Independent Auditor's Report

To the Members of Nogdawindamin Family and Community Services

We have audited the accompanying financial statements of Nogdawindamin Family and Community Services, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we 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 auditors' 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Nogdawindamin Family and Community Services as at March 31, 2016, and the results of its operations, change in its net assets and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Sault Ste. Marie, Ontario
August 20, 2016

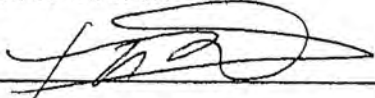
**Nogdawindamin
Family and Community Services
Statement of Financial Position**

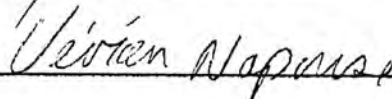
March 31, 2016	2016	2015
Assets		
Current		
Cash	\$ 1,133,275	\$ 885,987
Accounts receivable	241,987	282,672
Prepaid expenses	78,530	35,223
	1,453,792	1,203,882
Capital assets (Note 2)	952,381	302,868
	\$ 2,406,173	\$ 1,506,750

Liabilities and Net Assets

Current		
Accounts payable and accrued liabilities	\$ 575,434	\$ 411,725
Deferred revenue	1,605	765
	577,039	412,490
Net assets		
Reserves (Note 4)	961,340	844,102
Investment in capital assets	952,381	302,868
Unrestricted net assets (deficit)	(84,587)	(52,710)
	1,829,134	1,094,260
	\$ 2,406,173	\$ 1,506,750

On behalf of the Board:


 _____ Director


 _____ Director

**Nogdawindamin
Family and Community Services
Statement of Operations**

For the year ended March 31, 2016

	2016	2015
Revenue		
Ministry of Community and Social Services	\$ 1,942,721	\$ 1,942,721
Ministry of Community and Social Services - Youth justice	64,000	62,000
Ministry of Community and Social Services - Child welfare capacity	3,562,700	984,000
Ministry of Community and Social Services - Mental health	15,485	9,657
Ministry of Community and Social Services - Youth in transition	70,000	8,000
Foster care	2,208,343	2,188,277
Other	84,383	77,875
	7,947,632	5,272,530
Expenses		
Advertising and promotion	54,854	20,350
Automotive	87,771	89,742
Bank charges and interest	1,862	1,522
Board	22,833	23,080
Capacity development	46,258	34,276
Equipment rental	26,994	39,797
Foster care payments	937,287	873,164
Foster care appreciation	24,122	29,197
Insurance	64,165	46,203
Mental health training	19,170	14,156
Postage, stationary and office supplies	79,891	34,638
Prevention - community support	669,979	669,079
- family support	200,671	-
Professional fees	12,943	10,241
Program resources	45,997	11,295
Purchased services	106,815	55,069
Relocation	450	788
Rent	259,101	176,950
Repairs and maintenance	72,558	14,816
Salaries - staff	3,228,385	1,981,994
- on call	20,950	21,100
- benefits	515,336	369,966
Start-up	2,331	12,413
Telephone	66,335	50,061
Training and recruitment	176,860	67,364
Travel	290,306	143,420
Youth retreat	10,367	-
	7,044,591	4,790,681
Revenue over expenses before provision	903,041	481,849
Provision for:		
Amortization of capital assets	168,167	92,348
Excess of revenue over expenses	\$ 734,874	\$ 389,501

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

**Nogdawindamin
Family and Community Services
Statement of Changes in Net Assets**

	Reserves	Invested in Capital Assets	Unrestricted Net Assets	Total
Balance at March 31, 2014	\$ 566,897	\$ 179,311	\$ (41,449)	\$ 704,759
2015				
Excess (deficiency) of revenues over expenses	-	(92,348)	481,849	389,501
Capital assets acquired	-	215,905	(215,905)	-
Transfer to reserves	277,205	-	(277,205)	-
Balance at March 31, 2015	844,102	302,868	(52,710)	1,094,260
2016				
Excess (deficiency) of revenues over expenses	-	(168,167)	903,041	734,874
Capital assets acquired	-	817,680	(817,680)	-
Transfer to reserves	117,238	-	(117,238)	-
Balance at March 31, 2016	\$ 961,340	\$ 952,381	\$ (84,587)	\$ 1,829,134

