

EDMONTON SOCIAL PLANNING COUNCIL

Financial Statements

Year Ended December 31, 2010

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Year Ended December 31, 2010

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INDEPENDENT AUDITORS' REPORT

To the Members of
Edmonton Social Planning Council

Report on the Financial Statements

We have audited the accompanying financial statements of Edmonton Social Planning Council, which comprise the statement of financial position as at December 31, 2010, 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.

Auditors' 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many non-profit organizations, the Council derives revenue from various sources such as donations and fundraising, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenue from these sources was limited to the amounts recorded in the records of the Council and we were not able to determine whether any adjustments might be necessary to operations, assets or net assets.

Qualified Opinion

In our opinion, except for the effect of the matter described in the Basis for Qualified Opinion paragraph, these financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 2010 and its financial performance and its cash flows for the year ended in accordance with Canadian generally accepted accounting principles.

Edmonton, Alberta
April 12, 2011



CHARTERED ACCOUNTANTS



Members of
The Institute of Chartered Accountants of Alberta

EDMONTON SOCIAL PLANNING COUNCIL
Statement of Financial Position
December 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash (Note 3)	\$ 43,606	\$ 66,762
Short-term investments (Note 3)	118,473	35,621
Accounts receivable	2,449	13,608
Prepaid expenses	3,723	7,608
	<u>168,251</u>	<u>123,599</u>
EQUIPMENT (Note 4)	<u>3,967</u>	<u>3,797</u>
	<u>\$ 172,218</u>	<u>\$ 127,396</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 17,529	\$ 25,262
Deferred contributions (Note 5)	59,160	28,724
	<u>76,689</u>	<u>53,986</u>
NET ASSETS		
Invested in equipment	3,967	3,797
Internally restricted (Note 6)	20,785	9,204
Unrestricted	70,777	60,409
	<u>95,529</u>	<u>73,410</u>
	<u>\$ 172,218</u>	<u>\$ 127,396</u>
LEASE COMMITMENTS (Note 7)		

ON BEHALF OF THE BOARD

Ken W. Stickland Director
John F. [Signature] Director

EDMONTON SOCIAL PLANNING COUNCIL

Statement of Operations

Year Ended December 31, 2010

	Budget 2010 (Unaudited)	2010	2009
REVENUE			
United Way	\$ 207,600	\$ 207,600	\$ 207,566
Foundation grants (Note 8)	61,000	94,229	88,739
Casino	44,100	37,751	43,211
Community Initiatives Program	-	20,440	-
City of Edmonton	20,000	19,250	19,250
Donations and fundraising	15,506	16,277	6,851
Memberships	4,000	3,721	3,910
Community Spirit grant	2,340	2,106	3,749
Interest and other	1,400	1,929	2,411
Government of Alberta	-	1,680	-
Publications	2,250	1,237	2,390
Wood Buffalo social plan	-	-	9,588
City of Edmonton "Way We Live"	-	-	31,500
	358,196	406,220	419,165
EXPENSES			
Salaries and benefits	268,594	259,901	275,768
Office	29,895	28,636	26,688
Building occupancy	32,282	27,578	28,368
Social Return on Investment project	-	21,081	19,195
Community Initiatives Program	-	20,440	-
Professional fees	17,425	14,295	15,985
Amortization	-	2,618	11,308
Insurance	2,750	2,559	3,480
Bank charges and interest	2,550	1,928	776
Publications and resources	1,000	1,333	826
Meetings and volunteer appreciation	1,300	984	1,078
Website development	-	854	1,025
Recruitment and education	900	793	2,323
Memberships and dues	500	739	697
Transportation	1,000	362	970
Way We Live project	-	-	14,722
	358,196	384,101	403,209
REVENUE OVER EXPENSES	\$ -	\$ 22,119	\$ 15,956

EDMONTON SOCIAL PLANNING COUNCIL**Statement of Changes in Net Assets****Year Ended December 31, 2010**

	Invested in Equipment	Internally Restricted	Unrestricted	2010	2009
NET ASSETS - BEGINNING OF YEAR	\$ 3,797	\$ 9,204	\$ 60,409	\$ 73,410	\$ 57,454
Transfer	-	11,581	(11,581)	-	-
Purchase of equipment	2,788	-	(2,788)	-	-
Revenue over (under) expenses	(2,618)	-	24,737	22,119	15,956
NET ASSETS - END OF YEAR	<u>\$ 3,967</u>	<u>\$ 20,785</u>	<u>\$ 70,777</u>	<u>\$ 95,529</u>	<u>\$ 73,410</u>

EDMONTON SOCIAL PLANNING COUNCIL**Statement of Cash Flows****Year Ended December 31, 2010**

	2010	2009
OPERATING ACTIVITIES		
Revenue over expenses	\$ 22,119	\$ 15,956
Item not affecting cash:		
Amortization	2,618	11,308
	24,737	27,264
Changes in non-cash working capital items (Note 9)	37,747	(73,373)
	62,484	(46,109)
INVESTING ACTIVITY		
Purchase of equipment	(2,788)	(1,412)
INCREASE (DECREASE) IN CASH	59,696	(47,521)
Cash - beginning of year	102,383	149,904
CASH - END OF YEAR	\$ 162,079	\$ 102,383
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 999	\$ 832
CASH CONSISTS OF		
Cash	\$ 43,606	\$ 66,762
Short-term investments	118,473	35,621
	\$ 162,079	\$ 102,383

