

KUNUWANIMANO CHILD & FAMILY SERVICES
Financial Statements
Year Ended March 31, 2008

KUNUWANIMANO CHILD & FAMILY SERVICES

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Year Ended March 31, 2008

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AUDITORS' REPORT

To the Board of Directors of Kuuwanimano Child & Family Services

We have audited the statement of financial position of Kuuwanimano Child & Family Services as at March 31, 2008 and the statements of consolidated revenues and expenditures, changes in net assets - unrestricted fund and cash flows for the year then ended. These financial statements have been prepared to comply with the annual service contract agreements dated November 28, 2007 with the Ministry of Children & Youth Services. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Board to comply with funding requirements. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

Ross, Pope & Company

Timmins, Ontario
July 21, 2008

Ross, Pope & Company
Chartered Accountants
Licensed Public Accountants

KUNUWANIMANO CHILD & FAMILY SERVICES**Statement of Financial Position**

March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	\$ 84,704	\$ -
Accounts receivable	173,016	133,701
Goods and services tax recoverable	25,598	18,120
Prepaid expenses	8,952	14,505
	292,270	166,326
CAPITAL ASSETS (Note 2)	271,794	251,709
	\$ 564,064	\$ 418,035
LIABILITIES AND NET ASSETS		
CURRENT		
Bank indebtedness	\$ -	\$ 36,732
Bank loan	-	60,000
Accounts payable and accrued liabilities	187,487	164,821
Deferred revenue (Note 3)	155,626	-
	343,113	261,553
NET ASSETS		
EQUITY IN CAPITAL ASSETS (Note 2)	271,794	251,709
UNRESTRICTED FUND	(50,843)	(95,227)
	220,951	156,482
	\$ 564,064	\$ 418,035

CONTINGENCY (Note 6)

Approved by

Director_____
Director

See accompanying notes.

KUNUWANIMANO CHILD & FAMILY SERVICES**Statement of Consolidated Revenue and Expenses****Year Ended March 31, 2008**

	2008	2007
REVENUE		
Ministry of Children & Youth Services (MCYS)	\$ 2,421,314	\$ 1,710,520
Child & Family Services	290,356	210,556
Expenditure recoveries	5,300	13,658
Interest and other revenue	10,249	3,499
	2,727,219	1,938,233
Deferred revenue, ending	(155,626)	-
	2,571,593	1,938,233
EXPENSES		
Advertising and promotion	9,289	11,718
Annual general meeting	3,151	15,704
Board travel and training	49,870	46,383
Equipment leasing	28,329	26,517
Equipment purchases and technology	105,989	25,145
Family Support Worker program	797	45,268
Insurance	29,191	18,465
Office supplies	35,537	40,620
Professional fees	328,873	250,416
Program costs	218,581	125,055
Recruitment	19,396	9,643
Rent	146,161	140,238
Telephone	56,071	47,026
Training and resource materials	4,151	23,834
Travel	147,590	141,427
Wages and benefits	1,344,233	1,023,448
	2,527,209	1,990,907
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ 44,384	\$ (52,674)

KUNUWANIMANO CHILD & FAMILY SERVICES

Statement of Changes in Net Assets - Unrestricted Fund

Year Ended March 31, 2008

	MCYS	OTHER	2008	2007
NET ASSETS - BEGINNING OF YEAR	\$ 138,690	\$ (43,464)	\$ (95,227)	\$ (42,553)
Current year excess (deficiency)	17,996	26,388	44,384	(52,674)
NET ASSETS - END OF YEAR	\$ 156,686	\$ (17,076)	\$ (50,843)	\$ (95,227)

CURRENT YEAR'S DEFICIENCY IS ALLOCATED AS FOLLOWS:

	2008	2007
Ministry of Children & Youth Services (MCYS)	\$ 17,996	\$ (44,228)
Customary / Foster Care Program	26,388	12,485
Capacity Development Program - MCYS	-	(20,931)
	\$ 44,384	\$ (52,674)

KUNUWANIMANO CHILD & FAMILY SERVICES**Statement of Cash Flows****Year Ended March 31, 2008**

