

**CALGARY COMMUNITIES AGAINST SEXUAL ABUSE
SOCIETY**

FINANCIAL STATEMENTS

For the year ended December 31, 2010

Calgary Communities Against Sexual Abuse Society
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For the year ended December 31, 2010

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Calgary Communities Against Sexual Abuse Society:

Report on the financial statements

We have audited the accompanying financial statements of Calgary Communities Against Sexual Abuse Society, which comprise of 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 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 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 audit opinion.

Opinion

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

February 26, 2011
Calgary, Alberta, Canada

Thompson Penner & Lo LLP
Certified General Accountants

Calgary Communities Against Sexual Abuse Society
Statement of Financial Position
As at December 31, 2010

	2010	2009
ASSETS		
Current		
Cash	\$ 370,041	\$ 191,343
Short-term investment (note 3)	204,191	200,000
Accounts receivable	45,577	7,123
Goods and Services Tax receivable	7,722	11,189
Prepaid expenses	24,652	7,940
	<u>652,183</u>	<u>417,595</u>
Property and equipment (note 4)	<u>20,284</u>	<u>28,107</u>
	<u>\$ 672,467</u>	<u>\$ 445,702</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 23,119	\$ 24,017
Deferred contributions		
Related to operations (note 5)	603,098	374,076
Related to future acquisition of property and equipment (note 5)	4,026	-
Related to property and equipment (note 5)	8,229	11,829
	<u>638,472</u>	<u>409,922</u>
NET ASSETS		
Invested in property and equipment	12,049	16,277
Internally restricted (note 6)	12,647	9,165
Unrestricted	9,299	10,338
	<u>33,995</u>	<u>35,780</u>
	<u>\$ 672,467</u>	<u>\$ 445,702</u>

Approved on behalf of the Board:

Director: _____

Director: _____

Calgary Communities Against Sexual Abuse Society
Statement of Operations
For the year ended December 31, 2010

	Alberta Children and Youth Services	United Way of Calgary Area	Family and Community Support Services	Safe Communities Innovation Fund	Solicitor General	Casino	Muttart Foundation	Capital	General	2010 Total	2009 Total
Revenue											
Grants											
United Way of Calgary and Area	\$ -	\$ 497,946	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 497,946	\$ 476,347
Family and Community Support Services (Note 7)			333,794							337,098	338,098
Alberta Children and Youth Services	328,970							3,304		328,970	340,439
Muttart Foundation								296		296	296
Safe Communities Innovation Fund				199,841						199,841	101,626
Solicitor General					171,485					171,485	145,858
United Way Donor Option											4,385
United Way Capacity Building Fund		95,806								95,806	82,736
Fundraising and special events								3,482		3,482	8,690
Alberta Gaming and Liquor Commission						35,394				35,394	58,675
Interest income						65		3	4,191	4,259	4,193
Donations											11,012
Services and memberships									270	270	2,275
Other operating income		3,185								3,185	-
	328,970	596,937	333,794	199,841	171,485	35,459	-	3,603	7,943	1,678,032	1,574,630
Expenses											
Salaries and benefits	301,589	414,982	232,630	77,654	110,121					1,136,976	1,127,492
Consulting		95,806			41,160					136,966	89,367
Rent			24,910			33,352				58,262	58,668
Program supplies		1,439	1,644		750					3,833	3,360
Amortization								7,823		7,823	14,771
Office expenses	2,197	16,166	4,526	2,467	1,001	17		8		26,382	24,241
Staff, board, and volunteer development	5,128	6,389	8,201	57	4,000					23,775	30,829
Transportation	259	4,689	7,873	8,123	10,414					31,358	28,140
Telephone	4,289	9,768	9,768	106,416						130,241	88,028
Professional fees	3,000	8,151	7,621		1,051	2,090				21,913	20,350
Computer maintenance		4,975	4,812							9,787	20,909
Promotion and fundraising	292	1,554	666	3,624				4,100		10,236	27,487
Insurance		5,742	2,863		2,000					10,605	11,247
Printing and copying	1,320	5,240	6,350		1,250					14,160	9,904
Memberships and subscriptions		1,336	688							2,024	2,936
Recruitment											2,871
Other expenses	10,896	20,700	22,380	1,500						55,476	23,977
	328,970	596,937	334,932	199,841	171,747	35,459		7,831	4,100	1,679,817	1,584,577
Excess (deficiency) of revenue over expenses	\$ -	\$ -	\$ (1,138)	\$ -	\$ (262)	\$ -	\$ -	\$ (4,228)	\$ 3,843	\$ (1,785)	\$ (9,947)

