

# **Human Rights, Citizenship and Multiculturalism Education Fund**

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Financial Statements

March 31, 2009

**Human Rights, Citizenship and Multiculturalism Education Fund  
Financial Statements  
March 31, 2009**

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## Auditor's Report

To the Minister of Culture and Community Spirit:

I have audited the statement of financial position of Human Rights, Citizenship and Multiculturalism Education Fund as at March 31, 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Original Signed by Fred J. Dunn, FCA  
Auditor General

Edmonton, Alberta  
June 10, 2009

The official version of this Report of the Auditor General, and the information the Report covers, is in print form.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Statement of Operations**  
**For the Year ended March 31, 2009**  
**(thousands of dollars)**

	2009		2008
	Budget	Actual	Actual
<b>Revenues</b>			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 2,025	\$ 1,825	\$ 1,865
Transfers from the Alberta Heritage Scholarship Fund	70	50	48
Investment Income	215	131	178
Premiums, Fees and Licences	30	25	26
Previous Years Refunds of Expenses	25	18	-
	<u>2,365</u>	<u>2,049</u>	<u>2,117</u>
<b>Expenses – Directly Incurred</b> (Note 2(b) and Schedules 1 and 3)			
Support to Community Groups	1,340	1,523	1,655
Education Programs	900	430	331
Queen’s Golden Jubilee Awards and Medals	70	50	48
Administration	55	41	58
	<u>2,365</u>	<u>2,044</u>	<u>2,092</u>
Net Operating Results	<u>\$ -</u>	5	25
Operating Fund Balance, Beginning of Year		<u>1,675</u>	<u>1,650</u>
Operating Fund Balance, End of Year		<u>\$ 1,680</u>	<u>\$ 1,675</u>

The accompanying notes and schedules are part of these financial statements.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Statement of Financial Position**  
**As at March 31, 2009**  
**(thousands of dollars)**

	2009	2008
<b>Financial Assets</b>		
Cash (Note 3)	\$ 1,706	\$ 1,894
Accounts Receivable (Note 4)	3	13
	1,709	1,907
 Cash Appropriated for Non-Current Use (Notes 3 and 5)	 1,450	 1,450
	\$ 3,159	\$ 3,357
 <b>Liabilities</b>		
Accounts Payable and Accrued Liabilities	\$ 28	\$ 232
Unearned Revenue	1	-
	29	232
 <b>Fund Balances</b>		
Operating	1,680	1,675
General Reserve – Restricted (Note 5)	1,450	1,450
	3,130	3,125
	\$ 3,159	\$ 3,357

The accompanying notes and schedules are part of these financial statements.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Statement of Cash Flows**  
**For the Year ended March 31, 2009**  
**(thousands of dollars)**

	2009	2008
Operating Transactions		
Net Operating Results	\$ 5	\$ 25
Decrease (Increase) in Accounts Receivable	10	(9)
(Decrease) in Accounts Payable and Accrued Liabilities	(204)	(245)
Increase in Unearned Revenue	1	-
Cash (Applied to) Operating Transactions	(188)	(229)
Cash, Beginning of Year	1,894	2,123
Cash, End of Year	\$ 1,706	\$ 1,894

The accompanying notes and schedules are part of these financial statements.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Notes to the Financial Statements**  
**For the Year ended March 31, 2009**

**Note 1 Authority and Purpose**

The Human Rights, Citizenship and Multiculturalism Education Fund (Fund) operates under the authority of the *Human Rights, Citizenship and Multiculturalism Act*, Chapter H-14, Revised Statutes of Alberta 2000.

The purpose of the Fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the Human Rights, Citizenship and Multiculturalism Act.

The Fund is owned by the Crown in right of Alberta and as such has a tax exempt status.

**Note 2 Summary of Significant Accounting Policies and Reporting Practices**

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants.

**(a) Reporting Entity**

The reporting entity is the Human Rights, Citizenship and Multiculturalism Education Fund, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (Minister) is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

**(b) Basis of Financial Reporting**

**Revenues**

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

**Internal Government Transfers**

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Notes to the Financial Statements**  
**For the Year ended March 31, 2009**

**Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)**

**(b) Basis of Financial Reporting (continued)**

**Expenses**

Directly Incurred

Directly incurred expenses are those costs the Fund has primary responsibility and accountability for, as reflected in the Government's budget documents.

Grants are recorded as expenses when authorized and when all eligibility criteria have been satisfied.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 3.

**Assets**

Financial assets of the Fund are limited to cash and financial claims such as accounts receivable from other organizations.

**Liabilities**

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

**Valuation of Financial Assets and Liabilities**

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

**Note 3 Cash and Cash Appropriated for Non-Current Use**

Cash consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. CCITF is managed with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2009, securities held by CCITF have a time weighted return of 3.0% (2008 – 4.5%) per annum. Due to the short-term nature of these deposits, the carrying value approximates fair value.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Notes to the Financial Statements**  
**For the Year ended March 31, 2009**

**Note 4 Accounts Receivable (thousands of dollars)**

	2009		2008	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 3	\$ -	\$ 3	\$ 13

Accounts receivable are unsecured and non-interest bearing.

