

May 4, 2000

Auditor's Report

To the Lieutenant Governor in Council, Province of British Columbia
To the Minister of Aboriginal Affairs, Province of British Columbia
To the Members of the Board of First Peoples' Heritage, Language and Culture Council

I have audited the Statement of Financial Position of First Peoples' Heritage, Language and Culture Council as at March 31, 2000 and the Statements of Revenue and Expenditure and Surplus and Cash Flow for the year then ended. These financial statements are the responsibility of the council's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the council as at March 31, 2000 and the results of its operation and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.



Obee and Company
Certified General Accountant

First Peoples' Heritage, Language and Culture Council

Statement of Financial Position

	March 31	
	2000	1999
	<u> </u>	<u> </u>
Assets		
Current Assets		
Cash	\$ 481,822	\$ 531,046
Accounts receivable	139,130	139,118
Prepaid expenses	158	1,421
	<u> </u>	<u> </u>
	621,110	671,585
Capital assets (Note 4)	12,875	16,737
	<u> </u>	<u> </u>
	<u>\$ 633,985</u>	<u>\$ 688,322</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 9,132	\$ 149,518
Grants payable	-	31,950
Unallocated amounts (Note 10)	424,016	404,316
Deferred Revenue (Note 11)	11,698	-
	<u> </u>	<u> </u>
	444,846	585,784
	<u> </u>	<u> </u>
Equity		
Share capital	100	100
Surplus	189,039	102,438
	<u> </u>	<u> </u>
	189,139	102,538
	<u> </u>	<u> </u>
	<u>\$ 633,985</u>	<u>\$ 688,322</u>
Commitments (Note 8)		

Approved by the Board  Chairperson  Treasurer

First Peoples' Heritage, Language and Culture Council

Statement of Revenue, Expenditures and Surplus

	Year ended March 31	
	2000	1999
Revenue		
Grants, Ministry of Aboriginal Affairs		
- Operating and Feasibility Projects and Administration	\$ 303,500	\$ 700,000
Administration Fees (Schedule I)	40,260	7,743
Grants (Schedule I)	460,092	299,821
Interest	28,563	34,251
Reallocated Grants	-	71,250
Fundraising	10,500	
	<u>842,915</u>	<u>1,113,065</u>
Expenditures		
Grants		
Discretionary	-	15,000
Operating	-	511,284
Feasibility studies	-	11,250
Administration	-	116,858
Wages and benefits	129,105	207,245
Travel	47,214	39,769
Supplies	5,330	5,678
Rent	22,102	20,360
Professional fees	9,867	7,150
Telephone	9,905	9,475
Equipment rental	769	359
Office	8,758	9,372
Miscellaneous and newsletter	5,350	4,801
Postage and courier	4,453	4,551
Utilities	1,792	1,159
Staff development	2,626	2,454
Insurance	499	533
Security	480	480
Bank charges	67	11
Printed material	1,480	6,128
Expenses self administered programs (Schedule I)	460,092	281,569
Amortization	18,630	13,707
Fundraising Expenses	27,795	-
	<u>756,314</u>	<u>1,269,193</u>
Excess (deficiency) of revenue over expenditures	86,601	(156,128)
Surplus, beginning of year	102,438	258,566
Surplus, end of year	<u>\$ 189,039</u>	<u>\$ 102,438</u>

First Peoples' Heritage, Language and Culture Council

Statement of Cash Flow

	Year ended March 31	
	2000	1999
Cash provided by (used in) operating activities		
Excess (deficiency) of revenue over expenditures	\$ 86,601	\$ (156,128)
Non-cash operating items		
Accounts receivable	(12)	(50,305)
Prepaid expenses	1,263	488
Amortization	18,630	13,707
Accounts payable and accrued liabilities	(140,386)	49,187
Grants payable	(31,950)	(58,441)
Unallocated amounts	19,700	183,249
Deferred revenue	11,698	-
	<u>(34,456)</u>	<u>(18,243)</u>
Cash provided by (used in) financing activities		
Computer equipment	(14,768)	-
Increase (decrease) in cash	(49,224)	(18,243)
Cash, beginning of year	531,046	549,289
Cash, end of year	<u>\$ 481,822</u>	<u>\$ 531,046</u>
Cash and cash equivalents are comprised of:		
Cash	<u>\$ 481,822</u>	<u>\$ 531,046</u>

First Peoples' Heritage, Language and Culture Council

Notes to Financial Statements

March 31, 2000

1. First Peoples' Heritage, Language and Culture Council ("the Council")

The Council is a Crown Corporation incorporated under the First Peoples' Heritage, Language and Culture Act and is an agent of the Crown. The Council commenced operations April 1, 1991.

