

Dufferin Child and Family Services
Financial Statements
For the year ended March 31, 2011

Dufferin Child and Family Services
Financial Statements
For the year ended March 31, 2011

Contents

Auditor's Report	2
Financial Statements	
Statement of Financial Position	3
Statement of Changes in Net Assets	4
Statement of Operations	5
Schedule of Expenses	6
Statement of Cash Flows	7
Summary of Significant Accounting Policies	8
Notes to Financial Statements	11
Auditor's Comments on Program Schedules of Revenue and Expenses	19
Program Schedules of Revenue and Expenses	
Child Protection Service	
Child Protection Service	20
Child Abuse	22
Partner Facility Renewal	23
Repairs & Maintenance	24
Children's Mental Health	
Child & Family Counselling	25
Community Capacity Building - Dufferin Options	26
Crisis	27
Early Years Initiative 0-6 Years	28
Family Group Decision Making	29
Intensive Child & Family Counselling	30
Sexual Assault Counselling	31
Children's Hospital of Eastern Ontario (CHEO)	32
Children's Hospital of Eastern Ontario (CHEO) - Dare to Dream	33
Children's Hospital of Eastern Ontario (CHEO) - Mobilization	34
Developmental Support Service	
Community Resource - Adults	35
Community Resource - Children	36
Early Childhood Development	37
Family Relief	38
Family Relief - Out of Home Respite	39
Special Services At Home	40
Diversity Awareness	41
Student Support and Leadership Initiative	42
Dufferin Coalition for Kids	43
Eliminating Barriers and Building Successes	44
Ministry of the Attorney General - Headwaters Family Visit Centre	45
Agency - Schedule of One-time Capital	46



Tel: 519 941 0681
Fax: 519 941 8272
www.bdo.ca

BDO Canada LLP
77 Broadway
Orangeville ON L9W 1K1 Canada

Independent Auditor's Report

To the Members of the Board of Directors of Dufferin Child and Family Services

We have audited the accompanying financial statements of Dufferin Child and Family Services, which comprise the statement of financial position as at March 31, 2011, and the statements of operations, changes in 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 generally accepted accounting principles, 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

Auditor's Responsibility

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 comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Dufferin Child and Family Services as at March 31, 2011 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

Orangeville, Ontario
June 9, 2011

Dufferin Child and Family Services Statement of Financial Position

For the year ended March 31 2011 2010
restated

Assets

Current

Cash	\$ 372,403	\$ 203,410
Term deposits	3,656	3,656
Accounts receivable	109,892	151,114
Due from Province	64,434	64,578
Prepaid expenses	30,861	-
	581,246	422,758

Capital assets (note 1)	4,996,953	1,235,525
	\$ 5,578,199	\$ 1,658,283

Liabilities and Net Assets

Current

Accounts payable and accrued charges	\$ 630,613	\$ 475,583
Other current liabilities	96,258	80,497
Deferred revenue (note 2)	82,898	118,956
Current portion of long-term debt (note 3)	112,263	381,196
	922,032	1,056,232

Long-term debt (note 3)	3,400,568	-
	4,322,600	1,056,232

Net Assets

Operating fund (page 4)	(681,447)	(411,882)
Dufferin Children's fund (page 4)	445,623	398,425
Capital fund (page 4)	1,491,423	615,508
	1,255,599	602,051
	\$ 5,578,199	\$ 1,658,283

On behalf of the Board:

_____, Director

Dufferin Child and Family Services Statement of Changes in Net Assets

For the year ended March 31

	Operating Fund	Dufferin Children's Fund	Capital Fund	2011	2010 restated
Net assets, beginning of year	\$ (411,882)	\$ 398,425	\$ 615,508	\$ 602,051	\$ 1,182,763
Correction of prior period error (note 4)	-	-	-	-	(20,374)
	(411,882)	398,425	615,508	602,051	1,162,389
Excess (deficiency) of revenue over expenses for the year (note 5, 6, 7)	532,137	47,198	74,213	653,548	(560,338)
Net change in investment in capital assets (note 7)	(801,702)	-	801,702	-	-
Net assets, end of year	\$ (681,447)	\$ 445,623	\$ 1,491,423	\$ 1,255,599	\$ 602,051

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Dufferin Child and Family Services Statement of Operations

For the year ended March 31	2011	2010 restated
Revenue		
Subsidies	\$ 10,232,870	\$ 10,285,587
Donations	41,742	65,329
	10,274,612	10,350,916
Expenses (page 6)	10,323,677	11,276,296
Other expenses (income)		
Interest income	(3,834)	(189)
Rental income	(29,317)	(43,672)
Other income	(210,490)	(210,230)
Recoveries	(58,462)	(154,652)
GST recovery	(118,954)	(32,468)
(Gain) loss on disposal of capital assets	(272,341)	6,141
	(693,398)	(435,070)
Total expenses	9,630,279	10,841,226
Excess (deficiency) of revenue over expenses before prior year subsidy clawback	644,333	(490,310)
Prior year subsidy clawback (recovery)	(9,215)	70,028
Excess (deficiency) of revenue over expenses	\$ 653,548	\$ (560,338)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Dufferin Child and Family Services Schedule of Expenses

