

**EDMONTON SOCIAL PLANNING COUNCIL**

**Financial Statements**

**Year Ended December 31, 2021**

**EDMONTON SOCIAL PLANNING COUNCIL**

**Index to Financial Statements**

**Year Ended December 31, 2021**

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	Page
INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL STATEMENTS	
Statement of Financial Position	5
Statement of Operations	6
Statement of Changes in Net Assets	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 14

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
Edmonton Social Planning Council

**Qualified Opinion**

We have audited the financial statements of Edmonton Social Planning Council (the Council), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Council as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

**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, verification of these revenues was limited to the amounts recorded in the records of the Council. Therefore, we were not able to determine whether any adjustments might be necessary to operations, assets or net assets as at December 31, 2021.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Council's financial reporting process.

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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Edmonton, Alberta  
May 11, 2022


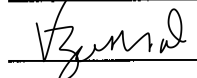


CHARTERED PROFESSIONAL ACCOUNTANTS

**EDMONTON SOCIAL PLANNING COUNCIL**  
**Statement of Financial Position**  
**December 31, 2021**

	2021	2020
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash and short-term investments (Note 3)	\$ 523,758	\$ 347,404
Accounts receivable	8,103	10,888
Prepaid expenses	6,324	6,021
	<u>538,185</u>	<u>364,313</u>
<b>EQUIPMENT (Note 4)</b>	<u>2,339</u>	<u>6,143</u>
	<u>\$ 540,524</u>	<u>\$ 370,456</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 24,098	\$ 30,215
Deferred contributions (Note 5)	234,599	118,374
	<u>258,697</u>	<u>148,589</u>
<b>LONG-TERM DEBT (Note 6)</b>	<u>40,000</u>	<u>-</u>
	<u>298,697</u>	<u>148,589</u>
<b>NET ASSETS</b>		
Internally restricted (Note 7)	128,944	127,730
Invested in equipment	2,339	6,143
Unrestricted	110,544	87,994
	<u>241,827</u>	<u>221,867</u>
	<u>\$ 540,524</u>	<u>\$ 370,456</u>
<b>LEASE COMMITMENT (Note 8)</b>		
<b>EXTRAORDINARY EVENT (Note 14)</b>		

**APPROVED BY THE BOARD**

  
 \_\_\_\_\_ Director  
  
 \_\_\_\_\_ Director

# EDMONTON SOCIAL PLANNING COUNCIL

## Statement of Operations

Year Ended December 31, 2021

	2021	2020
<b>REVENUE</b>		
United Way	\$ 182,988	\$ 215,976
City of Edmonton - FCSS grant	100,000	100,000
Alberta Living Wage Network (Note 9)	58,239	32,293
Edmonton Community Foundation	53,364	40,000
Project revenue (Note 10)	35,203	45,523
Canada Emergency Wage and Rent Subsidies	29,761	-
Canada Emergency Business Account loan forgiveness	20,000	-
Casino	17,425	29,980
City of Edmonton	16,500	16,500
Employment grants	4,688	5,449
Donations	4,050	4,707
Memberships	3,680	3,175
Interest and other	1,932	2,177
Stollery Foundation	-	56,400
	<u>527,830</u>	<u>552,180</u>
<b>EXPENSES</b>		
Salaries and benefits	337,572	361,940
Alberta Living Wage Network (Note 9)	58,239	32,293
Project expenses (Note 11)	40,365	43,761
Building occupancy	27,314	27,387
Administration	21,862	35,455
Professional fees	13,765	12,137
Amortization	3,804	4,546
Insurance	2,847	2,765
Staff development	918	2,021
Memberships and dues	735	1,236
Meetings and volunteer appreciation	281	1,267
Travel	168	80
Endowment contribution (Note 13)	-	4,000
	<u>507,870</u>	<u>528,888</u>
<b>REVENUE OVER EXPENSES</b>	<u>\$ 19,960</u>	<u>\$ 23,292</u>

