



Calgary Science Network

Financial Statements

June 30, 2011

Review Engagement Report

To: The Board of Directors of
Calgary Science Network

We have reviewed the balance sheet of **Calgary Science Network** as at **June 30, 2011** and the statements of income and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the Society.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Kenway Mack Slusarchuk Stewart LLP

September 16, 2011

Chartered Accountants

Calgary Science Network

Balance Sheet (Unaudited)

As at June 30,	2011	2010 (Note 7)
Assets		
Current assets		
Cash and cash equivalents	\$ 105,406	\$ 115,196
Goods and services tax receivable	2,919	3,924
	<u>108,325</u>	<u>119,120</u>
Restricted cash (note 3)	61,043	-
Equipment	-	437
	<u>\$ 169,368</u>	<u>\$ 119,557</u>
Liabilities and Net Assets		
Current liability		
Accounts payable	\$ 2,911	\$ -
Deferred contributions (note 3)	<u>61,043</u>	<u>-</u>
	63,954	-
Net Assets	<u>105,414</u>	<u>119,557</u>
	<u>\$ 169,368</u>	<u>\$ 119,557</u>

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Statement of Income and Changes in Net Assets (Unaudited)

Year ended June 30,	2011	2010 (Note 7)
Revenues		
ASLA	\$ 89,011	\$ 75,459
Fundraising	54,681	97,026
Registration and other	15,158	22,168
Casino funding recognized	7,151	-
Interest and other	2,803	1,515
	<u>168,804</u>	<u>196,168</u>
Expenditures		
Contract services	145,382	156,541
Office	6,956	8,165
Honorarium	5,745	-
Workshop meals and beverage	5,281	-
Professional fees	4,590	-
Advertising and promotion	3,398	1,908
Insurance	3,301	-
Telephone	3,253	-
Travel and automotive	2,692	2,471
Supplies	1,912	1,581
Amortization	437	2,650
	<u>182,947</u>	<u>173,316</u>
(Deficiency) excess of revenues over expenditures	(14,143)	22,852
Balance, beginning of year	<u>119,557</u>	<u>96,705</u>
Balance, end of year	<u>\$ 105,414</u>	<u>\$ 119,557</u>

Calgary Science Network

Statement of Cash Flows

(Unaudited)

Year ended June 30,	2011	2010
		(Note 7)
Operating activities		
(Deficiency) excess of revenues over expenditures	\$ (14,143)	\$ 22,852
Item not affecting cash		
Amortization	437	2,650
	(13,706)	25,502
Change in non-cash working capital items		
Goods and services tax receivable	1,005	(3,924)
Accounts payable	2,911	-
	(9,790)	21,578
Financing activity		
Deferred contributions	61,043	-
Increase in cash and cash equivalents	51,253	21,578
Cash and cash equivalents, beginning of year	115,196	93,618
Cash and cash equivalents, end of year	<u>\$ 166,449</u>	<u>\$ 115,196</u>
Cash and cash equivalents consists of:		
Cash	\$ 44,340	\$ 34,193
Guaranteed investment certificates	61,066	81,003
Restricted cash	61,043	-
	<u>\$ 166,449</u>	<u>\$ 115,196</u>

See accompanying notes to financial statements

Calgary Science Network

Notes to Financial Statements
(Unaudited)

June 30, 2011

1. Nature of operations

Calgary Science Network (the "Society") was established to increase science literacy by providing interactive science experiences, that support the Alberta curriculum. The Society is a not-for-profit organization incorporated under the Societies Act of the Province of Alberta and is a registered charity which is exempt from corporate tax.

2. Significant accounting policies

(a) Use of estimates

The preparation of financial statements in conformity 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 contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

(b) Cash and cash equivalents

The Society considers all investments with maturities of three months or less to be cash and cash equivalents.

(c) Equipment

Equipment is accounted for at cost. Amortization is based on its useful life using the declining balance method and rates:

Computer equipment	55%
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(d) Revenue recognition

The Society 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 if the amount to be received can be reasonably estimated and collection is reasonably assured.

Endowment contributions are recognized as direct increases in net assets.

Investment income is recognized as revenue when earned.

Calgary Science Network

Notes to Financial Statements
(Unaudited)

June 30, 2011

2. Significant accounting policies, continued

(e) Donated materials and services

The Society records the value of contributed materials and services when a fair value can be reasonably estimated and when the materials and services are used in the normal course of the Society's operations and would otherwise have been purchased.

Because of the difficulty of determining the fair value of volunteer services, these financial statements do not account for the value of volunteer services.

(f) Financial instruments

The Society's financial assets and liabilities are classified and measured as follows:

Cash and cash equivalents are classified as held for trading and are measured at fair value. Gains and losses from revaluation are recognized in net income.

Accounts receivable are classified as loans and receivables and are initially measured at fair value and subsequently at amortized cost using the effective interest rate method.

Accounts payable are classified as other liabilities and are initially measured at fair value and subsequently at amortized cost using the effective interest rate method.

3. Restricted cash and deferred contributions

Restricted cash and deferred contributions consists of unspent casino proceeds that are restricted for purposes approved by the Alberta Gaming and Liquor Commission.

4. Financial instruments

Fair value

The Society's financial instruments include cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. The carrying value of these instruments approximates their fair value due to their short-term maturities.

Market risk

The Society is not exposed to any significant market risks.

Calgary Science Network

Notes to Financial Statements
(Unaudited)

June 30, 2011

5. **Capital disclosure**

The Society's objective in managing its capital is to ensure necessary funding is in place to undertake its mission and goals.

Management and the Board of Directors monitors the operations through cheque signing, budgets and regular periodic reviews of the Society's financial statements.

The Society's capital is substantially maintained through grants and fundraising; and is defined as net assets and deferred contributions and totals \$166,654 (2010 - \$119,557).

6. **Comparative figures**

The comparative financial information has not been reviewed or audited.

7. **Future accounting changes**

Canadian accounting standards for Not-for-Profit Organizations

Decisions of the Canadian Institute of Chartered Accountants ("CICA") Accounting Standards Board require the Society to choose between reporting under Canadian accounting standards for Not-for-Profit Organizations ("NFPO") or under International Financial Reporting Standards beginning July 1, 2012. The Society plans to adopt the Canadian accounting standards for NFPO. The new set of standards will incorporate the current CICA handbook sections which are specific to NFPO in conjunction with Canadian accounting standards for private enterprises.