

**STATEMENT OF FINANCIAL INFORMATION
REQUIRED UNDER THE
*FINANCIAL INFORMATION ACT***

MARCH 31, 2008

Fraser Region Interim Aboriginal Authority

STATEMENT OF FINANCIAL INFORMATION

Required under the Financial Information Act

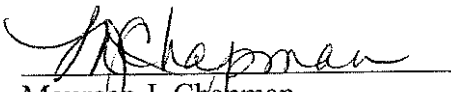
March 31, 2008

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Fraser Region Interim Aboriginal Authority
Statement of Financial Information Approval

The undersigned represents the Board of Directors of the Fraser Region Interim Aboriginal Authority and approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.


Maureen J. Chapman
Chair
Date

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 9

FRASER REGION INTERIM ABORIGINAL AUTHORITY MANAGEMENT REPORT

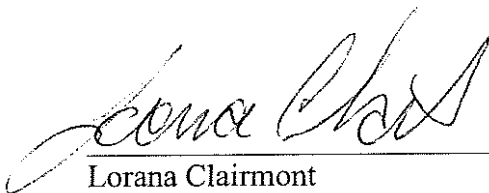
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls and exercises this responsibility through the Executive Committee. The Executive Committee meets with management once a month.

The external auditors, Auditor General, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the schedules and statements required by the Act. Their examination includes a review and evaluation of the Fraser Region Interim Aboriginal Authority systems of internal controls and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the Board of Directors.


On behalf of Fraser Region Interim Aboriginal Authority



Lorana Clairmont
Finance Manager

Date

Oct 26/08



Darin Park
Executive Director

Date

Oct 26/08

FRASER REGION INTERIM ABORIGINAL AUTHORITY
STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2008

ASSETS

CURRENT ASSETS	
Cash	\$ 723,346
Accounts receivable (Note 3)	26,607
Prepaid expenses	1,667
	751,620
CAPITAL ASSETS (Note 4)	272,775
TOTAL ASSETS	\$ 1,024,395

LIABILITIES AND NET ASSETS

LIABILITIES

CURRENT LIABILITIES

Accounts payable (Note 5)	\$ 160,099
Deferred Capital Contributions (Note 7)	216,268
	376,367

NET ASSETS

INVESTED IN CAPITAL ASSETS	56,508
UNRESTRICTED	591,520
	648,028
TOTAL LIABILITIES AND NET ASSETS	\$ 1,024,395

The accompanying notes are an integral part of these statements.

FRASER REGION INTERIM ABORIGINAL AUTHORITY
STATEMENT OF OPERATION
FOR THE SEVEN AND HALF MONTH PERIOD ENDED MARCH 31, 2008

REVENUES

Contribution:

Ministry of Child and Family Development	\$ 812,500
Amortization of Deferred Capital Contributions	38,533
Interest Income	16,940

867,973

EXPENDITURES

Amortization	46,520
Building and occupancy	93,876
Communications	29,405
Computer Systems rental	26,826
Consultants and contractors	117,045
Honoraria	67,350
Meetings	23,826
Office, telephone, and equipment	17,602
Professional fees	36,504
Public Relations	25,933
Training	12,945
Travel- Board and members	22,704
Travel- Staff and contractors	20,399
Employee compensation and benefits	337,323

878,258

DEFICIENCIES OF REVENUES OVER EXPENSES \$ (10,285)

The accompanying notes are an integral part of these statements.

Fraser Region Interim Aboriginal Authority
 STATEMENT OF CHANGES IN NET ASSETS
 FOR THE SEVEN AND HALF MONTHS PERIOD ENDED
 MARCH 31, 2008

	Invested in Capital Assets	Unrestricted	2008
Net assets, beginning of period			
ADD (DEDUCT):			
Net assets transferred from the Fraser Region Aboriginal Planning Committee (NOTE 5)	\$ 43,466	\$ 631,927	\$ 675,393
Correction to Net Asset Transferred	\$ 1,535	\$ (18,615)	\$ (17,080)
<u>Adjustment net assets transferred</u>	<u>\$ 45,001</u>	<u>\$ 613,312</u>	<u>\$ 658,313</u>
Deficiency of revenues over Expenses		\$ (10,258)	\$ (10,258)
Purchase of capital assets	\$19,495	\$ (19,495)	
Amortization of capital assets Net deferred capital Contribution	\$(7,988)	\$7,988	
NET ASSETS, END OF PERIOD	\$ 56,508	\$591,520	\$ 648,028

FRASER REGION INTERIM ABORIGINAL AUTHORITY
STATEMENT OF CASH FLOWS
For the seven and half months period ended March 31, 2008