For the year ended March 31	2011	2010 restated
Salaries	\$ 4,546,216	\$ 4,807,502
Benefits	929,741	881,977
Travel	205,288	207,831
Training	49,825	70,652
Occupancy costs	428,226	581,637
Professional service - non-client	46,077	38,909
Program	451,199	495,838
Boarding rate payments	2,559,067	2,752,971
Professional service - client	126,042	164,407
Clients' personal needs	141,831	141,335
Medical and related services	107,291	116,572
Summer camp	14,500	-
Financial assistance	27,103	9,697
Promotion and publicity	18,909	12,103
Office administration	159,004	215,698
Miscellaneous	174,174	281,392
Technology	141,056	159,865
Amortization	198,128	337,910
	\$ 10,323,677	\$ 11,276,296

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Dufferin Child and Family Services Statement of Cash Flows

For the year ended March 31

2011

2010

restated

Cash provided by (used in)

Operating activities

Excess (deficiency) of revenue over expenses	\$ 653,548	\$ (560,338)
Correction of prior period	-	(29,098)
Items not involving cash		
Amortization of capital assets	198,128	337,910
(Gain) loss on disposal of capital assets	(272,341)	6,141
	<u>579,335</u>	<u>(245,385)</u>

Changes in non-cash working capital balances

Accounts receivable	41,222	45,830
Due from Province	144	(44,947)
Prepaid expenses	(30,861)	31,589
Accounts payable and accrued charges	155,030	142,026
Other current liabilities	15,761	-
Deferred revenue	(36,058)	70,974
	<u>145,238</u>	<u>245,472</u>
	<u>724,573</u>	<u>87</u>

Investing activities

Purchase of capital assets	(4,553,136)	(69,677)
Proceeds on sale of capital assets	911,000	-
Outlays on disposal of capital assets	(45,078)	-
Principal collections on note receivable	-	28,841
	<u>(3,687,214)</u>	<u>(40,836)</u>

Financing activities

Repayment of long-term debt	(418,366)	(28,212)
Advance of long-term debt	3,550,000	-
	<u>3,131,634</u>	<u>(28,212)</u>

Increase (decrease) in cash

168,993	(68,961)
---------	----------

Cash, beginning of year

<u>203,410</u>	<u>272,371</u>
----------------	----------------

Cash, end of year

<u>\$ 372,403</u>	<u>\$ 203,410</u>
-------------------	-------------------

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Dufferin Child and Family Services Summary of Significant Accounting Policies

March 31, 2011

**Nature and Purpose
of Organization**

Dufferin Child and Family Services is a not-for-profit organization incorporated without share capital under the laws of Ontario.

The organization is a registered charity and, as such, is exempt from income tax and may issue income tax receipts to donors.

The organization's mission is to advocate for and provide coordinated and quality services for children, families and individuals. The primary service focus is on children most in need of counselling, support and protection from abuse and neglect, while supporting families in their central role of caring for and nurturing children.

**Basis of Accounting
and Presentation**

Revenue and expenses are accounted for on the accrual basis which recognizes revenue as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Fund Accounting

The organization follows the restricted fund method of accounting for contributions.

The operating fund accounts for the organization's program delivery and administration activities. This fund reports unrestricted resources and restricted operating grants for which there is not a corresponding fund.

The Dufferin Children's fund reports only restricted resources that are to be used for the benefit of children.

The capital fund reports the assets, liabilities, revenues and expenses related to the organization's capital assets.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Dufferin Child and Family Services Summary of Significant Accounting Policies

March 31, 2011

Capital Assets

Purchased capital assets are recorded at cost.

Amortization based on the estimated useful life of the asset is calculated using the following rates on a straight line basis over the assets' estimated useful lives.

Building	2.5%
Leasehold improvements	20.0%
Office furniture and equipment	20.0%
Computer hardware and software	33.0%
Vehicles	20.0%

Leased Assets

Leases entered into that transfer substantially all the benefits and risks associated with ownership are recorded as the acquisition of a capital asset and the incurrence of an obligation. The asset is amortized in a manner consistent with assets owned by the organization, and the obligation, including interest thereon, is liquidated over the term of the lease. All other leases are accounted for as operating leases, and the rental costs are expensed in the operating fund as incurred.

Financial Instruments

On initial recognition, all financial instruments that meet the definition of a financial asset or financial liability are to be recorded at fair value, unless fair value cannot be reliably determined. Subsequent measurement depends on whether the financial instrument has been classified as "held-for-trading", "available-for-sale", "held-to-maturity", "loans and receivables" or "other financial liabilities". The company has elected the following balance sheet classifications with respect to its financial assets and financial liabilities.

