

**BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY**

**Financial Statements**

**Year Ended March 31, 2015**

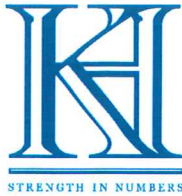
# **BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY**

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**Year Ended March 31, 2015**

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# KEMP HARVEY BURCH KIENTZ INC.

Chartered Professional Accountants

Proud Member of the Kemp Harvey Group Inc.

Burnaby • Coquitlam • Grand Forks • Kelowna • Osoyoos • Penticton • Terrace • Vernon

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## INDEPENDENT AUDITOR'S REPORT

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To the Members of Boundary Family and Individual Services Society

We have audited the accompanying financial statements of Boundary Family and Individual Services Society, which comprise the statement of financial position as at March 31, 2015 and the statements of revenues and expenses, changes in net assets and cash flow 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 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.

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

(continues)

Independent Auditor's Report to the Members of Boundary Family and Individual Services Society *(continued)*

**Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Boundary Family and Individual Services Society as at March 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**Report on other legal and regulatory requirement**

As required by the British Columbia Society Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Grand Forks, British Columbia  
September 8, 2015

*Kemp Harvey Burch Kientz Inc.*  
CHARTERED PROFESSIONAL ACCOUNTANTS

**BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY****Statement of Revenues and Expenses****Year Ended March 31, 2015**

	2015	2014
<b>REVENUES</b>		
Program funding, provincial and federal government	\$ 767,982	\$ 739,846
School District #51	248,015	258,118
Grants	121,531	114,431
Transfer from (to) deferred contributions (Note 6)	(15,684)	(44,578)
	<u>1,121,844</u>	<u>1,067,817</u>
<b>OTHER INCOME</b>		
Sublease of rented facilities	23,702	23,642
Donations	10,922	10,078
Expense recoveries	4,244	3,371
Miscellaneous and interest income	2,929	4,833
Gains (losses) on disposal of assets	(415)	-
	<u>41,382</u>	<u>41,924</u>
	<u>1,163,226</u>	<u>1,109,741</u>
<b>EXPENSES</b>		
Advertising and promotion	621	807
Amortization	29,186	29,994
Audit and legal	10,031	10,371
Bank charges	913	880
Client expenses and development	49,057	49,211
Community donations	3,740	500
Insurance	8,863	7,181
Memberships	2,231	2,189
Professional contracts and honoraria	37,427	37,049
Program supplies and resources	19,291	19,030
Rent, maintenance and occupancy costs	51,340	51,914
Staff development	22,306	21,760
Telephone	12,358	14,783
Travel	29,736	28,038
Wages and benefits	912,320	838,655
	<u>1,189,420</u>	<u>1,112,362</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES</b>	<u>\$ (26,194)</u>	<u>\$ (2,621)</u>

**BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY****Statement of Changes in Net Assets****Year Ended March 31, 2015**

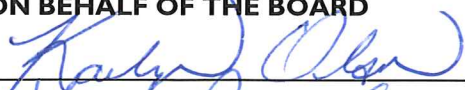

	Unrestricted	Internally restricted	Net investment in tangible capital assets	2015	2014
<b>NET ASSETS -</b>					
<b>BEGINNING OF</b>					
<b>YEAR</b>	\$ 59,035	\$ 58,381	\$ 118,764	\$ 236,180	\$ 238,801
Deficiency of revenue over expenses	(26,194)	-	-	(26,194)	(2,621)
Additions to restricted funds	(10,724)	10,724	-	-	-
Capital asset additions	(1,380)	-	1,380	-	-
Capital asset dispositions	415	-	(415)	-	-
Amortization	29,186	-	(29,186)	-	-
	-	-	-	-	-
<b>NET ASSETS - END</b>					
<b>OF YEAR</b>	\$ 50,338	\$ 69,105	\$ 90,543	\$ 209,986	\$ 236,180

**BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY****Statement of Financial Position****March 31, 2015**

	2015	2014
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 365,397	\$ 610,349
Term deposits (Note 3)	360,443	100,462
Accounts receivable	15,796	19,123
Goods and services tax recoverable	4,474	2,569
Prepaid expenses	4,205	5,993
	<b>750,315</b>	<b>738,496</b>
TANGIBLE CAPITAL ASSETS (Notes 2, 4)	<b>90,543</b>	<b>118,765</b>
	<b>\$ 840,858</b>	<b>\$ 857,261</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 31,467	\$ 43,627
Wages payable	34,808	26,403
Employee deductions payable	21,234	23,390
Deferred revenues (Note 5)	22,400	22,400
	<b>109,909</b>	<b>115,820</b>
DEFERRED CONTRIBUTIONS (Note 6)	<b>520,963</b>	<b>505,261</b>
	<b>630,872</b>	<b>621,081</b>
<b>NET ASSETS</b>		
Unrestricted	<b>50,338</b>	<b>59,035</b>
Internally restricted (Notes 2, 7)	<b>69,105</b>	<b>58,381</b>
Net investment in tangible capital assets (Note 2)	<b>90,543</b>	<b>118,764</b>
	<b>209,986</b>	<b>236,180</b>
	<b>\$ 840,858</b>	<b>\$ 857,261</b>