	2008
CASH PROVIDED BY (USED IN):	
OPERATING ACTIVITIES	
deficiency of revenues over expenses	\$ (10,285)
Add: items not involving cash:	
Adjustment to opening net assets	(18,615)
Amortization	46,520
	17,620
Changes in non-cash working capital	
Accounts receivable	(26,607)
Prepaid expenses	(1,667)
Accounts payable	160,099
	149,445
INVESTING ACTIVITIES	
Deferred capital contribution	216,268
Purchase of capital assets	(19,495)
	196,773
Transfer of Assets from FRAPC (Note 6)	
Transfer of cash	619,790
Transfer of net working capital	(242,662)
	377,128
NET INCREASE (DECREASE) IN CASH	723,346
CASH, BEGINNING OF PERIOD	-
CASH, END OF PERIOD	\$ 723,346

**FRASER REGION INTERIM ABORIGINAL AUTHORITY
NOTES TO THE FINANCIAL STATEMENTS**

For the seven and half months period ended March 31, 2008

1. AUTHORITY AND PURPOSE

Fraser Region Interim Aboriginal Authority ("the Interim Authority") is a Crown Agency of the Province of British Columbia. The Interim Authority was established on August 15, 2007 under the Community Services Interim Authority Act. The Interim Authority has all powers, duties and responsibilities granted to an Interim Authority under the Act.

The Interim Authority operates as a continuation of the Fraser Region Aboriginal Planning Committee ("FRAPC"). The mandate of the Interim Authority is to prepare for a phased in transfer of resources and authority from the Ministry of Children and Family Development ("MCFD") to a new entity. This entity has been referred to as an Aboriginal Authority; its actual structure has yet to be determined.

The Interim Authority is principally funded by the Province of British Columbia through MCFD.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

(b) Revenue Recognition

The Interim Authority follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted operating contributions are recognized as revenue in the year in which the related expenses are incurred. Contributions externally restricted for the purchase of capital assets are deferred and amortized into revenue on the same basis as the related capital assets are amortized.

Contributed materials and services are recognized where a fair value can be reasonably estimated; the materials and services are used in the normal course of business; and would otherwise have been purchased.

Contributions that are internally restricted are recorded as a separate component of the net assets.

(c) Capital assets

Capital assets are recorded at cost. Amortization is calculated on a straight-line basis over the assets' estimated useful lives or lease term at the following rates:

Asset	Rate
Leasehold improvements	Lease term to a maximum of 5 years
Furniture and equipment	5 years

Assets acquired under capital lease are amortized over the lesser of the estimated life of the asset and the lease term.

In the year of acquisition, the above rates are reduced by one-half.

(d) Use of Estimates and 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 amounts in the financial statements.

Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Uncertainty exists whenever estimates are used because it is reasonably possible that there could be a difference between the recognized amount and another reasonably possible amount. Significant areas requiring the use of management estimates include the carrying value of assets and amortization of capital assets.

(e) Financial Instruments

Section 3855 of the CICA Handbook *Financial Instruments – Recognition and Measurement* establishes for recognizing and measuring financial instruments including financial assets, financial liabilities and non-financial derivatives. Financial instruments are to be classified either as held-for-trading, held-to-maturity, loans and receivables, available-for-sale, or other financial liabilities. Regardless of classification, financial instruments are required to be measured at fair value on initial recognition except for certain related party transactions.

After initial recognition, measurement of a financial instrument will depend on its classification. Held-for-trading financial instruments are subsequently measured at fair value and changes in fair value are recognized immediately in net income. Financial instruments classified as held-to-maturity, loans and receivables and other financial liabilities are subsequently measured at amortized cost using the effective interest rate method of amortization.

The Interim Authority has classified its financial instruments as follows:

- Cash and cash equivalents are classified as held-for-trading.
- Accounts receivable are classified as loans and receivables.
- Accounts payable and accrual liabilities are classified as other financial liabilities.

The carrying value of cash approximates its fair values. The carry value of accounts receivable and accounts payable and accrual approximates its amortized cost.

3. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	2008
Due from ANTCO	\$ 12,800
GST receivable	10,013
Due from MCFD	523
Salary recovery	2,271
Rental recovery	500
Employee advance	500
Total accounts receivable	\$ 26,607

GST is recoverable at a rate of 50% for eligible expenditures.

4. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2008
Office furniture	\$ 73,187	\$ 16,679	\$ 56,508
Leasehold improvements	308,260	91,993	216,267
	\$ 381,447	\$ 108,672	\$ 272,775

5. **ACCOUNTS PAYABLE AND ACCRUAL**

Accounts payable consist of the following:

	2008
Accrued payroll and benefits	\$ 52,890
IT systems rental payable to Ministry of Children and Families Development	42,923
Professional fees	29,500
Consulting fee	16,721
Other trade payable	18,065
Total accounts payable	\$160,099

6. **TRANSFER OF ASSETS AND LIABILITIES FROM THE FRASER REGION
ABORIGINAL PLANNING COMMITTEE (FRAPC)**

The assets and liabilities of the FRAPC were transferred to the Interim Authority on August 15, 2007. Assets and liabilities have been recorded at their carrying value at the time of transfer. Capital assets have been recorded at their original cost and accumulated amortization at the date of transfer. The following assets and liabilities were transferred:

	2008
Assets	
Cash	\$ 619,790
Accounts receivable	431,662
Prepaid expenses	4,792
Capital Assets (net)	
Leasehold improvements	254,800
Office furniture	43,466
Liabilities	
Accounts payable	424,317
Deferred capital contribution	254,800
Net assets before adjustments	675,393
Subtract: net adjustments	(17,080)
Net assets transferred	\$ 658,313

Net adjustments were allocation of expenses to the appropriate period of operations.