Cash is classified as "held-for-trading" and is measured at fair value.

Term deposits are classified as "held-to-maturity" and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method at the date of initial adoption. The carrying amount of term deposits approximates fair value due to their relatively short period to maturity.

Accounts receivable and due from Province are classified as "loans and receivables" and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method at the date of initial adoption. The carrying amounts of these instruments approximate their fair value due to their relatively short periods to maturity.

Dufferin Child and Family Services Summary of Significant Accounting Policies

March 31, 2011

Financial Instruments (continued)

Accounts payable and accrued charges, other current liabilities and current and long-term debt are classified as "other financial liabilities" and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method at the date of initial adoption. The carrying amount of these instruments approximate their fair value due to their relatively short periods to maturity.

Management's opinion is that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Contributed Services Volunteers assist the organization in carrying out its service delivery activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the operating fund in the period in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate fund.

Unrestricted contributions are recognized as revenue of the operating fund in the period received and receivable if the amount can be reasonably estimated and collection is reasonably assured.

Grants, recoveries and other income are recognized in the period that the related service is performed.

Restricted contributions related to the Dufferin Children's fund are recognized as revenue in the Dufferin Children's fund.

Investment income earned on the Dufferin Children's fund resources is recognized as revenue of the Dufferin Children's fund. All other investment income is recognized as revenue of the operating fund when earned.

**Dufferin Child and Family Services
Notes to Financial Statements**

March 31, 2011

1. Capital Assets

	Cost	Accumulated Amortization	2011 Net Book Value	2010 Net Book Value
Land	\$ 200,000	\$ -	\$ 200,000	\$ 296,000
Building	4,670,007	100,502	4,569,505	627,779
Leasehold improvements	161,548	154,924	6,624	72,148
Office furniture and equipment	941,968	823,962	118,006	106,455
Computer hardware and software	576,470	508,453	68,017	102,579
Vehicles	81,496	46,695	34,801	30,564
	\$ 6,631,489	\$ 1,634,536	\$ 4,996,953	\$ 1,235,525

2. Deferred Revenue

Deferred revenue represents externally restricted subsidies used in accordance with funding agreements. Changes in deferred revenue are as follows.

	2011	2010
Balance, beginning of year	\$ 118,956	\$ 47,982
Less amount recognized as revenue in the year	(36,852)	(47,982)
Add amount received related to subsequent years	794	118,956
Balance, end of year	\$ 82,898	\$ 118,956

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

3. Long-Term Debt

	2011	2010
Mortgage payable, TD, interest at 4.63%, repayable in monthly instalments of \$22,623. Mortgage matures November 2020.	\$ 3,512,831	\$ -
Demand loan, CIBC, prime plus 0.50%, repayable in monthly instalments of \$1,563 plus interest, secured by a general security agreement and by properties at 235 and 293 Broadway. Amount repaid during the year.	-	206,196
Demand loan, CIBC, prime plus 0.50%, repayable in monthly instalments of \$729 plus interest, secured by a general security agreement and by property at 291 Broadway. Amount repaid during the year.	-	175,000
	3,512,831	381,196
Less amount due within one year included in current liabilities	112,263	381,196
	\$ 3,400,568	\$ -

The TD mortgage is secured by a general security agreement representing a first charge on all assets of the organization, first charge on real property located at 655 Riddell Road, Orangeville, Ontario in the amount of \$4,000,000, first charge on real property located at 291 Broadway, Orangeville, Ontario in the amount of \$420,000 and assignment of fire insurance covering properties at 655 Riddell Road and 291 Broadway.

Interest on long-term debt paid during the year was \$149 (2010 - \$20,299) included in boarding rate payments and \$57,858 (2010 - \$6,083) included in occupancy costs on the schedule of expenses.

Principal payments required (assuming no demand for repayment) on long-term debt for the next five years and thereafter are due as follows.

2012	\$ 112,263
2013	117,950
2014	123,474
2015	129,257
2016	134,946
Thereafter	2,894,941
	\$ 3,512,831

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

4. Correction of Prior Period Error

During the year, management discovered that certain amounts presented in previous years required adjustment. The reasons for the adjustments are incorrect recognition of accounts receivable, prepaid expenses and accounts payables. The corrections have been applied retroactively and the comparative amounts presented changed to reflect the corrections. The effect on the comparative amount is as follows:

Decrease in net assets at April 1, 2009	<u>\$ 20,374</u>
Increase in office administration expense	\$ 64,276
Increase in boarding rate and occupancy expense	4,939
Increase in salaries and benefits expense	<u>10,565</u>
Decrease in excess of revenue over expenses for the year	<u>\$ 79,780</u>
Decrease in accounts receivable at March 31, 2010	\$ 64,276
Decrease in prepaid expenses at March 31, 2010	9,864
Increase in accounts payable at March 31, 2010	<u>26,014</u>
	<u>\$ 100,154</u>

The comparative financial statements were restated to reflect the prior period error.