The accompanying notes form an integral part of the audited financial statements

Calgary Communities Against Sexual Abuse Society

Statement of Changes in Net Assets

For the year ended December 31, 2010

	Invested in Property and Equipment	Internally Restricted	Unrestricted	2010 Total	2009 Total
Balance, beginning of the year	\$ 16,277	\$ 9,165	\$ 10,338	\$ 35,780	45,727
Excess (deficiency) of revenue over expenses	(4,228)	3,482	(1,039)	(1,785)	(9,947)
Balance, end of the year	\$ 12,049	\$ 12,647	\$ 9,299	\$ 33,995	\$ 35,780

Calgary Communities Against Sexual Abuse Society
Statement of Cash Flows
For the year ended December 31, 2010

	2010	2009
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Deficiency of revenue over expenses	\$ (1,785)	\$ (9,947)
Items not affecting cash		
Amortization of property and equipment	7,823	14,771
Recognition of deferred contributions related to property and equipment	<u>(3,600)</u>	<u>(3,600)</u>
	2,438	1,224
Changes in non-cash working capital		
Accounts receivable	(38,454)	(7,123)
Goods and Services Tax receivable	3,467	(4,985)
Prepaid expenses	(16,712)	719
Accounts payable and accrued liabilities	(898)	3,048
Deferred contributions related to operations	<u>229,022</u>	<u>(30,795)</u>
	178,863	(37,912)
FINANCING ACTIVITY		
Contributions received for property and equipment	4,026	-
INVESTING ACTIVITY		
Short-term investment redeemed (purchased)	<u>(4,191)</u>	100,000
INCREASE IN CASH	178,698	62,088
CASH, BEGINNING OF THE YEAR	<u>191,343</u>	<u>129,255</u>
CASH, END OF THE YEAR	<u>\$ 370,041</u>	<u>\$ 191,343</u>

Calgary Communities Against Sexual Abuse Society

Notes to the Audited Financial Statements

For the year ended December 31, 2010

1. PURPOSE OF ORGANIZATION

Calgary Communities Against Sexual Abuse Society (the "Society") was incorporated under the Societies Act of Alberta on January 17, 1994 as a non-profit organization. The Society's mission statement is "Provide leadership to impact attitudes and actions around sexual abuse and sexual assault." The Society is a registered charity, and under Section 149 of the Income Tax Act is exempt from the payment of income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

a) Revenue Recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

b) Property and Equipment

Property and equipment are recorded at cost and are amortized over their useful lives using the following rates and methods:

Office furniture and equipment	20%	declining balance
Computer hardware	30%	declining balance
Computer software	100%	declining balance
Video production	3 years	straight line
Leasehold improvements	5 years	straight line

One-half of the above rates are applied in the year of acquisition.

c) Contributed Services

Volunteers contribute a significant number of hours to assist the Society in carrying out its activities. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

d) Goods and Services Tax

Goods and Services Tax is recoverable at 50% as a rebate. The unrecoverable 50% is recorded as part of the expenditure with the rebate treated as a receivable.

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Calgary Communities Against Sexual Abuse Society

Notes to the Audited Financial Statements

For the year ended December 31, 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Financial Instruments

All financial instruments are classified as "held for trading" and carried at their fair values. Unrealized gains and losses on trading assets are recognized in the statement of operations.

The fair value of financial instruments reported at their fair value is based on current interest rates, market value, or pricing of financial instruments with comparative terms.

f) Management Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. SHORT-TERM INVESTMENT

The short-term investment consists of a one-year redeemable guarantee investment certificate with the Royal Bank of Canada bearing an interest rate of 0.9%, recorded at cost which approximates its fair value.

4. PROPERTY AND EQUIPMENT

	2010		
	Cost	Accumulated amortization	Net book value
Office furniture and equipment	\$ 71,562	\$ 65,732	\$ 5,830
Computer hardware	101,588	87,134	14,454
Computer software	14,766	14,766	-
Video production	122,436	122,436	-
Leasehold improvements	23,600	23,600	-
	<u>\$ 333,952</u>	<u>\$ 313,668</u>	<u>\$ 20,284</u>
	2009		
	Cost	Accumulated amortization	Net book value
Office furniture and equipment	\$ 71,562	\$ 64,275	\$ 7,287
Computer hardware	101,588	80,940	20,648
Computer software	14,766	14,766	-
Video production	122,436	122,264	172
Leasehold improvements	23,600	23,600	-
	<u>\$ 333,952</u>	<u>\$ 305,845</u>	<u>\$ 28,107</u>