**Note 5 General Reserve**

The general reserve has been established by appropriation from the fund balance. The purpose of the reserve is to maintain a source for ongoing funding capability. The reserve is not available for operations without authorization of the Treasury Board.

Interest earned on the cash appropriated for the reserve is reported as operating revenue.

**Note 6 Contractual Obligations (thousands of dollars)**

	2009	2008
Grant Agreements	\$ 763	\$ 415
Service Contracts	47	61
	\$ 810	\$ 476

The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Grant Agreements	Service Contracts	Total
2010	\$ 452	\$ 47	\$ 499
2011	311	-	311
	\$ 763	\$ 47	\$ 810

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Notes to the Financial Statements**  
**For the Year ended March 31, 2009**

**Note 7 Honoraria (thousands of dollars)**

	2009			2008
	Honoraria <sup>(a)</sup>	Benefits and Allowances <sup>(b)</sup>	Total	Total
Advisory Committee				
Chair <sup>(c)</sup>	\$ -	\$ -	\$ -	\$ -
Vice-Chair <sup>(d)</sup>	-	-	-	-
Other Members <sup>(e)</sup>	12	-	12	10
	\$ 12	\$ -	\$ 12	\$ 10

- <sup>(a)</sup> The Fund has no employees. Staff of the Department of Culture and Community Spirit administers the Fund. Disclosure of information on their salaries and benefits, a requirement under Treasury Directive 03/2004, is included in the financial statements of the Department of Culture and Community Spirit.
- <sup>(b)</sup> No benefits were provided to the Advisory Committee members.
- <sup>(c)</sup> The Chair of the Advisory Committee is a Member of the Legislative Assembly and is not compensated by the Fund. The Chair received Nil (2008 – \$15) from the Department of Culture and Community Spirit for his duties as Chair of the Advisory Committee.
- <sup>(d)</sup> The Vice-Chair of the Advisory Committee is the Chief Commissioner of the Alberta Human Rights and Citizenship Commission and is not compensated by the Fund. The Vice-Chair’s salary and benefits are reported in the financial statements of the Department of Culture and Community Spirit.
- <sup>(e)</sup> Members appointed to the Advisory Committee are paid honoraria for attending meetings and performing other Fund duties at rates set by Ministerial Order.

**Note 8 Comparative Figures**

Certain 2008 figures have been reclassified to conform to the 2009 presentation.

**Note 9 Approval of Financial Statements**

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

**Human Rights, Citizenship and Multiculturalism Education Fund  
Expenses – Directly Incurred Detailed by Object  
For the Year ended March 31, 2009  
(thousands of dollars)**

	2009		2008
	Budget	Actual	Actual
Grants	\$ 1,080	\$ 1,255	\$ 1,379
Supplies and Services	652	148	285
Supplies and Services from Support Service Arrangements with Related Parties <sup>(a)</sup>	625	629	418
Honoraria (Note 7)	8	12	10
	\$ 2,365	\$ 2,044	\$ 2,092

<sup>(a)</sup> The Fund receives financial and administrative services from the Department of Culture and Community Spirit.

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Related Party Transactions**  
**For the Year ended March 31, 2009**  
**(thousands of dollars)**

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements.

The Fund paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Fund had the following transactions with related parties recorded in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 1,825	\$ 1,865	\$ -	\$ -
Transfers from the Alberta Heritage Scholarship Fund	-	-	50	48
	<u>\$ 1,825</u>	<u>\$ 1,865</u>	<u>\$ 50</u>	<u>\$ 48</u>
Accounts Payable	<u>\$ 7</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ -</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2009	2008	2009	2008
Expenses – Incurred by Others				
Other Services	\$ 104	\$ 186	\$ -	\$ -
Accommodation Costs	-	-	65	34
Legal Services	-	-	2	-
	<u>\$ 104</u>	<u>\$ 186</u>	<u>\$ 67</u>	<u>\$ 34</u>

**Human Rights, Citizenship and Multiculturalism Education Fund**  
**Allocated Costs**  
**For the Year ended March 31, 2009**  
**(thousands of dollars)**

Program	2009				2008	
	Expenses – Incurred by Others					
	Expenses <sup>(a)</sup>	Other Services <sup>(b)</sup>	Accommodation Costs <sup>(c)</sup>	Legal Services <sup>(d)</sup>	Total Expenses	Total Expenses
Support to Community Groups	\$ 1,523	\$ 23	\$ 24	\$ -	\$ 1,570	\$ 1,684
Education Programs	430	53	30	2	515	471
Queen’s Golden Jubilee Awards and Medals	50	4	1	-	55	52
Administration	41	24	10	-	75	105
	<u>\$ 2,044</u>	<u>\$ 104</u>	<u>\$ 65</u>	<u>\$ 2</u>	<u>\$ 2,215</u>	<u>\$ 2,312</u>

(a) Expenses – Directly Incurred as per Statement of Operations.

(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 2, allocated by estimated costs incurred by each program.

(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square footage.

(d) The Department of Justice and Attorney General provided legal services. Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

