

# **F.P.S.S. Foster Parent Support Services Society**

Financial Statements

For the Year Ended March 31, 2022

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DRAFT 8.11.22

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

### **To the Shareholders of F.P.S.S. Foster Parent Support Services Society**

We have reviewed the accompanying financial statements of F.P.S.S. Foster Parent Support Services Society that comprise the statement of financial position as at March 31, 2022, and the statements of operations, net assets, and cash flows 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.

#### *Practitioner's Responsibility*

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.



Baker Tilly Victoria Ltd  
Chartered Professional  
Accountants  
T: 250.386.0500  
F: 250.386.6151  
btvic.com

Downtown:  
645 Fort St  
Suite 540  
Victoria, BC  
V8W 1G2

Westshore:  
967 Langford Pkwy  
Suite 218  
Victoria, BC  
V9B 0A5

Sidney:  
9764 Fifth St  
Unit 7  
Sidney, BC  
V8L 2X2

## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT (continued)

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

### *Conclusion*

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of F.P.S.S. Foster Parent Support Services Society as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-For-Profit Organizations.

*Baker Tilly Victoria Ltd.*

CHARTERED PROFESSIONAL ACCOUNTANTS

Victoria, BC

August 19, 2022

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2022**

	2022	2021
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and cash equivalents	\$ 193,260	\$ 187,471
Cash and cash equivalents - reserve fund	99,282	91,561
Restricted cash - deferred contributions	43,950	42,342
Goods and services tax recoverable	3,134	2,910
Prepaid expenses	5,206	4,981
	344,832	329,265
<b>CAPITAL ASSETS (Note 3)</b>	3,917	2,959
	\$ 348,749	\$ 332,224
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 48,595	\$ 45,893
Employee deductions payable	10,760	12,036
Deferred contributions (Note 4)	43,950	42,342
	103,305	100,271
<b>NET ASSETS</b>		
<b>INVESTED IN CAPITAL ASSETS</b>	3,917	2,959
<b>RESERVE FUND (Note 5)</b>	99,281	91,561
<b>SURPLUS EFFICIENCIES RETENTION FUND (Note 6)</b>	88,642	97,691
<b>UNRESTRICTED NET ASSETS</b>	53,604	39,742
	245,444	231,953
	\$ 348,749	\$ 332,224

**LEASE COMMITMENTS (Note 7)**

**Approved By The Directors**

\_\_\_\_\_ Director

\_\_\_\_\_ Director

See notes to financial statements

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**STATEMENT OF REVENUES AND EXPENDITURES**  
**YEAR ENDED MARCH 31, 2022**

	2022	2021
<b>REVENUE</b>		
Education and Support Program <i>(Schedule 1)</i>	\$ 489,311	\$ 473,806
Donations	11,403	196
Government Grant	6,551	-
Mutual Aid Grant	892	1,515
BCFPSS and CSSFP	-	3,500
Safe Babies Grant	-	2,500
	508,157	481,517
<b>EXPENDITURES</b>		
Education and Support Program <i>(Schedule 1)</i>	498,360	485,794
Mutual Aid Grant	892	1,515
Safe Babies Grant	-	2,500
BCFPSS & CSSFP	-	3,500
	499,252	493,309
<b>EXCESS OF REVENUE OVER EXPENDITURES FROM OPERATIONS</b>	8,905	(11,792)
Reserve revenue <i>(Note 5)</i>	4,586	6,341
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	\$ 13,491	\$ (5,451)

See notes to financial statements

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**YEAR ENDED MARCH 31, 2022**

	<b>Capital Assets</b>	<b>Reserve Fund</b> <i>(note 5)</i>	<b>Surplus Efficiencies Retention Fund</b> <i>(note 6)</i>	<b>Unrestricted Net Assets</b>	<b>2022 Balance</b>
Balance beginning of year	\$ 2,959	\$ 91,561	\$ 97,691	\$ 39,742	\$ 231,953
Revenues in excess of expenses	-	4,586	-	8,905	13,491
Allocation from unrestricted net assets	-	3,134	-	(3,134)	-
Amortization of capital assets	(2,037)	-	-	2,037	-
Purchase of capital assets	2,995	-	-	(2,995)	-
Net transfer to surplus efficiencies retention fund	-	-	(9,049)	9,049	-
	<b>\$ 3,917</b>	<b>\$ 99,281</b>	<b>\$ 88,642</b>	<b>\$ 53,604</b>	<b>\$ 245,444</b>