2. Mission

The mission of the Council is as follows:

- To preserve and enhance Native heritage, language and culture.
- To increase understanding and knowledge sharing, within both Native and non-native communities of the Province.
- To heighten appreciation and acceptance of the wealth of cultural diversity among all British Columbians.

3. Significant accounting policies

The Council's financial statements are prepared in accordance with generally accepted accounting principles for non-profit organizations.

4. Capital assets

It is the policy of the Council to capitalize physical assets in the year of acquisition. The physical assets include furniture, equipment and computers and are recorded on the Statement of Financial Position. For the year ended March 31, 2000 amortization has been claimed as follows:

	Equipment	Equipment – 5 years Computers – 3 years	2000 Total	1999 Total
Capital Cost	\$ 7,573	\$ 51,346	\$ 58,919	\$ 44,151
Amortization	4,543	41,501	46,044	27,414
Book Value	<u>\$ 3,030</u>	<u>\$ 9,845</u>	<u>\$ 12,875</u>	<u>\$ 16,737</u>

5. Revenue

Contributions from the Ministry of Aboriginal Affairs are recognized as revenue when they are received.

Expenditures

Grants are recorded as expenditures in the year in which the Council gives its approval.

First Peoples' Heritage, Language and Culture Council

Notes to Financial Statements

March 31, 2000

6. Share capital

The capital of the Council is one share with a par value of \$100. The share is issued to and held by Her Majesty the Queen in right of the Province of British Columbia.

7. Related party transactions

During the year, there were no grants made to Tribal Councils having a representative, who is appointed by the Lieutenant Governor in Council from the Advisory Committee, on the Board of the Council.

8. Commitments

1. The Council has entered into a lease agreement for office space. The lease expires in August 2000.
2. The Council has entered into a lease for a photocopier with Unity Finance. The lease commenced April 28, 1999 and the term is 66 months. The lease payments are \$597, payable quarterly.

9. Corporate income taxes

The Council is exempt from Federal and Provincial corporate taxes.

10. Unallocated amounts

The Council holds funds at March 31, 2000 that have not been allocated to any grants, programs or administration.

Unallocated amount \$ 424,016

11. Deferred Revenue

The Aboriginal Culture Stewardship Program was not completed at March 31, 2000, therefore, any surplus or deficit will not be recognized until the project completes during the fiscal year ending March 31, 2001. As a result, the Council has deferred revenue for this program at March 31, 2000 in the amount of \$11,698.

FIRST PEOPLES' HERITAGE LANGUAGE AND CULTURE COUNCIL
PROGRAM ADMINISTRATION
APRIL 1, 1999 TO MARCH 31, 2000

Schedule I

	Aboriginal Arts Development Awards Program	Aboriginal Culture Stewardship	Aboriginal Language Initiative	Total
REVENUE				
Grants				
BC Arts Council	\$151,530	-	-	\$151,530
Vancouver Foundation	-	\$25,000	-	25,000
National Indian Brotherhood	-	-	\$295,260	295,260
Deferred Revenue	-	(11,698)	-	(11,698)
	151,530	13,302	295,260	460,092
EXPENDITURES				
Travel	-	2,202	-	2,202
Intern Living Expenses	-	10,500	-	10,500
Facilitators/Speakers	-	600	-	600
Awards	121,530	-	-	121,530
Language Grants	-	-	285,000	285,000
	121,530	13,302	285,000	419,832
SURPLUS BEFORE ADMINISTRATION	30,000	0	10,260	40,260
Administration				
Wages and Benefits	20,000	-	-	20,000
Costs of Jury	6,000	-	-	6,000
General Administration	4,000	-	10,260	14,260
	30,000	0	10,260	40,260
TOTAL EXPENDITURES	151,530	13,302	295,260	460,092
EXCESS OF REVENUE OVER EXPENDITURES	\$0	\$0	\$0	\$0

Obbee and Company - Certified General Accountant

Victoria, B.C.

First Peoples' Heritage, Language and Culture Council
Expenditure by Group Account Classification

	Year ended March 31	
	2000	1999
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Grants and contributions	\$ -	\$ 654,392
Salaries and benefits	129,105	207,245
Operating costs	120,692	112,280
Assets acquisitions (gross cost)	-	-
Assets amortization expense	18,630	13,707
Other expenditures	-	-
Expenses – self administered programs	460,092	281,569
Fundraising	27,795	-
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Total expenditures per audited financial statements	<u>\$ 756,314</u>	<u>\$ 1,269,193</u>