

EDMONTON SOCIAL PLANNING COUNCIL
Financial Statements
Year Ended December 31, 2016

EDMONTON SOCIAL PLANNING COUNCIL
Index to Financial Statements
Year Ended December 31, 2016

	Page
INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 11

INDEPENDENT AUDITOR'S 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, 2016 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 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.

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 involves 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 qualified audit opinion.

Basis for Qualified Opinion

In common with many charitable organizations, the Council derives revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenue 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, current assets and 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 Edmonton Social Planning Council as at December 31, 2016 and the results of its operations and its cash flows for the year ended in accordance with Canadian accounting standards for not-for-profit organizations.

Edmonton, Alberta
April 11, 2017

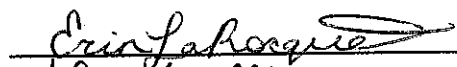

Peterson Walker LLP

CHARTERED ACCOUNTANTS

EDMONTON SOCIAL PLANNING COUNCIL
Statement of Financial Position
December 31, 2016

	2016	2015
ASSETS		
CURRENT		
Cash and short-term investments (Note 3)	\$ 227,521	\$ 248,893
Accounts receivable	963	14,701
Prepaid expenses	4,186	3,860
	<u>\$ 232,670</u>	<u>\$ 267,454</u>
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 16,070	\$ 15,281
Deferred contributions (Note 4)	96,526	134,663
	<u>112,596</u>	<u>149,944</u>
NET ASSETS		
Internally restricted (Note 5)	67,464	66,942
Unrestricted	52,610	50,568
	<u>120,074</u>	<u>117,510</u>
	<u>\$ 232,670</u>	<u>\$ 267,454</u>
LEASE COMMITMENT (Note 6)		

APPROVED BY THE BOARD

 Director
 Director

EDMONTON SOCIAL PLANNING COUNCIL
Statement of Operations
Year Ended December 31, 2016

	2016	2015
REVENUE		
United Way	\$ 210,714	\$ 207,600
Casino	37,267	37,186
Edmonton Community Foundation	33,213	40,712
Project revenue (Note 7)	25,471	61,553
City of Edmonton	17,500	17,000
Interest and other	5,048	1,560
Employment grant	3,528	-
Memberships	2,800	2,980
Donations	2,782	3,229
Publications	211	779
	<u>338,534</u>	<u>372,599</u>
EXPENSES		
Salaries and benefits	230,458	234,618
Project expenses (Note 8)	33,214	59,117
Administration	24,690	7,595
Building occupancy	23,927	23,996
Professional fees	9,557	9,827
Travel	4,725	4,511
Insurance	2,437	2,532
Staff development	2,190	2,429
Meetings and volunteer appreciation	1,930	2,213
Memberships and dues	1,369	1,219
Website maintenance	702	611
Bank charges and interest	505	1,477
Vibrant Communities Edmonton	179	-
Program costs	87	113
Anniversary costs	-	2,583
	<u>335,970</u>	<u>352,841</u>
REVENUE OVER EXPENSES	<u>\$ 2,564</u>	<u>\$ 19,758</u>

EDMONTON SOCIAL PLANNING COUNCIL**Statement of Changes in Net Assets****Year Ended December 31, 2016**

	Internally Restricted	Unrestricted	2016	2015
NET ASSETS - BEGINNING OF YEAR	\$ 66,942	\$ 50,568	\$ 117,510	\$ 97,752
Revenue over expenses	522	2,042	2,564	19,758
NET ASSETS - END OF YEAR	\$ 67,464	\$ 52,610	\$ 120,074	\$ 117,510

EDMONTON SOCIAL PLANNING COUNCIL
Statement of Cash Flows
Year Ended December 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Revenue over expenses	\$ 2,564	\$ 19,758
Changes in non-cash working capital items:		
Accounts receivable	13,738	(13,487)
Prepaid expenses	(326)	(577)
Accounts payable and accrued liabilities	789	(3,885)
Deferred contributions	(38,137)	32,881
	(23,936)	14,932
(DECREASE) INCREASE IN CASH	(21,372)	34,690
Cash and short-term investments - beginning of year	248,893	214,203
CASH AND SHORT-TERM INVESTMENTS - END OF YEAR	\$ 227,521	\$ 248,893
 CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest received	\$ 1,263	\$ 1,154
 CASH AND SHORT-TERM INVESTMENTS CONSIST OF		
Cash	\$ 99,925	\$ 95,685
Short-term investments	127,596	153,208
	\$ 227,521	\$ 248,893

EDMONTON SOCIAL PLANNING COUNCIL

Notes to Financial Statements

Year Ended December 31, 2016

1. NATURE OF OPERATIONS

The Edmonton Social Planning Council is a charitable 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. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Cash and short-term investments

Cash and short-term investments are defined as cash on hand and cash on deposit, net of cheques issued and outstanding at the reporting date and cashable term deposits.