5. Operating Fund

The organization has service contracts with the Ministry of Children and Youth Services (MCYS) and the Ministry of Community and Social Services (MCSS). The excess (deficiency) of revenues over expenses for each service is reported in the operating fund.

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

5. Operating Fund (continued)

Net assets in the operating fund is calculated as follows.

	2011	2010
Child Protection Service		
Child Protection Service	\$ (455,392)	\$ (463,496)
Child Abuse	3,000	3,666
Partner Facility Renewal	(2,430)	(2,430)
Children's Mental Health		
Child & Family Counselling	24,678	24,678
Community Capacity Building - Dufferin Options	(12,228)	(12,228)
Crisis	29,446	31,182
Early Years Initiative 0-6 Years	(76)	3,138
Family Group Decision Making	570	570
Intensive Child & Family Counselling	(469)	(469)
Sexual Assault Counselling	(32)	(32)
CHEO - Dare to Dream	(63)	-
CHEO - Mobilization	14,426	-
Developmental Support Service		
Community Resource - Adults	1,579	1,579
Community Resource - Children	1,154	3,029
Early Childhood Development	(1,797)	4,924
Family Relief	(787)	(787)
Family Relief - Out of Home Respite Services	(6,563)	(6,563)
Special Services At Home	2,105	(4,055)
Diversity Awareness	33,789	4,227
Student Support and Leadership Initiative	(53)	-
Dufferin Coalition for Kids	18,829	(1,221)
Eliminating Barriers and Building Successes	2,997	(2,543)
Ministry of the Attorney General - Headwaters Family Visit Centre	4,949	4,949
Agency - Schedule of One-time Capital	(339,079)	-
	\$ (681,447)	\$ (411,882)

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

5. Operating Fund (continued)

The change in net assets in the operating fund is calculated as follows.

	Total Revenue	Total Expenses	2011 Excess (Deficiency)
Child Protection Service			
Child Protection Service	\$ 7,460,560	\$ 7,473,383	\$ (12,823)
Child Abuse	3,000	3,000	-
Partner Facility Renewal	10,542	10,542	-
Repairs & Maintenance	17,100	17,100	-
Children's Mental Health			
Child & Family Counselling	695,346	695,346	-
Community Capacity Building - Dufferin Options	49,073	49,073	-
Crisis	137,420	137,420	-
Early Years Initiative 0-6 Years	109,229	109,229	-
Intensive Child & Family Counselling	222,909	222,909	-
Sexual Assault Counselling	73,734	73,734	-
Children's Hospital of Eastern Ontario (CHEO)	17,526	17,526	-
CHEO - Dare to Dream	172	235	(63)
CHEO - Mobilization	23,323	8,896	14,426
Developmental Support Service			
Community Resource - Adults	148,486	148,486	-
Community Resource - Children	163,803	163,803	-
Early Childhood Development	250,775	250,775	-
Family Relief - Out of Home Respite Services	42,230	42,230	-
Special Services At Home	431,317	427,657	3,660
Diversity Awareness	53,400	23,838	29,562
Student Support and Leadership Initiative	130,246	130,299	(53)
Dufferin Coalition for Kids	43,633	23,583	20,050
Eliminating Barriers and Building Successes	2,790	(2,750)	5,540
Ministry of the Attorney General - Headwaters			
Family Visit Centre	146,257	146,257	-
Agency - Schedule of One-time Capital	4,460,000	4,799,079	(339,079)
	\$14,692,871	\$14,971,650	(278,780)
Net change in investment in capital assets in the operating fund expensed above			801,702
Prior year subsidy clawback			9,215
			\$ 532,137

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

6. Dufferin Children's Fund

The change in net assets in the Dufferin Children's fund is calculated as follows.

	2011	2010
Excess of revenues over expenses		
Revenue		
Local direct fundraising	\$ 41,742	\$ 65,329
Property rent	29,317	43,672
Interest	2,709	3
	73,768	109,004
Expenses		
Office administration	(9,710)	(5,242)
Fundraising events	(5,938)	(2,093)
Camp	(10,516)	(9,373)
Special projects	(1,200)	(1,200)
Property maintenance	(11,445)	(13,407)
	(38,809)	(31,315)
Other income		
Other income	11,762	11,197
GST recovery	477	146
	12,239	11,343
	\$ 47,198	\$ 89,032

7. Capital Fund

Net assets in the capital fund is calculated as follows.

	2011	2010
Capital assets	\$ 4,996,953	\$ 1,235,525
Amounts financed by:		
Current and long-term debt	(3,505,530)	(373,895)
Dufferin Children's fund	-	(246,122)
	\$ 1,491,423	\$ 615,508

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

7. Capital Fund (continued)

The change in net assets invested in capital assets is calculated as follows.

