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**ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF
SASKATCHEWAN INC.
FINANCIAL STATEMENTS
MARCH 31, 2018**

**ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
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MARCH 31, 2018**

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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, 2018 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.

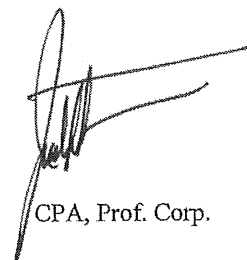
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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, 2018 and its financial performance for the year then ended, in accordance with Canadian accounting standards for non-profit organizations.

Saskatoon, Saskatchewan
June 12, 2018



CPA, Prof. Corp.

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT		
Cash (Note 3)	\$ 77,518	\$ 84,213
Accounts receivable (Note 4)	4,277	8,600
GST receivable	1,636	8,686
Prepaid expenses	<u>560</u>	<u>500</u>
	83,991	101,999
CAPITAL ASSETS (Note 5)	<u>67</u>	<u>86</u>
	<u>\$ 84,058</u>	<u>\$ 102,085</u>
LIABILITIES		
CURRENT		
Accounts payable (Note 6)	\$ 6,000	\$ 7,899
Deferred revenue (Note 7)	<u>41,109</u>	<u>32,267</u>
	<u>47,109</u>	<u>40,166</u>
NET ASSETS		
UNRESTRICTED	<u>36,949</u>	<u>61,919</u>
	<u>\$ 84,058</u>	<u>\$ 102,085</u>

APPROVED ON BEHALF OF THE BOARD

Donna Mann Director

Mary Ann Mann 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, 2018

	<u>2018</u>	<u>2017</u>
REVENUES		
INAC - Contribution (Note 8)	\$ 348,441	\$ 334,589
AFOA Sask. Conference Registrations, Sponsorships	52,360	50,807
Interest earned	398	0
Memberships	52,329	50,023
Other Revenue	<u>1,999</u>	<u>1,196</u>
	<u>455,527</u>	<u>436,615</u>
EXPENDITURES		
AFOA Canada conference	6,201	4,736
AFOA Canada partnership	0	1,799
AFOA Sask. conference expenses	9,603	1,689
Accounting and legal fees	9,801	8,408
Advertising and promotion	6,353	5,810
Amortization	19	26
Bank charges and interest	216	377
Catering	87,342	78,607
Contractors	72,827	140,994
GST Adjustment	10,337	0
Insurance	1,259	1,112
Meeting expenses	1,466	0
Memberships	343	1,566
Office and postage	4,891	4,854
Printing and binding	9,723	8,680
Rent	16,699	17,357
Telephone	3,231	3,438
Travel - board of directors	16,531	14,326
Travel - project delivery	121,937	76,505
Travel - staff	3,333	3,993
Wages and benefits	<u>98,385</u>	<u>90,620</u>
	<u>480,497</u>	<u>464,897</u>
EXCESS OF EXPENDITURES OVER REVENUES	(24,970)	(28,282)
UNRESTRICTED NET ASSETS, beginning of year	<u>61,919</u>	<u>90,201</u>
UNRESTRICTED NET ASSETS, end of year	<u>\$ 36,949</u>	<u>\$ 61,919</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, 2018

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES		
Excess of expenditures over revenues	\$ (24,970)	\$ (28,282)
Item not involving cash:		
Amortization	<u>19</u>	<u>26</u>
	(24,951)	(28,256)
Net change in non-cash working capital:		
Accounts receivable	4,323	4,075
GST	7,050	(1,221)
Prepaid expenses	(60)	(500)
Accounts payable	(1,899)	(7,748)
Deferred revenue	<u>8,842</u>	<u>(1,686)</u>
DECREASE IN CASH	(6,695)	(35,336)
CASH, beginning of year	<u>84,213</u>	<u>119,549</u>
CASH, end of year	<u>\$ 77,518</u>	<u>\$ 84,213</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, 2018

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 and Deferred Revenue

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, 2018

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - con't

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

Financial instruments, including cash, accounts receivable, investments, and accounts payable are initially recorded at their fair value and are subsequently measured at cost or amortized cost, net of any provisions for impairment.

3. CASH

Cash is represented by the following:

	2018	2017
First Nations Bank of Canada - chequing account	\$ 106,686	\$ 88,621
Cash on deposit	0	2,250
Cheques issued and outstanding	(36,499)	(13,986)
Total cash in chequings account	70,187	76,885
First Nations Bank of Canada - business investor account	7,331	7,328
	\$ 77,518	\$ 84,213

4. ACCOUNTS RECEIVABLE

	2018	2017
4 Directions	\$ 0	\$ 1,000
AFOA Canada	1,828	0
Agency Chiefs Tribal Council	0	1,400
AON	0	1,050
ATCO	1,050	0
CIBC	849	0
Deloitte	0	2,500
First Commercial brokers	0	1,050
Mistawasis	0	1,050
Peter Ballantyne Cree Nation	550	550
	\$ 4,277	\$ 8,600

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2018

5. CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2018</u>	<u>Net 2017</u>
Computer equipment	\$ 5,069	\$ 5,052	\$ 17	\$ 24
Display booth	<u>2,160</u>	<u>2,110</u>	<u>50</u>	<u>62</u>
	<u>\$ 7,229</u>	<u>\$ 7,162</u>	<u>\$ 67</u>	<u>\$ 86</u>

6. ACCOUNTS PAYABLE

	<u>2018</u>	<u>2017</u>
INAC - funding returned	\$ 0	\$ 1,999
James H. Stinn, CPA, Prof. Corp.	<u>6,000</u>	<u>5,900</u>
	<u>\$ 6,000</u>	<u>\$ 7,899</u>

7. DEFERRED REVENUE

	<u>2018</u>	<u>2017</u>
Band Manger Workshop	\$ 8,581	\$ 14,902
Financial Workshop	5,588	7,112
Human Resources Workshop	5,032	5,389
Leadership	288	98
Pension Plan Project	4,817	4,766
Proposal Writing	<u>16,303</u>	<u>0</u>
Deferred INAC funding	40,609	32,267
Deferred conference registrations	<u>500</u>	<u>0</u>
	<u>\$ 41,109</u>	<u>\$ 32,267</u>

8. FUNDING RECONCILIATION

	<u>2018</u>	<u>2017</u>
INAC funding per confirmation	<u>\$ 356,783</u>	<u>\$ 334,902</u>
INAC prior year deferred funding repayable	32,267	33,953
funding repayable	0	(1,999)
funding deferred	<u>(40,609)</u>	<u>(32,267)</u>
	<u>(8,342)</u>	<u>(313)</u>
INAC revenue per financial statements	<u>\$ 348,441</u>	<u>\$ 334,589</u>

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF SASKATCHEWAN INC.
NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31, 2018

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. COMMITMENTS

The Association has entered into a 3-year office lease commencing on May 1, 2016 and ending April 30, 2019. The base rent is \$916.67 per month with estimated occupancy costs of 554.58 per month.