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# **CALGARY FAMILY SERVICES SOCIETY**

**Financial Statements**

For the year ended March 31, 2010

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CHARTERED ACCOUNTANTS  
and other corporations of Alberta

## AUDITORS' REPORT

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### To the Directors of Calgary Family Services Society:

We have audited the statement of financial position of Calgary Family Services Society as at March 31, 2010 and the statements of operations, changes in fund balances and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Society derives revenue from donations and grants, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of the revenues was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to contributions, excess of revenues over expenses, current assets and net assets.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Calgary Family Services Society as at March 31, 2010 and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta  
June 15, 2010

*DCS Chartered Accountants*

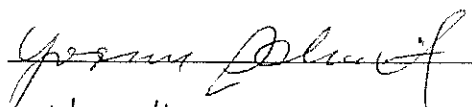
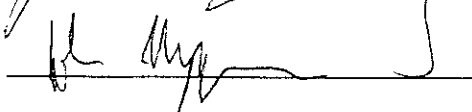
# CALGARY FAMILY SERVICES SOCIETY

## Statement of Financial Position

As at March 31, 2010 and 2009

	Operating Fund	Program Technology Fund	Capital Reserve Fund	Total 2010	Total 2009
<b>Assets</b>					
<b>Current</b>					
Cash and cash equivalents	\$ 761,756	\$ -	\$ -	\$ 761,756	\$ 694,823
Investments	1,300,671	1,252,842	246,487	2,800,000	1,197,300
Accounts receivable (Note 3)	191,064	-	-	191,064	674,292
Prepays	115,270	-	-	115,270	151,774
	2,368,761	1,252,842	246,487	3,868,090	2,718,189
Property and equipment (Note 4)	-	-	135,613	135,613	140,067
	<u>\$ 2,368,761</u>	<u>\$ 1,252,842</u>	<u>\$ 382,100</u>	<u>\$ 4,003,703</u>	<u>\$ 2,858,256</u>
<b>Liabilities</b>					
<b>Current</b>					
Accounts payable and accrued liabilities	\$ 544,340	\$ -	\$ -	\$ 544,340	\$ 589,492
Grants received in advance (Note 5)	1,416,343	-	-	1,416,343	253,967
Deferred revenue (Note 6)	347,507	-	-	347,507	484,743
Deferred contributions related to property and equipment (Note 7)	-	-	135,613	135,613	140,067
	2,308,190	-	135,613	2,443,803	1,468,269
Commitments (Note 8)					
<b>Fund Balances</b>					
Fund balances	60,571	1,252,842	246,487	1,559,900	1,389,987
	<u>\$ 2,368,761</u>	<u>\$ 1,252,842</u>	<u>\$ 382,100</u>	<u>\$ 4,003,703</u>	<u>\$ 2,858,256</u>

Approved by the Board:

 , Director  
 , Director

*See accompanying notes*

# CALGARY FAMILY SERVICES SOCIETY

## Statement of Operations

For the year ended March 31, 2010

	Operating Fund <i>(Schedule)</i>	Program Technology Fund	Capital Reserve Fund	Total 2010	Total 2009
<b>Revenues</b>					
United Way Grant	\$ 1,513,568	\$ -	\$ -	\$ 1,513,568	\$ 1,336,875
United Way Donor Designation	4,807	-	-	4,807	6,083
Provincial Government	47,302	-	-	47,302	-
FCSS contribution	4,266,767	-	-	4,266,767	4,172,760
CFSA	553,355	-	-	553,355	530,514
Alberta Health Services	6,024,589	-	-	6,024,589	5,379,006
Client fees	393,547	-	-	393,547	336,697
Society fees – memberships	390	-	-	390	620
Charitable donations	8,540	60,415	-	68,955	307,437
Casino and CIP	192,076	75,000	-	267,076	213,714
Other	813,111	32,396	-	845,507	784,981
Interest	-	32,688	3,064	35,752	74,137
Deferred revenue	227,542	-	4,454	231,996	10,389
	<u>14,045,594</u>	<u>200,499</u>	<u>7,518</u>	<u>14,253,611</u>	<u>13,153,213</u>
<b>Expenditures</b>					
Amortization	-	-	49,444	49,444	48,054
Benefits	1,386,548	5,713	-	1,392,261	1,218,531
Building occupancy	710,847	-	-	710,847	737,789
Community relations	49,165	-	-	49,165	32,722
Contracted services	549,207	-	-	549,207	503,765
Membership services	2,702	-	-	2,702	2,731
Office expenses	212,896	-	-	212,896	338,899
Program expenses	242,827	60	-	242,887	294,522
Recruitment	13,754	-	-	13,754	31,958
Salaries and wages	10,122,938	62,332	-	10,185,270	8,892,005
Staff development	139,447	-	-	139,447	166,775
Travel	535,818	-	-	535,818	384,440
	<u>13,966,149</u>	<u>68,105</u>	<u>49,444</u>	<u>14,083,698</u>	<u>12,652,191</u>
<b>Excess of revenues over expenditures before allocations</b>	79,445	132,394	(41,926)	169,913	501,022
<b>Allocation to Program Technology and Capital Reserve Fund</b>	(79,445)	34,455	44,990	-	-
<b>Excess of revenues over expenditures</b>	<u>\$ -</u>	<u>\$ 166,849</u>	<u>\$ 3,064</u>	<u>\$ 169,913</u>	<u>\$ 501,022</u>

