
ABORIGINAL FINANCIAL OFFICERS
ASSOCIATION OF MANITOBA INC.
FINANCIAL STATEMENTS
MARCH 31, 2019

INDEPENDENT AUDITORS' REPORT

To the Members
Aboriginal Financial Officers Association of Manitoba Inc.

Opinion

We have audited the accompanying financial statements of Aboriginal Financial Officers Association of Manitoba Inc., which comprise the statement of financial position as at March 31, 2019, and the statements of operations and changes in net assets and 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 Aboriginal Financial Officers Association of Manitoba Inc. 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 not-for-profit organizations.

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 Aboriginal Financial Officers Association of Manitoba Inc. 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.

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 Aboriginal Financial Officers Association of Manitoba Inc.'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 Aboriginal Financial Officers Association of Manitoba Inc. or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Aboriginal Financial Officers Association of Manitoba Inc.'s financial reporting process.

(continued.....)

Auditors' Responsibility 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 Aboriginal Financial Officers Association of Manitoba Inc.'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 Aboriginal Financial Officers Association of Manitoba Inc.'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 Aboriginal Financial Officers Association of Manitoba Inc. 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.

Baker Tilly HMA LLP
Chartered Professional Accountants

The Pas, Manitoba
July 4, 2019

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF MANITOBA INC.

STATEMENT 1

STATEMENT OF FINANCIAL POSITION

YEAR ENDED MARCH 31

2019 2018

ASSETS

CURRENT

Cash	\$ 46,052	\$ 44,668
Accounts receivable <i>(Note 3)</i>	11,520	8,060
Prepaid expenses	<u>681</u>	<u>831</u>
	\$ <u>58,253</u>	\$ <u>53,559</u>

LIABILITIES AND NET ASSETS

CURRENT

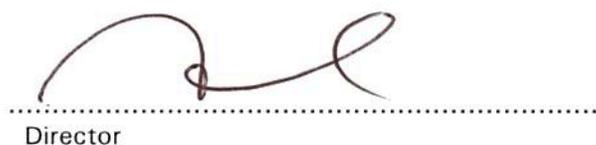
Accounts payable and accrued liabilities <i>(Note 4)</i>	\$ 3,110	\$ 4,012
Deferred revenue <i>(Note 5)</i>	<u>22,290</u>	<u>19,768</u>
	25,400	23,780

NET ASSETS

	<u>32,853</u>	<u>29,779</u>
	\$ <u>58,253</u>	\$ <u>53,559</u>

Approved on behalf of the Board


Director


Director

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF MANITOBA INC.

STATEMENT 2

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

YEAR ENDED MARCH 31

	2019	2018
REVENUE		
Membership fees	\$ 27,865	\$ 26,466
Workshop registration	54,375	31,900
Sponsorship	<u>10,600</u>	<u>16,900</u>
	<u>92,840</u>	<u>75,266</u>
EXPENSES		
Administration	1,655	4,312
Bank charges and interest	1,706	1,317
Board of directors' travel	11,643	8,571
Insurance	1,341	1,263
Marketing	3,213	256
Meeting costs	7,738	5,901
Professional fees	4,803	2,712
Workshop and annual general meeting	<u>57,667</u>	<u>41,482</u>
	<u>89,766</u>	<u>65,814</u>
NET EARNINGS FOR YEAR	3,074	9,452
NET ASSETS, <i>beginning of year</i>	<u>29,779</u>	<u>20,327</u>
NET ASSETS, <i>end of year</i>	\$ <u>32,853</u>	\$ <u>29,779</u>

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF MANITOBA INC.

STATEMENT 3

STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31

2019 2018

CASH PROVIDED BY

OPERATING ACTIVITIES

Net earnings (loss) for year	\$ 3,074	\$ 9,452
Changes in working capital accounts		
Accounts receivable	(3,460)	(3,329)
GST receivable		2,503
Prepaid expenses	150	272
Accounts payable and accrued liabilities	(902)	(4,634)
Deferred membership fees	<u>2,522</u>	<u>(109)</u>
	<u>1,384</u>	<u>4,155</u>
NET INCREASE IN CASH DURING YEAR	1,384	4,155
CASH, <i>beginning of year</i>	<u>44,668</u>	<u>40,513</u>
CASH, <i>end of year</i>	\$ <u>46,052</u>	\$ <u>44,668</u>

ABORIGINAL FINANCIAL OFFICERS ASSOCIATION OF MANITOBA INC.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2019

1. INCORPORATION AND NATURE OF ORGANIZATION

Aboriginal Financial Officers Association of Manitoba Inc. (the "Association") was incorporated under the Corporations Act of the Province of Manitoba on May 26, 2004, as a not-for-profit, non-share capital corporation. The Association is exempt of corporate income taxes under Section 149 (1) of the Income Tax Act.

The Association is committed to excellence in expanding financial management capacity for aboriginal organizations in Manitoba.

The Association's mission is to provide leadership in aboriginal financial management activities by developing and promoting education, training, information and standards to expand capacity for members and aboriginal organizations.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

CAPITAL ASSETS

Capital assets are expensed on acquisition. Capital assets held include computer equipment, computer software and web-site development costs. During the year capital assets valued at NIL were expensed (2018 - NIL)

REVENUE RECOGNITION

The Association 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 they are received or become receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets.

Membership fee revenue is recognized in the year the services have been provided. 9 out of 12 months of membership fees received to March 31, 2019 are deferred and recognized as revenue in the subsequent year. Revenue is recognized for membership fees when services have been provided and when collection of the membership fees is reasonably assured.

USE OF ESTIMATES

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires that management 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 revenue and expenses during the year. Actual results could differ from management's best estimates as additional information becomes available in the future.

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NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2019

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

FINANCIAL INSTRUMENTS

The Association has identified cash, accounts receivable, GST receivable and accounts payable and accrued liabilities as financial instruments.

The Association recognizes its financial instruments when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

The Association subsequently measures all instruments identified above at amortized cost because none of the financial instruments are investments in equity instruments quoted in an active market or derivative instruments. Transaction costs and financing fees are added to the carrying amount of these.

The Association assesses impairment of all of its financial assets measured at cost or amortized cost. When there is an indication of impairment, the Association determines whether it has resulted in a significant adverse change in the expected timing or amount of future cash flows during the year. If so, the Association reduces the carrying amount of any impaired financial assets to the highest of the present value of cash flows expected to be generated by holding the assets, the amount that could be realized by selling the assets and the amount expected to be realized by exercising any rights to collateral held against those assets. Any impairment which is not considered temporary is included in operations for the year.

3. ACCOUNTS RECEIVABLE

	2 0 1 9	2 0 1 8
AFOA Canada	\$ 2,100	\$ 4,243
Conference registrations and other	<u>9,420</u>	<u>3,817</u>
	<u>\$ 11,520</u>	<u>\$ 8,060</u>

4. ACCOUNTS PAYABLE

	2 0 1 9	2 0 1 8
Trades payables	\$ 398	\$ 1,300
Accrued liabilities	<u>2,712</u>	<u>2,712</u>
	<u>\$ 3,110</u>	<u>\$ 4,012</u>

5. DEFERRED REVENUE

The Association receives membership fees in advance for services to be provided subsequent to year end. The following amounts have been deferred:

	2 0 1 9	2 0 1 8
Individual memberships	\$ 20,040	\$ 19,768
Corporate memberships	<u>2,250</u>	<u>-</u>
	<u>\$ 22,290</u>	<u>\$ 19,768</u>