Calgary Communities Against Sexual Abuse Society

Notes to the Audited Financial Statements

For the year ended December 31, 2010

5. DEFERRED CONTRIBUTIONS

	Opening Balance	Additions	Utilization	Ending Balance
<u>Related to operations</u>				
FirstEnergy Capital Corp	\$ 172,177	\$ -	\$ -	\$ 172,177
City of Calgary, Family and Community Support Services	82,449	333,794	(333,794)	82,449
Solicitor General	21,485	150,000	(171,485)	-
United Way, Crisis Intervention and Volunteer	25,545	505,078	(501,131)	29,492
Alberta Gaming and Liquor Commission	38,766	66,922	(35,459)	70,229
Alberta Law Foundation	-	29,600	-	29,600
Donations - fee for service	-	50,713	-	50,713
Anonymous donor	9,988	-	-	9,988
United Way of Calgary and area	1,276	130,000	(95,806)	35,470
Alberta Children and Youth Services	22,390	429,560	(328,970)	122,980
	<u>\$ 374,076</u>	<u>\$ 1,695,667</u>	<u>\$ (1,466,645)</u>	<u>\$ 603,098</u>
<u>Related to future acquisition of property and equipment</u>				
Donations	\$ -	\$ 4,026	\$ -	\$ 4,026
<u>Related to property and equipment</u>				
Family and Community Support Services	\$ 10,744	\$ -	\$ (3,304)	\$ 7,440
Muttart Foundation	1,085	-	(296)	789
	<u>\$ 11,829</u>	<u>\$ -</u>	<u>\$ (3,600)</u>	<u>\$ 8,229</u>
	<u>\$ 385,905</u>	<u>\$ 1,699,693</u>	<u>\$ (1,470,245)</u>	<u>\$ 615,353</u>

6. INTERNALLY RESTRICTED

In 2010, the Society's Board of Directors approved the addition of \$3,482 (2009 - \$9,165) to internally restricted funds to be used for the "Who Do You Tell?" program for marketing expense in future years. No expenses were incurred in 2010 related to these restricted funds (2009 - \$Nil).

7. CITY OF CALGARY, FAMILY AND COMMUNITY SUPPORT SERVICES

During 2010, the Society received \$333,794 (2009 - \$334,794) from the City of Calgary, Family and Community Support Services. Of this amount, \$4,000 was one time funding for a consultant to assist the agency to align with the new FCSS Social Sustainability Framework. Expenses were related mainly to salaries and benefits in the amount of \$232,630 and other expenses including professional services, transportation, office expenses, and insurance. During the year, there were no computer upgrades or asset acquisitions. In December 2010, the Society received an advance in funding for the first quarter of 2011 for \$82,449, which has been recognized as a deferred contribution.

Calgary Communities Against Sexual Abuse Society

Notes to the Audited Financial Statements

For the year ended December 31, 2010

8. LEASE COMMITMENTS

Subsequent to year end, the Society entered into a new sub-lease for office premises, which will be effective from February 2011 to July 2012. Another lease agreement has also been signed with the landlord to extend the use of the same office premises, upon the expiry of the aforementioned sub-lease, to July 2015. The estimated minimum annual rental payments, excluding operating costs, for the next 5 years under the two lease agreements are as follows:

2011	\$ 91,873
2012	83,225
2013	61,920
2014	82,560
2015	48,160

9. DUE TO RELATED PARTY AND RELATED PARTY TRANSACTIONS

During the year, the Society entered into transactions with the following related parties. These transactions were in the normal course of operations and have been measured at the agreed upon exchange amount. The amount of consideration established and agreed upon by the related parties are similar to those negotiated with third parties.

	2010	2009
a) Consultant fees paid to a company that is wholly-owned by a director of the Society, for professional services rendered.	\$ 3,952	\$ -
b) Administration fees received from Association of Alberta Sexual Assault Services ("AASAS"), for a two year period. This transaction was in the normal course of operations and has been measured at the agreed upon exchange amount. The Society is a member of the AASAS, and one of the Society's senior management is also a director of AASAS.	\$ -	\$ 5,400

10. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, short-term investment, accounts receivable, accounts payable and accrued liabilities, all of which are classified as trading and reported at fair value. Due to their short term nature, the carrying value of these financial instruments approximates their fair value. It is management's opinion that due to the nature of these financial instruments, the Society is not exposed to significant market, interest rate, or credit risk.

11. ALLOCATED EXPENSES

There are certain expenses that were allocated among the different programs on a pro rata basis based on revenue. These allocations are consistent with agreed upon contracts with individual funders.