*See accompanying notes*

# CALGARY FAMILY SERVICES SOCIETY

## Statement of Changes in Fund Balances

For the year ended March 31, 2010

	Operating Fund	Program Technology Fund	Capital Reserve Fund	Total 2010	Total 2009
Balance, beginning of year	\$ 60,571	\$ 1,085,993	\$ 243,423	\$ 1,389,987	\$ 888,965
Excess (deficiency) of revenue over expenditures	-	166,849	3,064	169,913	501,022
Balance, end of year	\$ 60,571	\$ 1,252,842	\$ 246,487	\$ 1,559,900	\$ 1,389,987

*See accompanying notes*

# CALGARY FAMILY SERVICES SOCIETY

## Statement of Cash Flows

For the year ended March 31, 2010

	Operating Fund	Program Technology Fund	Capital Reserve Fund	Total 2010	Total 2009
<b>Operating activities</b>					
Excess (deficiency) of revenue over expenditures	\$ -	\$ 166,849	\$ 3,064	\$ 169,913	\$ 501,022
Amortization	-	-	49,444	49,444	48,054
Deferred contributions	-	-	(4,454)	(4,454)	512,907
Changes in non-cash operating working capital	1,264,116	372,840	-	1,636,956	(1,760,444)
	<u>1,264,116</u>	<u>539,689</u>	<u>48,054</u>	<u>1,851,859</u>	<u>(698,461)</u>
<b>Financing activities</b>					
Deferred revenue allocation	(137,236)	-	-	(137,236)	(122,487)
<b>Investing activities</b>					
Purchase of property and equipment	-	-	(44,990)	(44,990)	(560,961)
Purchase of investments	(1,059,947)	(539,689)	(3,064)	(1,602,700)	(524,697)
	<u>(1,059,947)</u>	<u>(539,689)</u>	<u>(48,054)</u>	<u>(1,647,690)</u>	<u>(1,085,658)</u>
<b>Increase (decrease) in cash</b>	66,933	-	-	66,933	(1,906,606)
<b>Cash, beginning of year</b>	694,823	-	-	694,823	2,601,429
<b>Cash, end of year</b>	<u>\$ 761,756</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 761,756</u>	<u>\$ 694,823</u>