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

**Nogdawindamin
Family and Community Services
Statement of Cash Flows**

For the year ended March 31, 2016	2016	2015
Cash flows from operating activities		
Excess of revenue over expenses	\$ 734,874	\$ 389,501
Item not involving cash		
Amortization of capital assets	<u>168,167</u>	92,348
	903,041	481,849
Changes in non-cash working capital balances		
Accounts receivable	40,685	(56,510)
Prepaid expenses	(43,307)	366
Accounts payable and accrued liabilities	163,709	113,433
Deferred revenue	<u>840</u>	(55)
	1,064,968	539,083
Cash flows from investing activities		
Purchase of capital assets	<u>(817,680)</u>	(215,905)
Increase in cash and cash equivalents	247,288	323,178
Cash and cash equivalents, beginning of year	<u>885,987</u>	562,809
Cash and cash equivalents, end of year	<u>\$ 1,133,275</u>	<u>\$ 885,987</u>

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

**Nogdawindamin
Family and Community Services
Notes to Financial Statements**

March 31, 2016

1. Summary of significant accounting policies

Description of Operations	The agency was incorporated without share capital in 1990 under the laws of Ontario and is engaged in providing culturally sensitive services to native children and families including being licensed for Foster Care services from the Ministry of Community and Social Services. Effective April 1, 2004 the agency is a registered charity with a tax-exempt status under paragraph 149(1)(f) of the Income Tax Act.
Basis of Accounting	These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.
Revenue Recognition	The agency follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Fund raising revenue is recognized as it is received.
Revenue Adjustments	The final amount of excess revenue over expenses made with respect to special programs is not determined until the Ministry of Community and Social Services has reviewed the Agency's financial returns. The agency accounts for any adjustment in the statement of operation in the year in which it occurs.
Capital Assets	Capital assets are recorded at cost. Amortization, based on the estimated useful life of the asset, is provided by the straight line basis over the following periods: Equipment, furniture and fixtures - 10 years Computer software - 3 years Computer hardware - 3 - 5 years Leasehold improvements - 5 years Signs - 5 years Automotive - 5 years, \$5,000 residual
Financial Instruments	Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, they are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.
Use of Estimates	The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations 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. Actual results could differ from management's best estimates as additional information becomes available in the future.

**Nogdawindamin
Family and Community Services
Notes to Financial Statements**

March 31, 2016

2. Capital assets

	2016		2015	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Signs	\$ 17,555	\$ 2,222	\$ -	\$ -
Furniture and fixtures	657,395	245,194	363,408	199,822
Computer hardware	613,177	356,788	329,602	280,532
Computer software	314,605	251,216	235,737	234,498
Leasehold improvements	25,394	6,669	6,750	3,375
Automotive	219,049	32,705	93,998	8,400
	<u>\$ 1,847,175</u>	<u>\$ 894,794</u>	<u>\$ 1,029,495</u>	<u>\$ 726,627</u>
Net book value		<u>\$ 952,381</u>		<u>\$ 302,868</u>

3. Government remittances

Included in accounts payable and accrued liabilities are the following government remittances payable:

	2016	2015
Source deductions	\$ -	\$ 5,936
Employer health tax	5,788	1,393
	<u>\$ 5,788</u>	<u>\$ 7,329</u>

4. Reserves

	2016	2015
Foster care per diem	\$ 948,978	\$ 831,740
Conference surplus	12,362	12,362
	<u>\$ 961,340</u>	<u>\$ 844,102</u>

5. Commitments

The agency has entered into various lease agreements for vehicles and building rentals for the next four years. Total commitments are as follows:

2017	\$ 408,371
2018	\$ 332,505
2019	\$ 256,595
2020	\$ 86,296

**Nogdawindamin
Family and Community Services
Notes to Financial Statements**

March 31, 2016

6. Economic dependence

Nogdawindamin has a service contract agreement with the Ministry of Community and Social Services. The funds are used by the Agency to administer its operations in accordance with the terms of the agreements.

7. Pension plan

Employees are eligible to participate in a defined contribution pension plan. Employer contributions totaled \$94,790 (2015 - \$79,296) during the current period and were fully expensed.