Excess (deficiency) of revenues over expenses		
Amortization	\$ (198,128)	\$ (337,910)
Gain (loss) on disposal	272,341	(6,141)
	<u>74,213</u>	<u>(344,051)</u>
Net change in investment in capital assets		
Purchase of capital assets	\$ 4,553,136	\$ 69,677
Proceeds on disposal of capital assets	(911,000)	-
Outlays on disposal of capital assets	45,078	-
Repayment of long-term debt	418,366	35,513
Issuance of long term debt	(3,550,000)	-
Assets no longer financed by Dufferin Children's fund	246,122	-
	<u>801,702</u>	<u>105,190</u>

The net change in investment in capital assets of \$801,702 is funded as follows.

Operating fund	\$ 801,702	\$ 86,434
Dufferin Children's fund	-	18,756
	<u>801,702</u>	<u>105,190</u>

8. Credit Facility

The organization has a revolving demand credit facility available in the amount of \$1,000,000. The facility bears interest at prime plus 0.50%. The organization also has an operating loan available in the amount of \$1,500,000. The facility bears interest at prime less 0.25%. At March 31, 2011, no funds were borrowed under these facilities.

9. Economic Dependence

The organization receives approximately 97 percent of its operating funding from the Ontario Provincial Government and its various ministries.

Dufferin Child and Family Services Notes to Financial Statements

March 31, 2011

10. Trust Funds

Clients funds held in trust at March 31, 2011 amount to \$18,169 (2010 - \$21,262). The assets and offsetting liabilities are not reflected on the statement of financial position.

11. Pension Agreements

The organization makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer plan on behalf of the employees. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employee based on the length of service and rates of pay. Employees and employers contribute jointly to the plan. The amount contributed to OMERS for 2011 was \$332,338 (2010 - \$320,791). The contribution rate for 2011 was 6.3% to 12.8% depending on age and income level (2010 - 6.3% to 12.8%).

OMERS is a multi-employer pension plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the municipality does not recognize any share of the OMERS pension surplus or deficit. The last available report for the OMERS plan was December 31, 2010. At that time the plan reported a \$4.5 billion actuarial deficit (2009 - \$1.5 billion actuarial deficit), based on actuarial liabilities of \$60.0 billion (2009 - \$54.2 billion) and actuarial assets of \$55.5 billion (2009 - \$52.7 billion). Ongoing adequacy of the current contribution rates will need to be monitored and the recent severe decline in the financial markets may lead to increased future funding requirements.

12. Capital Disclosures

The organization's objectives when managing its capital are to maintain a financial position suitable for meeting its various goals for the year and to meet its current obligations.

The organization defines capital as the aggregate of net assets and long-term debt less cash and term deposits. This definition has remained unchanged from March 31, 2010. As at March 31, 2011, net assets amount to \$1,255,599 (2010 - \$602,051) and long-term debt less cash and term deposits amounts to \$3,136,772 (2010 - \$174,130). There have been no changes in the organization's overall capital management strategy during the year.

The organization has externally imposed capital requirements relating to bank credit facilities. The organization was in compliance with these requirements throughout the year.



Tel: 519 941 0681
Fax: 519 941 8272
www.bdo.ca

BDO Canada LLP
77 Broadway
Orangeville ON L9W 1K1 Canada

Auditor's Comments on Supplementary Financial Information

To the Members of the Board of Directors of
Dufferin Child and Family Services

Audit Engagement

We have audited financial statements of Dufferin Child and Family Services, which comprise the statement of financial position as at March 31, 2011, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated June 9, 2011 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements. The financial information presented hereinafter was derived from the accounting records tested by us as part of the auditing procedures followed in our examination of the financial statements and, in our opinion, it is fairly presented in all material respects in relation to the financial statements taken as a whole.

Opinion

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves. The supplementary information is not materially misstated in relation to the financial statements as a whole.

Restriction on Distribution and Use

The supplementary information is prepared to assist Dufferin Child and Family Services to meet the requirements of the Ministries of the Province of Ontario. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for Dufferin Child and Family Services and the Ministries of the Province of Ontario and should not be distributed to or used by parties other than Dufferin Child and Family Services or the Ministries of the Province of Ontario.

BDO Canada LLP

Chartered Accountants, Licensed Public Accountants

Orangeville, Ontario
June 9, 2011

**Dufferin Child and Family Services
Child Protection Service
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 7,460,560	\$ 7,410,844
Expenses (page 21)	7,837,596	8,254,775
Other income		
Other income	(196,307)	(196,118)
Recoveries	(49,429)	(324,826)
GST recovery	(118,477)	(32,312)
	7,473,383	7,701,519
Excess (deficiency) of revenue over expenses before prior year subsidy recovery	(12,823)	(290,675)
Prior year subsidy clawback (recovery)	(20,927)	70,028
Excess (deficiency) of revenue over expenses	8,104	(360,703)
Fund balance, beginning of year	(463,496)	(73,695)
Correction of prior period error	-	(29,098)
Fund balance, end of year	\$ (455,392)	\$ (463,496)