*See accompanying notes*

CALGARY FAMILY SERVICES SOCIETY

Statement of Operations – Operating Fund

For the year ended March 31, 2010

Statement of Revenues and Expenses

Counselling and Supplementary Programs

Older Adults

Home Care Program

Revenue

	Home Care	Care giver Education	Innovative Care giving	Urgent Family	Senior's Program	APC	Counselling Services	Adoption	In Sync	Inner City	Starburst/Spirit	Volunteer Coordination	Critical Hours	Early Literacy	Misc.	Total
United Way Grant	-	67,332	-	108,632	-	-	1,028,468	-	-	-	122,136	-	-	187,000	-	1,513,568
United Way Donor	-	-	-	-	-	-	4,807	-	-	-	-	-	-	-	-	4,807
Provincial government	-	-	-	-	-	-	1,020	-	-	-	-	-	-	36,000	10,382	47,302
PCSS contribution	-	-	92,767	-	2,920,031	1,047,753	1,000	-	-	-	57,240	67,385	80,591	-	-	4,266,767
CFFSA	-	-	-	-	-	-	-	189,401	193,950	170,004	-	-	-	-	-	553,355
Alberta Health Services	6,024,589	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,024,589
Client fees	-	-	-	5,502	271,721	12,945	64,321	-	-	-	-	-	-	-	39,058	390
Society fees	-	-	-	-	-	5	385	-	-	-	-	-	-	-	-	390
Charitable donation	150	-	-	-	150	4,172	1,960	-	-	-	324	-	-	100	1,684	8,940
Casino and CIP	-	-	-	-	-	-	77,076	-	-	-	-	-	-	40,000	75,000	192,076
Other	51,706	-	-	-	130,046	18,449	73,436	-	-	-	336,282	30,996	-	9,647	162,549	813,111
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenue	-	-	-	-	118,900	76,535	21,835	-	-	-	-	-	-	18,656	8,263	227,542
Total Revenue	6,076,445	67,332	92,767	114,134	3,440,848	1,159,859	1,274,308	189,401	193,950	170,004	499,335	98,381	80,591	291,403	296,836	14,045,594
Expenses																
Salaries and wages	4,674,406	49,381	71,923	89,747	2,407,373	819,196	785,023	142,963	139,720	118,816	369,095	77,737	56,654	175,207	145,697	10,122,938
Benefits	573,197	4,847	7,760	13,668	346,576	128,281	177,523	25,984	26,121	22,062	54,361	9,876	4,366	21,266	20,690	1,386,548
Recruitment	5,739	86	134	268	3,469	862	790	455	476	414	474	63	-	120	404	13,754
Travel	298,488	139	217	1,850	116,007	29,122	43,046	2,938	12,425	4,511	9,974	1,445	1,126	5,593	8,937	535,818
Staff development	49,614	-	-	-	39,175	14,190	27,876	295	960	1,007	2,607	288	222	1,913	1,300	139,447
Building occupancy	183,889	176	9,874	3,934	187,670	91,932	168,994	13,243	10,553	15,943	17,808	129	1,694	246	4,762	710,847
Contracted services	104,514	11,828	951	1,900	167,127	36,095	75,785	1,364	1,509	-	20,622	447	3,475	39,766	83,824	549,207
Program expenses	66,647	34	597	112	37,865	8,842	15,354	483	784	6,411	20,378	7,258	6,950	46,102	25,010	243,827
Community relations	19,703	102	159	317	11,312	5,382	9,433	228	252	275	723	659	-	142	478	49,165
Office expenses	19,808	739	1,152	2,300	123,559	25,624	19,982	1,451	1,120	565	3,263	479	-	5,702	212,896	
Membership services	995	-	-	38	715	333	502	27	30	-	30	-	-	-	32	2,702
Total Expenses	5,997,000	67,332	92,767	114,134	3,440,848	1,159,859	1,274,308	189,401	193,950	170,004	499,335	98,381	80,591	291,403	296,836	13,966,149
Excess (deficiency) of revenues over expenses	79,445	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79,445

# CALGARY FAMILY SERVICES SOCIETY

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## Notes to Financial Statements

For the year ended March 31, 2010

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### Note 1 - Purpose of Organization

Calgary Family Services Society is a regional organization operating programs to provide Calgary's diverse population with high quality, innovative counseling and caregiving services. The Society is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta and is a registered charity under the Income Tax Act.

### Note 2 - Significant Accounting Policies

The financial statements of the Society have been prepared by management in accordance with accounting standards for not-for-profit organizations published by The Canadian Institute of Chartered Accountants, using the fund method of reporting restricted contributions. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximation. The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

#### (a) Fund accounting

The Operating Fund reports revenue and expenses related to program delivery and administrative activities.

Program Technology Fund reports on funds that have been restricted for the purpose of non funded agency programs and for acquiring and upgrading operating systems and related technical support.

The Capital Reserve Fund shows resources allocated for future expansions.

#### (b) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with banks, and short term investments with maturities of three months or less from date of purchase.

#### (c) Investments

Investments consist of term deposits and accrued interest with maturities in excess of three months from date of purchase.



# CALGARY FAMILY SERVICES SOCIETY

## Notes to Financial Statements

For the year ended March 31, 2010

### Note 2 - Significant Accounting Policies (Continued)

#### (d) Revenue recognition

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Fees for services rendered is recorded on an accrual basis. Such revenue is recorded in the accounts during the period in which the service is rendered by the Society and the corresponding account receivable is also recorded at that time.

#### (e) Deferred revenue

Revenue is deferred in the operating fund when it relates to externally restricted operating funding received in the current period but related to a future period.

#### (f) Property and equipment

Purchased property and equipment is recorded in the Capital Reserve Fund at cost. Contributed property and equipment is recorded in the Capital Reserve Fund at fair value at the date of contribution. Property and equipment are amortized using the following schedule:

Computers	45% straight line
Office furniture and equipment	20% straight line
Vehicle	30% straight line
Leasehold improvements	7 years straight line

#### (g) Financial instruments

The Society's financial instruments consist of cash investments, accounts receivable, and accounts payable and accruals. It is management's opinion that the Society is not exposed to significant interest, currency, or credit risks arising from these financial instruments. As at the Society's year end, the fair value of these financial instruments approximate their carrying value.