**EDMONTON SOCIAL PLANNING COUNCIL**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2021**

	Internally Restricted	Invested In Equipment	Unrestricted	2021	2020
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 127,730	\$ 6,143	\$ 87,994	\$ 221,867	\$ 198,575
Transfer (Note 7)	1,214	-	(1,214)	-	-
Revenue over (under) expenses	-	(3,804)	23,764	19,960	23,292
<b>NET ASSETS - END OF YEAR</b>	\$ 128,944	\$ 2,339	\$ 110,544	\$ 241,827	\$ 221,867

**EDMONTON SOCIAL PLANNING COUNCIL**  
**Statement of Cash Flows**  
**Year Ended December 31, 2021**

	2021	2020
<b>OPERATING ACTIVITIES</b>		
Revenue over expenses	\$ 19,960	\$ 23,292
Items not affecting cash:		
Amortization	3,804	4,546
Canada Emergency Business Account loan forgiveness	(20,000)	-
	<u>3,764</u>	<u>27,838</u>
Changes in non-cash working capital items:		
Accounts receivable	2,785	(424)
Prepaid expenses	(303)	48
Accounts payable and accrued liabilities	(6,117)	(3,634)
Deferred contributions	<u>116,225</u>	<u>(107,268)</u>
	<u>112,590</u>	<u>(111,278)</u>
	<u>116,354</u>	<u>(83,440)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of equipment	-	(4,156)
<b>FINANCING ACTIVITY</b>		
Proceeds from long-term debt	<u>60,000</u>	<u>-</u>
<b>INCREASE (DECREASE) IN CASH</b>	<u>176,354</u>	<u>(87,596)</u>
Cash and short-term investments - beginning of year	<u>347,404</u>	<u>435,000</u>
<b>CASH AND SHORT-TERM INVESTMENTS - END OF YEAR</b>	<u>\$ 523,758</u>	<u>\$ 347,404</u>
<b>CASH FLOWS SUPPLEMENTARY INFORMATION</b>		
Interest received	<u>\$ 1,722</u>	<u>\$ 1,780</u>
<b>CASH AND SHORT-TERM INVESTMENTS CONSIST OF</b>		
Cash	\$ 367,014	\$ 253,519
Short-term investments	<u>156,744</u>	<u>93,885</u>
	<u>\$ 523,758</u>	<u>\$ 347,404</u>



## EDMONTON SOCIAL PLANNING COUNCIL

### Notes to Financial Statements

Year Ended December 31, 2021

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#### 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.

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#### 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:

Furniture and equipment	5 years
Computer equipment	3 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.

##### 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.

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# EDMONTON SOCIAL PLANNING COUNCIL

## Notes to Financial Statements

Year Ended December 31, 2021

### 2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### 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 useful life of equipment, 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 \$21,716 (2020--\$39,425) of casino funds which can only be used in accordance with the terms of the gaming licences issued by the Alberta Gaming, Liquor and Cannabis Commission.

### 4. EQUIPMENT

	Cost	Accumulated amortization	2021 Net book value	2020 Net book value
Furniture and equipment	\$ 4,769	\$ 3,816	\$ 953	\$ 1,907
Computer equipment	10,777	9,391	1,386	4,236
	<u>\$ 15,546</u>	<u>\$ 13,207</u>	<u>\$ 2,339</u>	<u>\$ 6,143</u>

### 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 consist of the following:

	2021	2020
City of Edmonton--FCSS Grant	\$ 105,000	\$ -
Alberta Living Wage Network	41,165	37,307
Edmonton Community Foundation	26,636	40,000
Casino proceeds	21,716	39,425
Edmonton Poverty Profile	18,213	-
United Way	12,500	-
Edmonton Seniors Coordinating Council--Diversity Research	5,602	-
Edmonton Community Foundation--Student Bursary project	3,249	-
Learning Centre Literacy Association	518	1,642
	<u>\$ 234,599</u>	<u>\$ 118,374</u>

# EDMONTON SOCIAL PLANNING COUNCIL

## Notes to Financial Statements

Year Ended December 31, 2021

### 6. LONG-TERM DEBT

Canada Emergency Business Account loan at 0% interest.  
Loan matures December 31, 2023. Providing the loan is paid  
in full by December 31, 2023, \$20,000 is forgiven

Forgiven portion

	2021	2020
	\$ 60,000	\$ -
	(20,000)	-
	\$ 40,000	\$ -

### 7. 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 a savings account and cashable term deposits. A Board decision was made to transfer any income earned from the term deposits to the fund. During the year \$1,214 (2020--\$19,292) was transferred to the fund. The total of the fund is \$109,944 (2020--\$108,730).