**Dufferin Child and Family Services
Child Protection Service
Schedule of Expenses
(Unaudited)**

For the year ended March 31	2011	2010
Salaries	\$ 2,949,472	\$ 3,329,888
Benefits	647,535	616,249
Travel	200,156	180,761
Training	41,710	29,068
Occupancy costs	405,657	428,002
Professional service - non-client Program	91,156	23,909
Boarding rate payments	2,359	2,902
Professional service - client	2,744,660	2,769,724
Clients' personal needs	75,838	115,202
Medical and related services	141,831	141,335
Financial assistance	107,291	116,572
Promotion and publicity	27,103	9,697
Office administration	18,545	10,397
Capital acquisitions	126,485	189,571
Miscellaneous	26,302	4,945
Technology	75,893	80,298
	<u>155,603</u>	<u>206,255</u>
	\$ 7,837,596	\$ 8,254,775

**Dufferin Child and Family Services
Child Protection Service
Child Abuse**

**Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 3,000	\$ 3,000
Expenses		
Office administration	<u>3,000</u>	<u>-</u>
Excess (deficiency) of revenue over expenses	-	3,000
Fund balance, beginning of year	3,666	666
Prior year subsidy clawback	<u>666</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,000</u>	<u>\$ 3,666</u>

**Dufferin Child and Family Services
 Child Protection Service
 Partner Facility Renewal
 Schedule of Revenue and Expenses and Fund Balances
 (Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 10,542	\$ 8,970
Expenses		
Program	<u>10,542</u>	<u>8,978</u>
Excess (deficiency) of revenue over expenses	-	(8)
Fund balance, beginning of year	<u>(2,430)</u>	<u>(2,422)</u>
Fund balance, end of year	<u>\$ (2,430)</u>	<u>\$ (2,430)</u>

Dufferin Child and Family Services
Child Protection Service
Repairs & Maintenance
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 17,100	\$ -
Expenses		
Program	<u>17,100</u>	<u>-</u>
Excess (deficiency) of revenue over expenses	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>

**Dufferin Child and Family Services
Children's Mental Health
Child & Family Counselling
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 695,346	\$ 842,466
Expenses		
Salaries	446,105	440,128
Benefits	93,594	85,673
Travel	4,187	4,475
Training	7,081	3,519
Occupancy costs	186	-
Program	7,310	10,495
Professional service - client	5,729	725
Promotion and publicity	364	1,706
Office administration	102,845	157,784
Miscellaneous	19,310	136,983
Technology	8,680	5,746
	695,391	847,234
Other income		
Recoveries	(45)	-
	695,346	847,234
Excess (deficiency) of revenue over expenses	-	(4,768)
Fund balance, beginning of year	24,678	29,446
Fund balance, end of year	\$ 24,678	\$ 24,678

**Dufferin Child and Family Services
Children's Mental Health
Community Capacity Building - Dufferin Options
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 49,073	\$ 49,073
Expenses		
Salaries	52,926	52,927
Benefits	4,201	4,144
Travel	538	2,760
Training	-	244
Program	423	1,392
Office administration (recovery)	(837)	-
Miscellaneous	-	14
	<u>57,251</u>	<u>61,481</u>
Other income		
Recoveries	<u>(8,178)</u>	-
	<u>49,073</u>	<u>61,481</u>
Excess (deficiency) of revenue over expenses	-	(12,408)
Fund balance, beginning of year	<u>(12,228)</u>	180
Fund balance, end of year	<u>\$ (12,228)</u>	<u>\$ (12,228)</u>

**Dufferin Child and Family Services
Children's Mental Health
Crisis**

**Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 137,420	\$ 138,950
Expenses		
Salaries	86,034	87,070
Benefits	15,716	14,815
Travel	984	465
Training	-	270
Program	793	-
Office administration	33,853	36,380
Miscellaneous	40	-
	<u>137,420</u>	<u>139,000</u>
Excess (deficiency) of revenue over expenses	-	(50)
Fund balance, beginning of year	31,182	31,232
Prior year subsidy clawback	1,736	-
Fund balance, end of year	<u>\$ 29,446</u>	<u>\$ 31,182</u>

**Dufferin Child and Family Services
Children's Mental Health
Early Years Initiative 0-6 Years
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 109,229	\$ 75,579
Expenses		
Salaries	34,460	34,460
Benefits	5,818	5,526
Travel	463	546
Training	-	120
Program	694	826
Professional service - client	12,975	16,980
Office administration	54,804	17,120
Miscellaneous	15	45
	<u>109,229</u>	<u>75,623</u>
Excess (deficiency) of revenue over expenses	-	(44)
Fund balance, beginning of year	3,138	3,182
Prior year subsidy clawback	3,214	-
Fund balance, end of year	<u>\$ (76)</u>	<u>\$ 3,138</u>