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:

Computer equipment	3 years
Furniture and equipment	5 years

Contributed goods and services

Volunteers contribute time to assist the Council in carrying out its services. Due to the difficulty in determining their fair value, contributed goods and volunteer services are not recognized in the financial statements.

Revenue recognition

The 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.

Memberships are recognized as revenue during the membership period to which they apply.

Publications revenue is recognized at the time of sale.

(continues)

EDMONTON SOCIAL PLANNING COUNCIL
Notes to Financial Statements
Year Ended December 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

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.

Use of estimates

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 amounts reported in the financial statements. Significant estimates include amortization, accrued liabilities and deferred contributions. By their nature, these estimates are subject to measurement uncertainty and actual results could differ.

3. RESTRICTED CASH

Cash includes \$55,435 (2015--\$92,756) of casino funds which can only be used in accordance with the terms of the gaming licences issued by the Alberta Gaming and Liquor Commission.

4. 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 consist of the following:

	2016	2015
Casino proceeds	\$ 55,435	\$ 92,756
Edmonton Community Foundation	33,869	18,904
Vibrant Communities Edmonton	2,575	2,759
Edmonton Community Foundation--Poverty Reduction	2,335	10,986
CEASE	1,982	2,906
Quality of Life	330	330
Stollery Foundation	-	5,344
Edmonton Community Foundation--GSA project	-	678
	<u>\$ 96,526</u>	<u>\$ 134,663</u>

5. INTERNALLY RESTRICTED

The Council has established an internally restricted fund to be used for future operating costs in the event of an unanticipated funding loss. The fund is held in cashable term deposits. A Board decision was made to transfer any income earned from the term deposits to the fund. The total of the fund is \$67,464 (2015--\$66,942).

EDMONTON SOCIAL PLANNING COUNCIL**Notes to Financial Statements****Year Ended December 31, 2016**

6. LEASE COMMITMENT

The Council leases office space in Edmonton under an agreement that expires February 2018. Future minimum lease payments are as follows:

2017	\$ 13,016
2018	2,200
	<u>\$ 15,216</u>

7. PROJECT REVENUE

	2016	2015
Edmonton Community Foundation--Vital Signs	\$ 10,551	\$ 16,000
Edmonton Community Foundation--Poverty Reduction	8,651	1,640
Stollery Foundation	5,345	3,185
CEASE	924	638
Capital Region Housing Corporation	-	18,000
Alberta Real Estate Foundation	-	14,000
City of Edmonton--Poverty Elimination	-	7,167
Edmonton Community Foundation--GSA project	-	923
	<u>\$ 25,471</u>	<u>\$ 61,553</u>

8. PROJECT EXPENSES

	2016	2015
Wages	\$ 23,796	\$ 32,851
Research	6,180	30
Focus groups	1,953	9,898
Travel	768	-
Administration	448	13,546
Meeting costs	69	723
Consulting	-	1,128
Software and website maintenance	-	941
	<u>\$ 33,214</u>	<u>\$ 59,117</u>

9. 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 7% of pensionable earnings. The current contributions made by the Council to the plan in 2016 were \$13,512 (2015--\$15,956).

EDMONTON SOCIAL PLANNING COUNCIL

Notes to Financial Statements

Year Ended December 31, 2016

10. FINANCIAL INSTRUMENTS

The Council's financial instruments consist of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities and deferred contributions.

The Council is exposed to the following risks through its financial instruments:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Council's main credit risk relates to accounts receivable. Accounts receivable are generally amounts due from government agencies. It is management's opinion that there is no significant credit risk as of December 31, 2016.

Liquidity risk

Liquidity risk arises from the possibility that the Council might encounter difficulty in settling its debts or in meeting its obligations related to financial liabilities. It is management's opinion that there is no significant liquidity risk as of December 31, 2016.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Council is exposed to interest rate risk arising on its interest bearing assets. The effective interest rate on short-term investments varied during the year from 1.3% to 2.1% (2015--0.85% to 1.3%).
