

REVIEW ENGAGEMENT REPORT

To the Members of
Government Finance Officers Association of British Columbia

I have reviewed the statement of financial position of the Government Finance Officers Association of British Columbia as at December 31, 2008 and the statement of operations and statement of changes in net assets for the year then ended. These financial statements are the responsibility of the Association's management. My review was made in accordance with generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the Association.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with generally accepted accounting principals.

Graham Egan, C.A.
Victoria, B.C.

Government Finance Officers Association of British Columbia

Statement of Financial Position

At Dec 31, 2008

(with comparative figures for 2007)

* unaudited *

ASSETS	2008	2007
Current Assets		
Cash and cash equivalents	\$ 9,264	\$ 7,625
Short-term investments	523,280	381,167
Accounts receivable		20,000
Prepaid expenses	1,500	500
	<u>\$ 534,044</u>	<u>\$ 409,292</u>
 LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 13,000	\$ 14,323
GST payable	7,750	5,289
Deferred revenue (see note 3)	63,278	59,452
	<u>\$ 84,028</u>	<u>\$ 79,064</u>
 Net Assets		
Net assets internally restricted (see note 4)	146,812	71,812
Unrestricted Net Assets	303,204	258,416
	<u>450,016</u>	<u>\$ 330,228</u>
	<u>\$ 534,044</u>	<u>\$ 409,292</u>

See accompanying notes to the financial statements

Director _____

Director _____

**Government Finance Officers Association
of British Columbia**

Statement of Operations

Year ended Dec 31, 2008

(with comparative figures for 2007)

* unaudited *

	2008	2007
REVENUE		
Membership Fees	\$ 78,450	\$ 48,118
Annual Conference	123,824	115,517
Workshops	155,052	205,072
Sponsorship	55,500	51,500
Interest and other income	18,254	13,295
Grant Income	10,000	33,772
	<u>441,080</u>	<u>467,274</u>
DIRECT EXPENSES		
Annual Conference	82,580	79,151
Workshop Expenses	89,520	116,310
Grant Expenses	10,500	33,772
	<u>182,600</u>	<u>229,233</u>
	<u>258,480</u>	<u>238,041</u>
ADMINISTRATIVE EXPENSES		
Executive Director	86,520	84,000
Board Meetings	7,019	5,102
Travel	6,449	3,586
Office Expenses	9,736	8,743
Secretarial and Staffing	25,193	6,273
Insurance	865	800
Professional Fees	213	872
Equipment	859	4,109
Membership Database	1,838	4,578
	<u>138,692</u>	<u>118,063</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 119,788</u>	<u>\$ 119,978</u>

See accompanying notes to the financial statements

**Government Finance Officers Association
of British Columbia**

Statement of Changes in Net Assets

Year ended Dec 31, 2008
(with comparative figures for 2007)
* unaudited *

	Building and Leasehold Improvement Fund	Education Fund	Unrestricted Fund	Total 2008	Total 2007
Balance, beginning of year	\$ 0	\$ 71,812	\$ 258,416	\$ 330,228	\$ 210,250
Transfer between funds(note 3)	75,000		(75,000)	-	-
Excess of revenue over expenses			119,788	119,788	119,978
Balance, end of year	<u>\$ 75,000</u>	<u>\$ 71,812</u>	<u>\$ 303,204</u>	<u>\$ 450,016</u>	<u>\$ 330,228</u>

See accompanying notes to the financial statements

GOVERNMENT FINANCE OFFICERS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2008

-unaudited-

The Government Finance Officers Association of British Columbia (the “Association”) is incorporated under the Society Act of British Columbia. The Association provides educational and support services to its members who primarily serve in finance positions in various levels of government in British Columbia. Under Section 149 of the Income Tax Act, the Association is exempt from taxes.

1. Significant Accounting Policies

These financial statements are presented in accordance with Canadian generally accepted accounting principles and incorporate the following significant accounting policies:

- (a) The financial statements of the Association are presented on an accrual basis.
- (b) The Association follows the deferral method of accounting for contributions. Restricted contributions are recorded as revenue in the period the related expenses are incurred or the restrictions are met. Membership assessments are recognized as revenue over the period to which they relate.
- (c) A statement of Cash Flows is not included in these financial statements as it would provide no additional meaningful information.
- (d) Cash and cash equivalents includes cash and short term instruments maturing within ninety days of acquisition.
- (e) The Association accounts for its financial instruments in accordance with the Canadian Institute of Chartered Accountants (CICA) Handbook Section 3855, *Financial Instruments - Recognition and Measurement*, CICA Handbook Section 3861, *Financial Instruments - Disclosure and Presentation*, and CICA Handbook Section 3865, *Hedges*. These Handbook Sections provide comprehensive requirements for the recognition and measurement of financial instruments, as well as standards on when and how hedge accounting may be applied.

Under these standards, all financial instruments are classified into one of the following five categories: held for trading, held-to-maturity, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments, including derivatives, are included on the balance sheet and are initially measured at fair market value. Subsequent measurement and recognition of changes in fair value of financial instruments depends on their initial classification. Held for trading financial investments are measured at fair value and all gains and losses are included in net income in the period in which they arise. Available-for-sale financial instruments are measured at fair value with revaluation gains and losses included as changes in net asset balances until the asset is removed from the balance sheet. Loans and receivables, investments held-to-maturity and other financial liabilities are measured at amortized cost using the effective interest method.

The Association’s financial instruments are classified as follows:

- i) Cash and cash equivalents – held for trading
- ii) Short-term investments – available for sale

**GOVERNMENT FINANCE OFFICERS OF BRITISH COLUMBIA
NOTES TO FINANCIAL STATEMENTS**

FOR THE YEAR ENDED DECEMBER 31, 2008

-unaudited-

1. Significant Accounting Policies (continued)

iii) Accounts receivable – loans and receivables

iv) Accounts payable – other financial liabilities

The Association does not transact in any financial derivatives.

2. Education Fund

Surpluses from education programs have been internally restricted for use in funding the development of curriculum of further education programs. No interest is credited to this fund.

3. Deferred revenue

Deferred revenue consists of membership and education fees in the amount of \$47,050 (2007 - \$33,225) received in advance of the applicable year and grant income in the amount of \$16,228 (2006 – \$26,228) not yet earned.

4. Building and Leasehold Improvement Fund

\$75,000 of the 2008 surplus has been internally restricted by the board for use in funding the cost of office space in future years. No interest is credited to this fund.