EDMONTON SOCIAL PLANNING COUNCIL

Notes to Financial Statements

Year Ended December 31, 2010

1. NATURE OF OPERATIONS

The Edmonton Social Planning Council is a non-profit organization incorporated under the Societies Act (Alberta) and is exempt from income taxes. The Council provides resources to the community in the areas of non-profit management, applied research and community organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Equipment

Equipment is stated at cost less accumulated amortization. Equipment is amortized over their estimated useful lives using the straight-line method at the following rates:

Furniture and equipment	5 years
Leasehold improvements	3 years

Revenue recognition

Edmonton Social Planning Council follows the deferral method of accounting for contributions. Contributions, including operating grants, are included in revenue in the year in which they are received or receivable, with the exception that contributions to fund a specific future period's expenses are included in revenue in that later period. Grants received for the acquisition of equipment are deferred and amortized to revenue on the same basis as the related equipment.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

3. RESTRICTED CASH

Cash and short-term investment balances generated through casinos totalling \$48,234 (2009--\$13,548) are available for use only in accordance with the terms of the gaming licences issued by the Alberta Gaming and Liquor Commission. Short-term investments are held in secure guaranteed investment certificates.

4. EQUIPMENT

	Cost	Accumulated amortization	2010 Net book value	2009 Net book value
Furniture and equipment	\$ 52,113	\$ 49,035	\$ 3,078	\$ 1,130
Leasehold improvements	8,890	8,001	889	2,667
	<u>\$ 61,003</u>	<u>\$ 57,036</u>	<u>\$ 3,967</u>	<u>\$ 3,797</u>

EDMONTON SOCIAL PLANNING COUNCIL
Notes to Financial Statements
Year Ended December 31, 2010

5. DEFERRED CONTRIBUTIONS

A portion of receipts received in the year are deferred to be recognized as revenue in future years as the related expenses are incurred. Deferred contributions consists of the following:

	2010	2009
Casino proceeds	\$ 48,234	\$ 13,548
Community Initiatives Program	4,560	-
Social Enterprise Fund	3,918	672
Quality of Life	1,484	1,696
UCSN BBQ	964	-
Edmonton Community Foundation	-	12,808
	<u>\$ 59,160</u>	<u>\$ 28,724</u>

6. INTERNALLY RESTRICTED

Edmonton Social Planning Council Board has internally restricted \$20,785 from current years' surpluses to be used to make salaries more competitive in the upcoming year.

7. LEASE COMMITMENTS

The Council leases office space in Edmonton under an agreement that expires February 2012 and leases a photocopier expiring December 2015. Future minimum lease payments are as follows:

	Office	Photocopier	Total
2011	\$ 23,886	\$ 7,080	\$ 30,966
2012	23,886	7,080	30,966
2013	-	7,080	7,080
2014	-	7,080	7,080
2015	-	7,080	7,080
	<u>\$ 47,772</u>	<u>\$ 35,400</u>	<u>\$ 83,172</u>

8. FOUNDATION GRANTS

	2010	2009
Edmonton Community Foundation	\$ 72,808	\$ 64,470
Social Enterprise Fund	21,082	22,084
Food Services Network	339	-
Edmonton Community Foundation - website	-	1,585
Muttart Foundation	-	600
	<u>\$ 94,229</u>	<u>\$ 88,739</u>

EDMONTON SOCIAL PLANNING COUNCIL

Notes to Financial Statements

Year Ended December 31, 2010

9. CHANGES IN NON-CASH WORKING CAPITAL

Changes in non-cash working capital items and their effect of increasing (decreasing) cash are as follows:

	2010	2009
Accounts receivable	\$ 11,159	\$ (1,197)
Prepaid expenses	3,885	(4,997)
Accounts payable and accrued liabilities	(7,733)	4,434
Deferred contributions	30,436	(71,613)
	<u>\$ 37,747</u>	<u>\$ (73,373)</u>

10. REGISTERED PENSION PLAN

Employees of the Council participate in a defined contribution registered pension plan administered by Manulife Financial Corporation. The Council is required to make current service contributions to the plan of 6% of pensionable earnings. The current contributions made by the Council to the plan in 2010 were \$14,769 (2009--\$14,217).

11. BUDGET INFORMATION

The comparative budget information on the statement of operations is provided for information purposes only. It has not been audited.

12. FINANCIAL INSTRUMENTS

For cash and short-term investments, accounts receivable and accounts payable, the carrying value of these financial instruments approximate their fair value due to their short-term maturity or capacity for prompt liquidation.

The effective interest rate on short-term investments varied during the year from 0.85% to 1.45% (2009 -- 0.25% to 3.0%).

The Council does not believe it is subject to any significant concentrations of credit risk. Cash and short-term investments are in place with major financial institutions. Accounts receivable are generally amounts due from government agencies and funding agencies.

13. CAPITAL MANAGEMENT

The Council's goal in managing capital is to safeguard its ability to continue as a going-concern so that it can continue to provide services to the members. To accomplish this goal, the Council has established policies to preserve the financial condition of the Council and protect its assets by setting limitations on the expenditure of funds, incurrence of debt and investment of funds. The Board meets regularly to review the Council's financial position.

EDMONTON SOCIAL PLANNING COUNCIL

Notes to Financial Statements

Year Ended December 31, 2010

14. FUTURE ACCOUNTING CHANGES

In December of 2010, the Accounting Standards Board of the Canadian Institute of Chartered Accountants approved the adoption of new accounting standards for not-for-profit organizations to be effective for fiscal years commencing on or after January 1, 2012. Management and the Board will ensure the Council complies with the new standards.