	<b>Capital Assets</b>	<b>Reserve Fund</b>	<b>Surplus Efficiencies Retention Fund</b>	<b>Unrestricted Net Assets</b>	<b>2021 Balance</b>
Balance beginning of year	\$ 2,739	\$ 82,352	\$ 109,679	\$ 42,634	\$ 237,404
Revenues in excess of expenses	-	6,341	-	(11,792)	(5,451)
Allocation from unrestricted net assets	-	2,868	-	(2,868)	-
Amortization of capital assets	(2,296)	-	-	2,296	-
Purchase of capital assets	2,516	-	-	(2,516)	-
Net transfer to surplus efficiencies retention fund	-	-	(11,988)	11,988	-
	<b>\$ 2,959</b>	<b>\$ 91,561</b>	<b>\$ 97,691</b>	<b>\$ 39,742</b>	<b>\$ 231,953</b>

See notes to financial statements

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED MARCH 31, 2022**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from the province	\$ 498,362	\$ 476,306
Cash received from other contributors	11,403	382
Cash paid for salaries and benefits	(342,309)	(324,894)
Cash paid to for materials and services	(153,929)	(156,836)
Cash received on the reserve fund	4,586	6,341
	18,113	1,299
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Purchase of capital assets	(2,995)	(2,516)
<b>INCREASE (DECREASE) IN CASH FLOW</b>		
	15,118	(1,217)
Cash - beginning of year	321,374	322,591
<b>CASH - END OF YEAR</b>		
	\$ 336,492	\$ 321,374
<b>CASH CONSISTS OF:</b>		
Cash and cash equivalents	\$ 193,260	\$ 187,471
Restricted cash - reserve fund	99,282	91,561
Restricted cash - deferred contributions	43,950	42,342
	\$ 336,492	\$ 321,374

See notes to financial statements

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2022**

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**1. DESCRIPTION OF OPERATIONS**

F.P.S.S. Foster Parent Support Services Society (the "society") is incorporated under the British Columbia Society Act. The society provides education and support to foster parents within the Vancouver Island region and has offices in Victoria and Campbell River. The society's operations are funded by the provincial government.

**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 (GAAP).

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they are highly liquid investments with maturities of one year or less at date of purchase.

Capital assets

Capital assets are stated at cost or deemed cost less accumulated amortization. Capital assets are amortized over their estimated useful lives at the following rates and methods:

Computer equipment	3 years	straight-line method
Computer software	3 years	straight-line method
Furniture and fixtures	5 years	straight-line method

Reserve fund

GST refunds, interest on term deposit and other non-operating monies received by the society, with no restrictions attached, are credited to the reserve fund. Expenditures for the benefit of the society are approved by the board of directors and charged against the reserve fund.

Revenue recognition

F.P.S.S. Foster Parent Support Services Society follows the deferral method of accounting for contributions.

Restricted contributions are recognized as deferred contributions in the year they are received and recognized as revenue in the year in which the 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.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

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**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

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

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

**3. CAPITAL ASSETS**

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Computer equipment	\$ 35,339	\$ 32,809	\$ 2,530	\$ 2,764
Furniture and fixtures	64,242	62,855	1,387	195
	\$ 99,581	\$ 95,664	\$ 3,917	\$ 2,959

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**4. DEFERRED CONTRIBUTIONS**

	Balances, March 31, 2021	Amounts received during the year	Amounts recognized as revenue	Balances, March 31, 2022
(a) Children and Youth with Complex and Challenging Behaviour	\$ 18,323	\$ -	\$ -	\$ 18,323
(b) Caregiver Support Services Framework	5,047	-	-	5,047
(c) Residential Review Project	6,631	-	-	6,631
(d) Mutual Aid Grant	6,221	2,500	892	7,829
(e) Partnership Training	3,560	-	-	3,560
(f) Practice Guidelines Grant	2,560	-	-	2,560
	\$ 42,342	\$ 2,500	\$ 892	\$ 43,950

- a) The society received a \$60,000 grant from the Provincial Health Services Authority. These funds are to be used for a literature review of best practices for Children and Youth with Complex and Challenging Behaviour support.
- b) The society received a \$8,547 grant from the British Columbia Federation of Foster Parent Associations during 2011, in lieu of recruitment materials purchased for their Caregiver Support Services Framework Project. These funds are to be used for the purposes of providing on-going training for foster parents in South (60%) and Central (40%) Vancouver Island.
- c) The society received a \$33,333 grant from the Ministry of Children and Family Development (MCFD) during 2007, to support the tasks of the Caregiver Education Framework Advisory Table and working groups to review and re-design the MCFD Education Program for caregivers. The funds will be used to support the MCFD - Residential Review Project.
- d) The society received a \$7,500 grant from the MCFD for Mutual Aid. These funds are to be used to provide opportunities for foster parent networking in the Comox Valley Regional District. An additional \$2,500 was received in the current fiscal period.
- e) The society received a \$12,000 grant from the MCFD for Partnership Training. These funds are to be used in the Nanaimo (\$7,500) and Duncan (\$4,500) areas for training to impart knowledge, improve skills and build awareness of resources for foster parents.
- f) The society received \$78,000 grant from the Provincial Health Services Authority. These funds will be used toward the development and dissemination of practice guidelines for MCFD practitioners from across all program areas who are working with children and youth with complex needs and their families/caregivers.