#### (h) Donated services

Volunteers contribute a significant amount of their time each year to the Society's activities. Because of the difficulty of determining the fair value, contributed services of this nature are not recognized in the financial statements.

# CALGARY FAMILY SERVICES SOCIETY

## Notes to Financial Statements

For the year ended March 31, 2010

### Note 3 - Accounts Receivable

Accounts receivable consist of:

	<u>2010</u>	<u>2009</u>
Redcliff Realty Management	\$ -	\$ 372,840
Alberta Health Services	21,681	-
Third party caregiving and counselling	120,468	245,086
Other	-	2,106
Refundable GST	48,915	54,260
	<u>\$ 191,064</u>	<u>\$ 674,292</u>

Third party caregiving and counselling receivables are net of allowance for doubtful accounts of \$15,575 (2009 - \$17,882).

### Note 4 - Property and Equipment

	<u>2010</u>			<u>2009</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computers	\$ 38,772	\$ 18,609	\$ 20,163	\$ 17,025
Office Equipment	86,821	20,410	66,411	52,770
Vehicle	37,372	16,818	20,554	31,766
Leasehold Improvements	70,148	41,663	28,485	38,506
	<u>\$ 233,113</u>	<u>\$ 97,500</u>	<u>\$ 135,613</u>	<u>\$ 140,067</u>

### Note 5 - Grants Received in Advance

Grants received in advance represents funds received prior to the balance sheet date which are designated for use in the subsequent period's operations.

# CALGARY FAMILY SERVICES SOCIETY

## Notes to Financial Statements

For the year ended March 31, 2010

### Note 6 - Deferred Revenue

Deferred revenue represents funding for specified programs for which related expenses have not been incurred as at the balance sheet date.

Changes in deferred contributions are as follows:

	2010	2009
Balance, beginning of year	\$ 484,743	\$ 607,230
Deferred contributions	133,151	356,640
Transferred to revenue	(270,387)	(479,127)
Balance, end of year	\$ 347,507	\$ 484,743

Deferred contributions summarized by programs are as follows:

	2010	2009
<b>Operating Programs:</b>		
WCB Dividend	75,054	75,054
Casino	902	-
Donation from Inner City	9,000	-
Early literacy	30,218	72,704
Starburst	35,000	15,335
Primetime	75,000	-
Outreach	35,000	-
United Way – Counselling	-	20,314
United Way - Widow	6,699	11,155
United Way - Scholarship	1,500	-
City – Counselling	3,558	76,535
City – Senior Support	10,100	187,240
Lion Club	-	7,000
CIP – Spirit	14,404	-
CIP FLIF	23,832	-
Get up and Go	27,240	-
Miscellaneous	-	19,406
	\$ 347,507	\$ 484,743

# CALGARY FAMILY SERVICES SOCIETY

## Notes to Financial Statements

For the year ended March 31, 2010

### Note 7 - Deferred Contributions Related to Property and Equipment

	<u>2010</u>	<u>2009</u>
<b>Opening balance</b>		
Deferred contributions related to property and equipment received	\$ 140,067	\$ 188,121
Recognized in current year	<u>(4,454)</u>	<u>(48,054)</u>
	<u>\$ 135,613</u>	<u>\$ 140,067</u>

The deferred contributions related to property and equipment represents the purchase of assets for the new office building. Assets are being amortized on a straight line basis.

### Note 8 - Commitments

The Society entered into an agreement on December 8, 2008 to lease its administration office premises until March 31, 2016. The schedule of annual rent payments is as follows:

2011	\$	410,124
2012	\$	410,124
2013	\$	447,408
2014	\$	447,408

In order to more effectively deliver better services, the Society operates several "field offices" throughout the Calgary area. The Society rents these facilities on a month to month basis.

# CALGARY FAMILY SERVICES SOCIETY

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## Notes to Financial Statements

For the year ended March 31, 2010

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### Note 9 - Financial Instruments

As of November 1, 2007, the Society adopted Section 3855 of the CICA Handbook for financial instruments. Management has elected that financial instruments held for trading include investments carried at fair market value with differences recorded in net income. The investments classified as held for trading purposes consist of Guaranteed Investment Certificates with interest at 0.65% maturing on March 31, 2011. As at March 31, 2010, the carrying values of the Guaranteed Investment Certificate approximate its fair market value therefore no unrealized gains or losses have been recorded in net income. Other financial instruments held at year end that are not classified as held for trading include: accounts receivable, which include trade receivables and GST receivables and are carried at amortized cost; prepaids, which include prepaid expenses and are carried at amortized cost; and accounts payable and accrued liabilities, which include trade accounts payable and are recorded at amortized cost. The carrying values of these financial instruments also approximate their fair market values at March 31, 2010.

Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risk arising from these financial instruments.