**Dufferin Child and Family Services
Children's Mental Health
Family Group Decision Making
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ -	\$ 1,139
Expenses		
Benefits	-	68
Training	-	501
	-	569
Excess (deficiency) of revenue over expenses	-	570
Fund balance, beginning of year	570	-
Fund balance, end of year	\$ 570	\$ 570

**Dufferin Child and Family Services
Children's Mental Health
Intensive Child & Family Counselling
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 222,909	\$ 222,909
Expenses		
Salaries	119,424	120,289
Benefits	25,410	22,272
Travel	2,348	2,839
Training	-	740
Program	11,236	2,286
Professional service - client	31,500	31,500
Office administration	32,859	42,913
Miscellaneous	132	79
	<u>222,909</u>	<u>222,918</u>
Excess (deficiency) of revenue over expenses	-	(9)
Fund balance, beginning of year	<u>(469)</u>	<u>(460)</u>
Fund balance, end of year	<u>\$ (469)</u>	<u>\$ (469)</u>

**Dufferin Child and Family Services
Children's Mental Health
Sexual Assault Counselling
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 73,734	\$ 73,884
Expenses		
Salaries	34,460	64,652
Benefits	7,320	11,294
Travel	1,106	1,205
Training	-	465
Program	790	-
Office administration	30,014	-
Miscellaneous	44	176
	<u>73,734</u>	<u>77,792</u>
Excess (deficiency) of revenue over expenses	-	(3,908)
Fund balance, beginning of year	<u>(32)</u>	<u>3,876</u>
Fund balance, end of year	<u>\$ (32)</u>	<u>\$ (32)</u>

**Dufferin Child and Family Services
Children's Mental Health
Children's Hospital of Eastern Ontario (CHEO)
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 17,526	\$ 4,974
Expenses		
Salaries	12,110	3,561
Benefits	914	243
Program	256	27
Office administration	1,388	-
Miscellaneous	2,858	1,143
	<u>17,526</u>	<u>4,974</u>
Excess (deficiency) of revenue over expenses	-	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ -	\$ -

**Dufferin Child and Family Services
Children's Mental Health
Children's Hospital of Eastern Ontario (CHEO) - Dare to Dream
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 172	\$ 3,128
Expenses		
Program	235	-
Miscellaneous	-	3,128
	<u>235</u>	<u>3,128</u>
Excess (deficiency) of revenue over expenses	(63)	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ (63)	\$ -

**Dufferin Child and Family Services
Children's Mental Health
Children's Hospital of Eastern Ontario (CHEO) - Mobilization
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 23,321	\$ 25,144
Expenses		
Salaries	-	4,120
Benefits	-	135
Program	25	-
Miscellaneous	8,870	20,889
	<u>8,895</u>	<u>25,144</u>
Excess (deficiency) of revenue over expenses	14,426	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ 14,426	\$ -

**Dufferin Child and Family Services
Developmental Support Services
Community Resource - Adults
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 148,486	\$ 150,330
Expenses		
Salaries	103,777	107,863
Benefits	22,395	22,359
Travel	3,077	2,260
Training	279	190
Office administration	17,668	15,033
Miscellaneous	1,290	2,625
	<u>148,486</u>	<u>150,330</u>
Excess (deficiency) of revenue over expenses	-	-
Fund balance, beginning of year	<u>1,579</u>	<u>1,579</u>
Fund balance, end of year	<u>\$ 1,579</u>	<u>\$ 1,579</u>

**Dufferin Child and Family Services
Developmental Support Services
Community Resource - Children
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 163,803	\$ 153,803
Expenses		
Salaries	101,738	103,777
Benefits	21,710	20,668
Travel	1,962	1,925
Training	339	354
Program	2,771	10
Office administration	21,499	25,356
Miscellaneous	13,784	2,387
	<u>163,803</u>	<u>154,477</u>
Excess (deficiency) of revenue over expenses	-	(674)
Fund balance, beginning of year	3,029	3,703
Prior year subsidy clawback	1,875	-
Fund balance, end of year	<u>\$ 1,154</u>	<u>\$ 3,029</u>

**Dufferin Child and Family Services
Developmental Support Services
Early Childhood Development
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 250,775	\$ 250,775
Expenses		
Salaries	196,157	196,157
Benefits	41,583	38,266
Travel	4,390	4,183
Training	610	553
Program	1,587	-
Office administration (recovery)	(234)	5,234
Miscellaneous	6,682	7,561
	<u>250,775</u>	<u>251,954</u>
Excess (deficiency) of revenue over expenses	-	(1,179)
Fund balance, beginning of year	4,924	6,103
Prior year subsidy clawback	6,721	-
Fund balance, end of year	<u>\$ (1,797)</u>	<u>\$ 4,924</u>

**Dufferin Child and Family Services
Developmental Support Services
Family Relief
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue	\$ -	\$ -
Expenses	-	-
Excess (deficiency) of revenue over expenses	-	-
Fund balance, beginning of year	(787)	(787)
Fund balance, end of year	\$ (787)	\$ (787)