	2008	2007
SOURCE OF CASH		
Ministry of Children & Youth Services (MCYS)	\$ 2,232,314	\$ 1,710,520
Other receipts	280,709	210,556
Interest and other revenue	19,897	3,499
	2,532,920	1,924,575
USE OF CASH		
Wages and benefits	(1,345,774)	(1,001,232)
Other operating expenses	(1,045,625)	(1,129,573)
Purchase of capital assets	(20,085)	(4,835)
	(2,411,484)	(2,135,640)
NET CHANGE IN CASH	121,436	(211,065)
Cash (deficiency), beginning of year	(36,732)	174,333
CASH (DEFICIENCY) - END OF YEAR	\$ 84,704	\$ (36,732)
CASH (DEFICIENCY) CONSISTS OF:		
Cash	\$ 84,704	\$ -
Bank indebtedness	-	(36,732)
	\$ 84,704	\$ (36,732)

KUNUWANIMANO CHILD & FAMILY SERVICES

Notes to Financial Statements

Year Ended March 31, 2008

1. NATURE OF ORGANIZATION

Kunuwanimano Child & Family Services, incorporated by letters patent under the Canada Corporations Act without share capital as a non-profit organization, administers funds and performs services as contracted with various funding bodies pursuant to the terms and conditions of the applicable contribution agreements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with policies prescribed by the Ministry of Children & Youth Services (MCYS). These financial statements differ from Canadian generally accepted accounting principles with respect to capital assets and amortization thereon.

Revenue recognition

- a) Grants are recognized pursuant to the terms of the agreements.
- b) Revenue derived from purchased services is recorded at the time the service is rendered, or recorded as income on a straight-line basis over the term of the contract.

Capital assets / Equity in capital assets

Capital assets are recorded as current period expenses in the year of acquisition, pursuant to the applicable operating agreements. Capital assets are recorded at cost and an equivalent provision for equity in capital assets is provided for on the statement of financial position. No amortization has been taken.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates include allocation of expenses, in reference to the approved budgets submitted to various funding agencies. Actual results could differ from these estimates.

3. DEFERRED REVENUE

Pursuant to Service Agreements, any eligible unspent revenues in certain programs for which funding has been received but not fully expended are deferred until the subsequent year at which time such funds will be used for the purposes intended. The breakdown is as follows:

	2008	2007
Capacity Development Program	\$ 155,626	\$ -

KUNUWANIMANO CHILD & FAMILY SERVICES

Notes to Financial Statements

Year Ended March 31, 2008

4. COMMITMENTS

Under the terms of various contracts and leases, the Organization is committed to make minimum payments as follows:

Vehicle: One vehicle is leased at \$638 per month, expiring October 2009; two vehicles are leased at \$841 per month, expiring March 2010.

Computer software: Monthly payments of \$2,554 for the Penlieu license fee, payable until the program is no longer used by the Organization.

Office equipment: Various rates and terms.

5. ECONOMIC DEPENDENCE

The Organization receives approximately 90% of its revenue from the Ministry of Children & Youth Services. The continuation of this Organization is dependent on this funding.

6. CONTINGENCY

The Organization has been named in claims. As the probable outcomes are not determinable at this time, the amount of settlements, if any, will be reflected in the accounts when the matter is resolved.

7. FINANCIAL INSTRUMENTS

The Organization's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

8. COMPARATIVE FIGURES

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

KUNUWANIMANO CHILD & FAMILY SERVICES**Schedule of Core and Family Support Worker Programs****(Schedule 1)****Year Ended March 31**

	2008	2007
REVENUE		
Ministry of Children & Youth Services (MCYS)	\$ 1,351,314	\$ 1,258,576
Expenditure recoveries	5,300	13,658
MCYS - Other funding	-	104,944
Interest	-	1,183
	1,356,614	1,378,361
EXPENSES		
Advertising and promotion	6,029	4,579
Equipment leasing	11,225	11,611
Equipment purchases and technology	43,966	4,708
Family Support Worker program	797	45,268
Insurance	15,219	5,250
Office supplies and general	26,719	26,421
Professional fees	67,260	54,842
Program cost	32,535	15,702
Recruitment	10,739	7,366
Rent	85,662	87,059
Telephone	43,684	38,815
Training and resource material	2,470	5,827
Travel	57,637	59,463
Wages and benefits	735,711	738,332
Allocated central administrative (Schedule 5)	198,965	317,347
	1,338,618	1,422,590
EXCESS (DEFICIENCY) OF EXPENSES OVER REVENUE	\$ 17,996	\$ (44,229)