Th special projects and staff development funds remained consistent at \$10,000 and \$8,000 respectively. The capital fund set up in 2020 remains at \$1,000.

Total of all four funds amounts to \$128,944 (2020--\$127,730) All four funds require Board approval for the use of funds.

### 8. LEASE COMMITMENT

The Council leases office space in Edmonton under an agreement that expires February 2023. Future minimum lease payments are as follows:

2022	\$ 14,544
2023	2,424
	\$ 16,968

**EDMONTON SOCIAL PLANNING COUNCIL****Notes to Financial Statements****Year Ended December 31, 2021****9. ALBERTA LIVING WAGE NETWORK**

Living wages are rooted in the belief that individuals and families should not just survive, but be able to live in dignity and participate in their community. The Alberta Living Wage Network operates as a collective of agencies and municipalities in Alberta and is working towards building a coordinated living wage movement by developing a standard methodology for calculating living wage across the province. The Council is the banker for the Network.

	2021	2020
Contributions	\$ 58,239	\$ 32,293
Coordinator	\$ 39,876	\$ 19,962
Communications support	10,394	-
IT Contractor	3,075	9,762
Administrative support	2,266	-
Diva Communication	2,263	646
Other	365	1,923
	\$ 58,239	\$ 32,293

**10. PROJECT REVENUE**

	2021	2020
Edmonton Community Foundation--Vital Signs project	\$ 15,000	\$ 16,374
Food Bank project	5,141	-
Learning Centre Literacy Association	5,124	2,039
CEASE COVID Affordability Gap	4,000	-
Edmonton Community Foundation - student bursary project	2,751	3,000
Edmonton Poverty Profile	1,787	-
Edmonton Seniors Coordinating Council - Diversity Research	1,400	3,804
Edmonton Community Foundation - Anti Racism project	-	10,000
Muttarts Foundation - Anti Racism project	-	10,000
Edmonton Community Foundation--Sustainability project	-	306
	\$ 35,203	\$ 45,523

**EDMONTON SOCIAL PLANNING COUNCIL**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

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**11. PROJECT EXPENSES**

	<u>2021</u>	<u>2020</u>
Wages	\$ 40,365	\$ 39,196
Printing, office and other expenses	-	4,565
	<u>\$ 40,365</u>	<u>\$ 43,761</u>

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**12. 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 2021 were \$16,072 (2020--\$19,317). Employees contribute 4% to the plan.

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**13. ENDOWMENT CONTRIBUTION**

The Council established a permanent endowment with the Edmonton Community Foundation. The Council contributed \$14,000 in total. The endowment is held and administered by the Edmonton Community Foundation. The Council is the specified recipient of the income earned on this fund, but has no access to the principal amount of the investment. No income was received in the current year (2020--\$0).

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**14. EXTRAORDINARY EVENT**

In March 2020, the Alberta Government declared a state of emergency due to the COVID-19 pandemic. In order to prevent the spread of the virus, public health orders required many businesses to close or limit capacity and for individuals to work from home if possible. The Council was able to allow staff to work from home and instituted social distancing protocols at the office.

The Council was able to access the Canada Wage and Rent Subsidy programs to offset reduced revenue and received the Canada Emergency Business Account loan during the year.

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**EDMONTON SOCIAL PLANNING COUNCIL**  
**Notes to Financial Statements**  
**Year Ended December 31, 2021**

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**15. FINANCIAL INSTRUMENTS**

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

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, 2021.

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, 2021.

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 0.35% to 0.80% (2020--0.35% to 1.90%).

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Vanessa Zembal signed May 26, 2022