Per MCFD instruction, this net assets transferred from FRAPC is to form part of the 2008-09 funding for the Interim Authority.

7. DEFERRED CAPITAL CONTRIBUTIONS

Deferred capital contributions related to capital assets, represent restricted contributions with which the committee's leasehold improvements were originally purchased. The amount amortized to revenue during the period was \$38,533.

8. COMMITMENTS AND CONTINGENCIES

(a) Operating Lease commitments: As at March 31, 2008 the Interim Authority is committed to the lease of its office building which expires on January 31, 2012. The lease obligations over the next 4 years are as follows:

2009	154,832
2010	157,649
2011	160,551
2012	135,886

(b) Litigation and claims:

There is litigation pending and management has estimated the potential liability and the amount is accrued in the accounts payable.

9. RELATED PARTY TRANSACTIONS

The Interim Authority is related through common ownership to all Province of British Columbia ministries, agencies, school districts, health authorities, colleges, universities and crown corporations. Transactions with these entities, unless disclosed separately are generally considered to be in the normal course of operations and are recorded at the exchange amount.

MCFD provides information technology support to the Interim Authority. The costs associated with these services for the period ended March 31, 2008 were approximately \$ 27,000.

In addition the Interim Authority is related to other entities through members of the Board of Directors. The amounts of related party transactions included within expenditures are as follows:

Related Vendors	Total
Tsawwassen First Nation	\$ 8,026
Ruby Creek Art Galley	1,670
Skawahlook First Nation	2,836
You've Been Framed	<u>655</u>
	<u>\$13,186</u>

10. ECONOMIC DEPENDENCE


Operations of the Interim Authority are dependent on continue funding from MCFD to carry out its program. These financial statements have been prepared in accordance with Canadian GAAP for not-for-profit organizations. This contemplates continuation of the Interim Authority as a 'going concern'.

11. COMPARATIVE FIGURES

The Interim Authority commenced operations on August 15, 2007 and accordingly, no comparative figures are presented in these financial statements.

Fraser Region Interim Aboriginal Authority
Schedule of Debts

See Note 8 of the Financial Statements – Commitments and Contingencies



Darin Park
Executive Director
Date

Oct 26/08

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 4 (3), (4)

FRASER REGION INTERIM ABORIGINAL AUTHORITY
SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The Fraser Region Interim Aboriginal Authority has not given any guarantees or indemnities under the Guarantees and Indemnities Regulation.



Darin Park
Executive Director

Date

Oct 26/08

Prepared pursuant to the Financial Information Regulation, Schedule 1, section 5

Fraser Region Interim Aboriginal Authority
 Schedule of Employee Remuneration and expenses
 FOR THE SEVEN AND HALF MONTHS PERIOD ENDED MARCH 31, 2008

Member of the Board of Directors			
Name	Position	Remuneration	Expenses
There are no employees or Board members who have received more than the prescribed amount as outlined in the <i>Financial Information Act</i>			

Employees			
Name	Position	Remuneration	Expenses
Total employees with remuneration over \$75,000.00		\$ 0	\$ 0
Other employees with remuneration under \$75,000.00		<u>\$ 267,425</u>	<u>\$ 18,958.</u>
Other Salary Costs		\$ <u>69,898</u>	
Total, all Employees		<u>\$ 337,323</u>	

Other Salary costs are: bank time, sick time, holidays, and employer's portion of benefits



 Darin Park
 Executive Director

Date

Oct 26/08

Fraser Region Interim Aboriginal Authority
Schedule of Severance Agreements

There were **no** severance agreements made between Fraser Region Interim Aboriginal Authority and its non-unionized employees during fiscal year 2007/2008.



Darin Park
Executive Director
Date

Oct 26/08

Fraser Region Interim Aboriginal Authority
Schedule of payments to suppliers of goods and services
FOR THE SEVEN AND HALF MONTHS PERIOD ENDED MARCH 31, 2008

<u>Suppliers</u>	<u>Amount</u>
Capital Ideas Consulting	\$ 54,250.00
Rees Family Services	\$ 57,390.00
Ministry of Finances	<u>\$ 26,826.00</u>
Total Paid	<u>\$ 138,466.00</u>
Amounts paid \$25,000.00 or less	<u>\$ 152,215.00</u>
Total	<u>\$ 290,681.00</u>

This schedule is not directly reconcilable to the financial statements, due to different classifications in balance sheet items as well as expenditures.


Darin Park
Executive Director
Date

Oct 26/08