KUNUWANIMANO CHILD & FAMILY SERVICES**Schedule of Customary / Foster Care Program****(Schedule 2)****Year Ended March 31, 2008**

	2008	2007
REVENUE		
Child & Family Services of Timmins and District	\$ 84,189	\$ 96,358
Child & Family Services of Sudbury and Manitoulin	111,420	114,198
Sudbury Child & Family Services	94,747	-
Other revenue	10,249	2,316
	300,605	212,872
EXPENSES		
Advertising and promotion	-	2,665
Equipment purchases and technology	503	-
Insurance	6,962	5,953
Office supplies and general	802	399
Program costs	143,478	94,258
Rent	12,289	13,189
Telephone	3,812	1,356
Training	892	531
Travel	6,576	3,108
Wages and benefits	98,903	78,731
	274,217	200,190
EXCESS OF REVENUE OVER EXPENSES	\$ 26,388	\$ 12,682

KUNUWANIMANO CHILD & FAMILY SERVICES

Schedule of Capacity Development

(Schedule 3)

Year Ended March 31, 2008

	2008	2007
REVENUE		
Ministry of Children & Youth Services (MCYS)	\$ 1,000,000	\$ 277,000
Deferred revenue (<i>Note 3</i>)	(155,626)	-
	844,374	277,000
EXPENSES		
Advertising and promotion	3,259	4,475
Board travel and training	32,425	5,313
Equipment leasing	12,521	9,929
Equipment purchases and technology	54,201	19,553
Insurance	3,074	2,929
Office supplies	2,220	5,250
Professional fees	226,270	135,630
Program costs	41,810	14,236
Recruitment	8,657	-
Rent	42,509	26,511
Telephone	6,540	3,478
Training	326	13,521
Travel and meals	64,458	35,807
Wages and benefits	346,104	21,298
	844,374	297,930
DEFICIENCY OF EXPENSES OVER REVENUE	\$ -	\$ (20,930)

KUNUWANIMANO CHILD & FAMILY SERVICES**Schedule of Re-integration Workers****(Schedule 4)****Year Ended March 31, 2008**

	2008	2007
REVENUE		
Ministry of Children & Youth Services (MCYS)	\$ 70,000	\$ 70,000
EXPENSES		
Equipment leasing	4,582	4,977
Equipment purchases and technology	2,536	884
Insurance	2,160	2,672
Office supplies	1,596	791
Professional fees	-	2,941
Program costs	568	-
Recruitment	-	2,276
Rent	3,600	3,600
Telephone	2,036	924
Training	25	308
Travel	8,840	11,486
Wages and benefits	42,677	35,507
Allocated central administrative (Schedule 5)	1,380	3,634
	70,000	70,000
INCOME FROM OPERATIONS	\$ -	\$ -

KUNUWANIMANO CHILD & FAMILY SERVICES**Schedule of Allocated Central Administration Costs****(Schedule 5)****Year Ended March 31, 2008**

	2008	2007
EXPENSES		
Annual general meeting	\$ 3,151	\$ 15,704
Board travel and training	17,446	41,070
Equipment purchases	4,783	-
Food services	190	859
Insurance	1,775	1,464
Office supplies and general	4,200	7,759
Professional fees	35,344	57,004
Rent	2,101	9,878
Telephone	-	2,454
Training	438	3,646
Travel	10,080	31,562
Wages and benefits	120,837	149,581
	\$ 200,345	\$ 320,981

	2008	2007
PROGRAM ALLOCATIONS:		
Core and Family Support Worker	\$ 198,965	\$ 317,347
Re-Integration Worker	1,380	3,634
	\$ 200,345	\$ 320,981