8. Financial instrument risk

The agency's management monitors, evaluates and manages the principal risks assumed with the financial instruments on a daily basis. The risks that arise from transacting financial instruments include credit risk and liquidity risk.

Credit risk

Credit risk arises principally from the agency's accounts receivable. The agency is exposed to credit risk resulting from the possibility that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Liquidity risk

Liquidity risk arises from the agency's management of accounts payable and other current liabilities. It is the risk that the agency will encounter difficulty in meeting its financial obligations as they fall due.

9. Comparative figures

Comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

Nogdawindamin
Family and Community Services
Schedule of Operations for Funding Purposes - Province
Schedule 1

For the year ended March 31, 2016

	Regular	Child Welfare Capacity	Youth Justice
Revenue			
Ministry of Community and Social Services	\$ 1,942,721	\$ 3,562,700	\$ 64,000
Other	62,522	15,636	-
	<u>2,005,243</u>	<u>3,578,336</u>	<u>64,000</u>
Expenses			
Advertising and promotion	35	44,762	-
Automotive	20,381	58,912	3,519
Bank charges and interest	1,862	-	-
Board and general meeting	22,833	-	-
Capacity development	-	46,258	-
Capital expenditures	12,452	781,820	-
Equipment rental and replacement	5,870	17,762	125
Insurance	35,853	27,883	-
Postage, stationary and office supplies	7,859	58,878	1,180
Prevention - Community support	669,420	-	-
Prevention - Family support	200,671	-	-
Professional fees	9,242	3,701	-
Program resources	234	33,628	-
Purchased services	28,298	59,029	100
Rent	47,674	181,073	-
Repairs and maintenance	5,683	66,642	233
Salaries - staff	721,339	1,654,656	44,887
- on call	10,575	-	-
- benefits	144,754	232,973	11,158
Telephone	19,252	30,799	710
Training and recruitment	8,604	137,150	164
Travel	54,895	174,288	5,692
	<u>2,027,786</u>	<u>3,610,214</u>	<u>67,768</u>
	(22,543)	(31,878)	(3,768)
Less change in vacation pay liability	-	31,878	-
Transfer from reserve	22,543	-	-
Transfer from Foster Care	-	-	3,768
Surplus, for the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Nogdawindamin
Family and Community Services
Schedule of Operations for Funding Purposes - Other
Schedule 2**

For the year ended March 31, 2016

	Mental Health Professional Development	Foster Care Treatment	Youth in Transition	Foster Care Per-Diem
Revenue				
Foster care	\$ -	\$ -	\$ -	\$ 2,190,533
Supervision foster care	-	-	-	17,810
Ministry of Community and Social Services	15,485	-	70,000	-
Other	3,685	-	-	2,540
	<u>19,170</u>	<u>-</u>	<u>70,000</u>	<u>2,210,883</u>
Expenses				
Advertising	-	39	-	10,018
Automotive	-	-	-	4,959
Building occupancy	-	-	-	29,829
Capital expenditures	-	6,798	2,485	14,125
Equipment rental and maintenance	-	363	-	2,874
Foster care appreciation	-	-	-	24,122
Foster care payments	-	-	-	935,641
Insurance	-	-	-	429
Materials and supplies	-	439	45	11,490
Personal needs	-	-	-	1,646
Prevention programming	-	-	559	-
Program resources	-	5,437	6,698	-
Purchased services	-	15,821	512	3,055
Relocation	-	-	-	450
Rental	1,250	525	-	-
Retreat	-	-	10,367	-
Salaries - staff	-	94,636	41,691	671,176
- on call	-	-	-	10,375
- benefits	-	18,421	2,874	105,156
Start up costs	-	319	-	2,012
Telephone	-	1,839	263	13,472
Training	17,920	3,951	806	26,185
Travel	-	11,919	3,700	39,812
	<u>19,170</u>	<u>160,507</u>	<u>70,000</u>	<u>1,906,826</u>
	-	(160,507)	-	304,057
Transfer to Youth Justice	-	-	-	(3,768)
Transfer from (to) reserve	-	160,507	-	(300,289)
Surplus, for the year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>