**Dufferin Child and Family Services
Developmental Support Services
Family Relief - Out of Home Respite
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 42,230	\$ 75,430
Expenses		
Salaries	47,511	45,452
Benefits	7,160	8,856
Travel	876	60
Training	558	2,025
Professional service - non-client Program	-	15,000
Office administration (recovery)	2,697	5,634
Miscellaneous	(816)	722
	121	78
	<u>58,107</u>	<u>77,827</u>
Other income		
Recoveries	(15,877)	-
	<u>42,230</u>	<u>77,827</u>
Excess (deficiency) of revenue over expenses	-	(2,397)
Fund balance, beginning of year	(6,563)	(4,166)
Fund balance, end of year	\$ (6,563)	\$ (6,563)

**Dufferin Child and Family Services
Developmental Support Services
Special Services At Home
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Province of Ontario	\$ 385,942	\$ 415,396
Province of Ontario - administration fee	45,375	33,232
	<u>431,317</u>	<u>448,628</u>
Expenses		
Salaries	21,847	21,847
Benefits	5,607	5,548
Program	385,942	429,629
Office administration (recovery)	(239)	3,437
Summer camp	14,500	-
	<u>427,657</u>	<u>460,461</u>
Prior year subsidy recovery	<u>(2,500)</u>	-
Excess (deficiency) of revenue over expenses	6,160	(11,833)
Fund balance, beginning of year	<u>(4,055)</u>	<u>7,778</u>
Fund balance, end of year	<u>\$ 2,105</u>	<u>\$ (4,055)</u>

**Dufferin Child and Family Services
Diversity Awareness
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 53,400	\$ 39,100
Expenses		
Salaries	21,870	34,461
Benefits	1,918	3,185
Program	560	-
	<u>24,348</u>	<u>37,646</u>
Other income		
Recoveries	(510)	(19)
	<u>23,838</u>	<u>37,627</u>
Excess (deficiency) of revenue over expenses	29,562	1,473
Fund balance, beginning of year	<u>4,227</u>	<u>2,754</u>
Fund balance, end of year	\$ 33,789	\$ 4,227

**Dufferin Child and Family Services
Student Support and Leadership Initiative
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 130,246	\$ 85,404
Expenses		
Salaries	68,332	53,086
Benefits	14,846	10,227
Travel	3,019	2,858
Office administration	1,307	2,767
Miscellaneous	42,795	16,466
	<u>130,299</u>	<u>85,404</u>
Excess (deficiency) of revenue over expenses	(53)	-
Fund balance, beginning of year	-	-
Fund balance, end of year	\$ (53)	\$ -

**Dufferin Child and Family Services
Dufferin Coalition for Kids
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 43,633	\$ 19,167
Expenses		
Program	<u>23,583</u>	<u>20,388</u>
Excess (deficiency) of revenue over expenses	20,050	(1,221)
Fund balance, beginning of year	<u>(1,221)</u>	<u>-</u>
Fund balance, end of year	\$ 18,829	\$ (1,221)

**Dufferin Child and Family Services
Eliminating Barriers and Building Successes
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Subsidies	\$ 2,790	\$ 30,000
Expenses		
Travel	-	500
Training (recovery) Program	(2,750)	29,043
Office administration	-	2,700
	-	300
	(2,750)	32,543
Excess (deficiency) of revenue over expenses	5,540	(2,543)
Fund balance, beginning of year	(2,543)	-
Fund balance, end of year	\$ 2,997	\$ (2,543)

**Dufferin Child and Family Services
Ministry of the Attorney General
Headwaters Family Visit Centre
Schedule of Revenue and Expenses and Fund Balances
(Unaudited)**

For the year ended March 31	2011	2010
Revenue		
Ministry of the Attorney General	\$ 146,257	\$ 172,889
Expenses		
Salaries	112,798	107,767
Benefits	14,014	12,450
Travel	2,026	2,992
Training	1,998	3,560
Occupancy costs	2,969	7,886
Program	62	-
Office administration	13,597	24,998
Miscellaneous	2,339	11,398
	149,803	171,051
Other income		
Other income	(3,546)	(3,101)
GST recovery	-	(10)
	146,257	167,940
Excess (deficiency) of revenue over expenses	-	4,949
Fund balance, beginning of year	4,949	-
Fund balance, end of year	\$ 4,949	\$ 4,949

**Dufferin Child and Family Services
Agency
Schedule of One-time Capital
(Unaudited)**

For the year ended March 31

2011

Revenue

Proceeds - sale of 235 Broadway	\$ 510,000
Proceeds - sale of 293 Broadway	400,000
Proceeds - long term debt	<u>3,550,000</u>
	<u>4,460,000</u>

Expenditures

Purchase of 655 Riddell	4,349,889
Repayment - long term debt	203,068
Repayment - Children's fund	<u>246,122</u>
	<u>4,799,079</u>

Excess (deficiency) of revenue over expenses	\$ (339,079)
-----------------------------------------------------	---------------------
