

PEI Cultural Human Resource Sector Council Inc.

Financial Statements
March 31, 2010



May 9, 2010

Auditors' Report

To the Members of PEI Cultural Human Resource Sector Council Inc.

We have audited the statement of financial position of **PEI Cultural Human Resource Sector Council Inc.** as at March 31, 2010 and the statements of operations and changes in net liabilities and cash flows for the year then ended. These financial statements are the responsibility of the organization's management. 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 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 our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at March 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.

ArsenaultBestCameronEllis

Chartered Accountants

PEI Cultural Human Resource Sector Council Inc.

Statement of Financial Position

As at March 31, 2010

	2010	2009
	\$	\$
Assets		
Current assets		
Cash	6,684	54,688
Accounts receivable	750	1,866
Prepaid expenses	774	722
	<hr/>	<hr/>
	8,208	57,276
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	2,341	2,963
Deferred revenue	6,009	54,688
	<hr/>	<hr/>
	8,350	57,651
Net liabilities	<hr/>	<hr/>
	(142)	(375)
	<hr/>	<hr/>
	8,208	57,276

Approved by the Board of Directors

_____ Director

_____ Director

PEI Cultural Human Resource Sector Council Inc.

Statement of Operations and Changes in Net Liabilities

For the year ended March 31, 2010

	2010 \$	2009 \$
Revenue		
HRSDC / Skills PEI	189,129	194,131
Cultural Forum sponsorship	-	1,489
	<hr/> 189,129	<hr/> 195,620
Expenses		
Advertising and promotion	4,939	5,071
Capital expenditures	-	136
Cultural forum expense	-	1,489
Cultural/tourism study	18,500	-
French translation	6,779	11,057
Hosted events	7,838	6,919
Hybrid careers study	23,016	-
Insurance	1,579	1,613
Interest and bank charges	236	210
Labour force study	-	36,643
Memberships	304	458
Office supplies	4,291	4,235
Postage and courier	109	297
Professional fees	1,243	3,209
Rent	9,225	9,225
Repairs and maintenance	2,925	2,514
Salaries and benefits	86,517	82,670
Printing costs	2,705	4,662
Telephone and internet	2,023	1,747
Training strategy	15,432	23,148
Travel	1,235	580
	<hr/> 188,896	<hr/> 195,883
Excess revenue (expenses) for the year	233	(263)
Net liabilities - Beginning of year	<hr/> (375)	<hr/> (112)
Net liabilities - End of year	<hr/> (142)	<hr/> (375)

PEI Cultural Human Resource Sector Council Inc.

Statement of Cash Flows

For the year ended March 31, 2010

	2010	2009
	\$	\$
Cash provided by (used in)		
Operating activities		
Excess revenue (expenses) for the year	233	(263)
Net change in non-cash working capital items		
Decrease in accounts receivable	1,116	269
Increase in prepaid expenses	(52)	-
Increase (decrease) in accounts payable and accrued liabilities	(622)	337
Increase (decrease) in deferred revenue	(48,679)	21,354
	(48,237)	21,960
Increase (decrease) in cash	(48,004)	21,697
Cash - Beginning of year	54,688	32,991
Cash - End of year	6,684	54,688

PEI Cultural Human Resource Sector Council Inc.

Notes to Financial Statements

March 31, 2010

1 Purpose of the organization

The purpose of PEI Cultural Human Resource Sector Council Inc. is to act as a leader in strengthening the cultural sector on Prince Edward Island by studying workforce related needs and developing viable solutions. The organization is funded by the Canada/Prince Edward Island Labour Market Development Agreement (www.lmda.pe.ca). The company was incorporated March 31, 2006 under Part II of the Companies Act of Prince Edward Island as a non-profit organization and is exempt from paying corporate income taxes under Section 149(1)(l) of the Income Tax Act.

2 Summary of significant accounting policies

Capital assets

The organization expenses capital asset expenditures in the year they are made.

Revenue recognition

PEI Cultural Human Resource Sector Council Inc. follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable.

Management estimates

The presentation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those reported.

Fair value of financial instruments

The organization's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Due to their short-term nature, all financial instruments are carried at amounts which are considered to approximate fair value.

Financial risk management objectives and policies

Consistent with similar not-for-profit organizations, PEI Cultural Human Resource Sector Council Inc.'s risk management policies are typically performed as part of the overall management of the entity's operations. Management's direct involvement in day-to-day operations identifies risks and variations from expectations leading to changes in risk management activities, requirements and actions. Management has not entered into hedging transactions to manage risk. As a part of the overall management of the entity's operations, management considers avoidance of undue concentrations of risk, and employs appropriate investment and credit management policies to manage the organization's exposure.