LEASE COMMITMENT (Note 8)

**ON BEHALF OF THE BOARD**

 Director  
 Director

See accompanying notes to financial statements

**BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY****Statement of Cash Flow****Year Ended March 31, 2015**

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Cash receipts from contributions and funding	\$ 1,164,234	\$ 1,100,211
Cash paid to suppliers and employees	(1,164,357)	(1,091,018)
Interest received	2,735	967
Goods and services tax	(1,905)	7,990
Cash flow from operating activities	707	18,150
<b>INVESTING ACTIVITY</b>		
Additions to tangible capital assets	(1,380)	(17,361)
<b>FINANCING ACTIVITY</b>		
Reserves	15,702	46,264
<b>INCREASE IN CASH FLOW</b>	15,029	47,053
Cash - beginning of year	710,811	663,758
<b>CASH - END OF YEAR</b>	\$ 725,840	\$ 710,811
<b>CASH CONSISTS OF:</b>		
Cash	\$ 365,397	\$ 610,349
Term deposits	360,443	100,462
	\$ 725,840	\$ 710,811



# BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY

## Notes to Financial Statements

Year Ended March 31, 2015

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### 1. PURPOSE OF THE SOCIETY

Boundary Family and Individual Services Society (the "Society") is a not-for-profit organization incorporated under the Societies Act of British Columbia. As a registered charity the Society is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Society operates to provide services that promote healthy families and healthy communities in the Boundary area.

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### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of presentation

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO).

#### Measurement uncertainty

Certain amounts in the financial statements are subject to measurement uncertainty and are based on the Society's best information and judgment. Actual results could differ from these estimates.

Examples of significant estimates include:

- providing for amortization of tangible capital assets;
- the estimated useful lives of assets;
- the recoverability of tangible assets;
- certain and economic assumptions used in determining the accumulation of the accrued sick pay obligation.

#### Revenue recognition

Boundary Family and Individual Services Society follows the deferral method of accounting for contributions.

Restricted contributions made for a specific purpose are recognized as revenue in the year in which the related expenses are incurred. The unexpended portion is recorded as a deferred contribution.

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.

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## BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY

### Notes to Financial Statements

Year Ended March 31, 2015

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a straight-line basis at the following rates and methods:

Furniture and equipment	6 years
Computer equipment	10 years
Leasehold improvements	10 years

The Society regularly reviews its tangible capital assets to eliminate obsolete items.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

##### Contributed services

The operations of the organization depend on the contribution of time by volunteers. The fair value of donated services cannot be reasonably determined and is therefore not reflected in these financial statements.

#### 3. TERM DEPOSITS

	2015	2014
Non-redeemable, interest earned at 1.35%, 1 year term, maturing August 21, 2015	\$ 50,000	\$ -
Non-redeemable, interest earned at 1.25%, 1 year term maturing October 29, 2015	155,222	-
Non-redeemable, interest earned at 1.4%, 2 year term maturing October 29, 2016	155,221	-
Matured October 18, 2014	-	65,075
Matured October 29, 2014	-	31,097
	<b>360,443</b>	96,172
Accrued interest on term deposits	-	4,290
	<b>\$ 360,443</b>	<b>\$ 100,462</b>

Term deposits are held at the Grand Forks Credit Union

#### 4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2015 Net book value	2014 Net book value
Furniture and equipment	\$ 141,504	\$ 108,063	\$ 33,441	\$ 38,682
Computer equipment	13,311	10,734	2,577	5,826
Leasehold improvements	250,510	195,985	54,525	74,257
	<b>\$ 405,325</b>	<b>\$ 314,782</b>	<b>\$ 90,543</b>	<b>\$ 118,765</b>

## BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY

### Notes to Financial Statements

Year Ended March 31, 2015

#### 5. DEFERRED REVENUES

The deferred revenues consists of a grant received from the Province of BC, Direct access to gaming program which is intended for the year April 1, 2015 to March 31, 2016.