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2022**

**5. RESERVE FUND**

	North Island	Campbell River	Regional Office	2022	2021
Reserve fund beginning of year	\$ 238	\$ 5,345	\$ 85,978	\$ 91,561	\$ 82,352
Revenues	-	-	4,586	4,586	6,341
Allocation from unrestricted net assets	-	-	3,134	3,134	2,868
<b>Reserve fund end of year</b>	<b>\$ 238</b>	<b>\$ 5,345</b>	<b>\$ 93,698</b>	<b>\$ 99,281</b>	<b>\$ 91,561</b>

**6. SURPLUS EFFICIENCIES RETENTION FUND**

	2022	2021
Surplus efficiencies retention fund beginning of year	\$ 97,691	\$ 109,679
Allocation from net assets	(9,049)	(11,988)
<b>Surplus efficiency retention fund end of year</b>	<b>\$ 88,642</b>	<b>\$ 97,691</b>

If the society's funding exceeds its expenditures related to the delivery of services the society may retain up to a cumulative 5% of the annual contract value to a maximum of \$23,207 as allowable surplus. This allowable surplus should only be utilized for capital and operating expenditures for delivery of services in British Columbia. Any expenditures out of this fund must be approved by the Board of Directors.

**7. LEASE COMMITMENTS**

The society has a long term lease with respect to its Victoria premises. Future minimum lease payments including Goods and Services Tax as at March 31, 2022, are as follows:

2023	\$ 35,280
2024	14,700

**8. ALLOCATION OF COMMON COSTS**

The operating expenditures of the Education and Support program, unless specifically related to a geographical region, are allocated 50% to the South Island area, 35% to the Central Island area and 15% to the Upper Island area.

**9. FINANCIAL INSTRUMENTS**

The society is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the society's risk exposure and concentration as of March 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The society is exposed to credit risk from funders. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The society has a significant number of funders which minimizes concentration of credit risk.

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 other related sources, and accounts payable.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The society is mainly exposed to interest rate risk.

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 its normal operating and financing activities. The society is exposed to interest rate risk primarily through its fixed rate cash equivalents.

**10. SUBSEQUENT EVENTS**

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak has adversely affected workforces, customers, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses. This outbreak could adversely impact the society's operations. It is not possible for the society to predict the duration or magnitude of the adverse results of the outbreak and its effects on the society's business or results of operations at this time.

**F.P.S.S. FOSTER PARENT SUPPORT SERVICES SOCIETY**  
**SCHEDULE OF EDUCATION AND SUPPORT PROGRAM**  
**YEAR ENDED MARCH 31, 2022**

(Schedule 1)

	South	Central	Upper Island	2022	2021
<b>REVENUE</b>					
Ministry of Children and Family Development	\$ 229,416	\$ 160,591	\$ 68,824	\$ 458,831	\$ 458,831
MCFD one time funding	15,240	10,668	4,572	30,480	14,975
	244,656	171,259	73,396	489,311	473,806
<b>EXPENDITURES</b>					
<b>Operational</b>					
Salaries and benefits	168,913	118,239	50,674	337,826	336,830
Office supplies	12,186	8,529	3,655	24,370	22,225
Training and workshops	12,152	8,507	3,645	24,304	5,482
Transportation	981	687	293	1,961	1,161
Telephone	3,130	2,191	939	6,260	10,118
Website development	4,298	3,008	1,289	8,595	802
Peer support	2,774	1,942	832	5,548	5,211
Protocol support	246	172	74	492	1,514
Regional newsletter	842	590	253	1,685	1,886
Foster Parent appreciation	1,668	1,168	501	3,337	4,653
Amortization of equipment	1,019	713	306	2,038	2,296
Postage	695	486	208	1,389	2,549
Memberships	599	419	180	1,198	1,668
FCSS of BC meeting	13	9	4	26	-
Accreditation	-	-	-	-	9,009
Foster Parent recruitment	11,229	10,860	3,369	25,458	21,454
<b>Facilities</b>					
Rent	17,220	12,054	5,166	34,440	34,626
Insurance	1,450	1,015	435	2,900	2,600
Hydro and gas	1,022	715	306	2,043	1,791
Security	221	155	66	442	442
<b>Administrative</b>					
Legal and professional fees	4,859	3,401	1,458	9,718	8,789
Board development	1,368	958	410	2,736	8,846
Interest and bank charges	444	311	133	888	902
Courier	353	247	106	706	940
	247,682	176,376	74,302	498,360	485,794
<b>REVENUE IN EXCESS OF (LESS THAN) EXPENDITURES</b>					
	\$ (3,026)	\$ (5,117)	\$ (906)	\$ (9,049)	\$ (11,988)