#### 6. DEFERRED CONTRIBUTIONS

	2015	2014
Tangible capital assets acquisitions and improvements	\$ 31,017	\$ 16,743
Counselling and support services for children, youth and families	62,598	50,170
Early years development and capacity building	31,951	39,806
Early years services	67,309	67,256
Family resource centre operations	116,270	141,444
Integrated services	60,483	46,849
Pregnancy outreach and community action plan for children's services	17,515	8,129
Services for aboriginal children and families	12,594	13,040
Services for children and youth with disabilities	34,019	33,322
Services for youth	33,782	35,317
Services for victims and prevention of violence against women and children	29,542	29,321
Sick pay accrual	23,883	23,864
	<u>\$ 520,963</u>	<u>\$ 505,261</u>

#### 7. INTERNALLY RESTRICTED NET ASSETS

	2015	2014
Accreditation	\$ 532	\$ -
Administration	2,327	4,070
Family Centre insurance	5,893	5,893
Information technology	5,500	-
Legal reserves	29,629	24,629
Personal damage	2,370	2,370
Professional development	13,120	11,419
Succession planning	9,734	10,000
	<u>\$ 69,105</u>	<u>\$ 58,381</u>

Internally restricted net assets are funds which have been designated for a specific purpose by the organization's Board of Directors.

#### 8. LEASE COMMITMENT

The Society has a long term lease with respect to its location at the Glanville Centre, Grand Forks BC until June 30, 2017 in the amount of \$26,800 annually, including utilities. The lease does not contain any option to renew. Upon written delivered request to the Landlord at least three month's prior to the expiry of the Term, the Landlord may consider renewing the lease on terms and conditions to be negotiated.

## **BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY**

### **Notes to Financial Statements**

**Year Ended March 31, 2015**

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#### **9. FINANCIAL INSTRUMENTS**

The Society is exposed to various risks through its financial instruments. The following analysis provides information about the Society's risk exposure and concentration as of March 31, 2015.

##### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is exposed to this risk mainly in respect of its receipt of funds from its funders and accounts payable.

##### **Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Society manages exposure through by varying the length of its term deposits.

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#### **10. COMPARATIVE FIGURES**

Some of the comparative figures have been reclassified to conform to the current year's presentation.

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# BOUNDARY FAMILY AND INDIVIDUAL SERVICES SOCIETY

## Five Year Statement of Revenues and Expenses

Year Ended March 31, 2015

(Schedule I)

	2015	2014	2013	2012	2011
<b>REVENUES</b>					
Provincial and federal government	\$ 767,982	\$ 739,846	\$ 836,385	\$ 851,149	\$ 866,235
School District #51	248,015	258,118	251,703	184,507	157,494
Grants	121,531	114,431	82,704	89,379	126,218
Transfers from (to) deferred contributions	(15,684)	(44,578)	(64,609)	13,278	(26,335)
	<b>1,121,844</b>	<b>1,067,817</b>	<b>1,106,183</b>	<b>1,138,313</b>	<b>1,123,612</b>
<b>OTHER INCOME</b>					
Sublease of rented facilities	23,702	23,642	24,002	23,642	21,347
Donations	10,922	10,078	13,743	9,146	8,602
Expense recoveries	4,244	3,371	7,068	5,219	1,250
Miscellaneous and interest income	2,929	4,833	5,800	4,890	2,302
Gains (losses) on disposal of assets	(415)	-	-	-	-
	<b>41,382</b>	<b>41,924</b>	<b>50,613</b>	<b>42,897</b>	<b>33,501</b>
<b>EXPENSES</b>					
Advertising and promotion	621	807	1,560	2,030	2,173
Amortization	29,186	29,994	26,385	25,079	46,159
Audit and legal	10,031	10,371	9,590	11,963	9,500
Client expenses and development	49,057	49,211	44,293	35,207	43,374
Community donations	3,740	500	-	100	4,147
Insurance	8,863	7,181	6,850	6,849	6,197
Memberships	2,231	2,189	2,152	464	1,619
Professional contracts and honoraria	37,427	37,049	42,727	51,960	49,147
Program supplies and resources	19,291	19,030	19,513	17,903	22,452
Rent, maintenance and occupancy costs	51,340	51,914	51,353	50,502	52,856
Staff development	22,306	21,760	26,955	16,662	19,572
Telephone	12,358	14,783	28,141	24,818	26,616
Travel	29,736	28,038	27,373	29,429	21,971
Wages and benefits	912,320	838,655	875,761	904,223	905,832
	<b>1,188,507</b>	<b>1,111,482</b>	<b>1,162,653</b>	<b>1,177,189</b>	<b>1,211,615</b>
<b>INCOME (LOSS) FROM OPERATIONS</b>	<b>\$ (25,281)</b>	<b>\$ (1,741)</b>	<b>\$ (5,857)</b>	<b>\$ 4,021</b>	<b>\$ (54,502)</b>

See accompanying notes to financial statements