



Edmonton Family & Community Support Services (FCSS)

Guide for Agencies and Auditors

for meeting the financial reporting requirements of the FCSS grant program

This guide provides information to assist agencies and their auditors in meeting the financial reporting requirements for FCSS funding.

FCSS is a collaborative partnership established in 1966 between the Province of Alberta, and Municipalities and Metis Settlements to meet the preventive social service needs of communities. The City of Edmonton must submit an annual report to the Province that summarizes funds awarded to agencies in the previous calendar year.

Financial Reporting of FCSS Funding

Audited financial statements including a separate FCSS Program Schedule showing program revenues and expenses from January to December must be submitted annually, on or before March 1. If only a draft statement is available by March 1, submit the draft and forward the final signed copy by March 31.

Agencies with a year end other than December 31 must submit the most recent audited financial statements and an FCSS Program Schedule for each funded program showing revenue and expenses from January 1 to December 31, signed by two Board members and submitted on or before March 1.

Financial Statements should:

- use the accrual method and follow Generally Accepted Accounting Principles (GAAP) (see sample financial statement attached)
- list FCSS funding separately on the statement of financial position and in the schedule
- include a separate schedule for each FCSS funded program with the program name in the title
- identify reserve balances as unrestricted, restricted, or capital
- include an explanation in the Notes of how the FCSS funds are allocated to general operating, administrative/office, programming etc.; and a breakdown of deferred revenue, including sources.

A Management Letter is a requirement of FCSS-funded agencies and should include observations and recommendations for addressing any issues identified by the auditor during the audit, including updates on recommendations made in previous audits.

Ineligible Expenses for FCSS funding:

- purchase of land or buildings
- renovation or construction
- purchase of capital assets such as motor vehicles
- property taxes or levies
- meals/food expenses (refer to FCSS Handbook for further details)
- honoraria or per diem for board members or volunteers for attending meetings (if this is a practice of the organization provide an explanation in the notes of the financial statements).

Budget Adjustments

Movement of funding between budget lines is permitted up to 10% of any line. Adjustments greater than 10% must be pre-approved in writing by the Director of Community Resources.

Any deficits in the program budget are the sole responsibility of the agency.

Unspent Funds

In March each year, the City reviews the financial statements of each FCSS funded agency in part to determine if there are unspent FCSS funds as of December 31. If there are unspent FCSS funds the agency can either request a one-time expenditure or return the funds to the City of Edmonton (template to be provided). Where an agency is approved to spend the prior year's unspent FCSS funds, that amount must be reported in the FCSS Program Schedule in the following year.

Any questions regarding FCSS financial reporting requirements?

**Please contact the Community Resources Office at 780-496-4932 or
grants@edmonton.ca**

XYZ YOUTH CENTRE
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, XXXX

	(CURRENT YEAR)	(PREVIOUS YEAR)
	XXXX	XXXX
Assets		
Current Assets:		
Cash and term deposits	38,000	28,200
Accounts receivable	15,000	19,000
Prepaid expenses	3,200	4,200
	56,200	51,400
Longterm Assets:		
Investments	2,500	2,100
Capital Assets (Property & Equipment)	64,000	54,250
	66,500	56,350
Total Assets	122,700	107,750
Liabilities and Net Assets		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	11,000	9,200
Deferred Revenue	31,750	35,200
	42,750	44,400
Longterm Liabilities:		
Deferred Capital Contributions	64,000	54,250
Mortgage Payable	-	-
	64,000	54,250
Net Assets:		
Restricted	12,950	7,100
Invested in Capital	-	-
Unrestricted	3,000	2,000
	15,950	9,100
Total Liabilities and Net Assets	\$ 122,700	\$ 107,750

XYZ YOUTH CENTRE
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, XXXX

	(CURRENT YEAR)	(PREVIOUS YEAR)
	XXXX	XXXX
Revenue:		
Foundation	18,000	18,000
FCSS Grants	100,000	100,000
Other City of Edmonton Grants	1,125	
Federal Grants	93,000	177,000
Fees	29,000	25,000
Fundraising	22,000	15,000
	263,125	335,000
Expenses:		
Program Expenses	109,900	200,000
Salaries	98,000	94,100
Employee Benefits	9,800	3,000
Office Materials and Supplies	2,000	1,800
Rent	9,500	9,500
Maintenance and Utilities	8,500	6,900
Training and Volunteer Expenses	2,000	1,700
Professional Fees	1,500	1,500
Audit Fee	2,400	2,400
Fundraising Expenses	12,000	8,000
Bank Charges and Interest	675	500
	256,275	329,400
Operating Surplus (Deficit) For The Year	\$ 6,850	\$ 5,600

FCSS Youth in Leadership Program
SCHEDULE OF REVENUE AND EXPENDITURE
JANUARY 1 - DECEMBER 31, XXXX

	FCSS Funding	Other Funding	Total Program
Revenue:			
Government of Canada	-	30,000	30,000
City of Edmonton FCSS Grant	80,000	-	80,000
Foundation Grant	-	18,000	18,000
	80,000	48,000	128,000
Expenditures:			
Salaries	60,000		60,000
Employee Benefits	4,450		4,450
Program Supplies	8,000	30,000	38,000
Printing and Photocopy	1,600		1,600
Rent	700	3,000	3,700
Maintenance and Utilities	850	1,500	2,350
Consulting	350	350	700
Transportation - Including Insurance	1,850	1,000	2,850
Training - Conferences and Workshops	1,000	1,000	2,000
Audit Fee	1,200	1,200	2,400
FCSS ineligible - Amortization	-	750	750
FCSS ineligible - Food	-	1,500	1,500
	80,000	40,300	120,300
Operating Surplus (Deficit) For The Year	\$ -	\$ 7,700	\$ 7,700

Note: Only FCSS eligible expenses should be included in the FCSS spending column.

FCSS Youth Counselling Program
SCHEDULE OF REVENUE AND EXPENDITURE
JANUARY 1 - DECEMBER 31, XXXX

	FCSS Funding	Other Funding	Total
Revenue:			
Government of Alberta	-	-	-
City of Edmonton FCSS Grant - YC Program	20,000	-	20,000
City of Edmonton Some Other Grant	-	1,125	1,125
Donations		6,500	6,500
	<u>20,000</u>	<u>7,625</u>	<u>27,625</u>
Expenditures:			
Salaries	13,000	2,265	15,265
Employee Benefits	2,500	200	2,700
Program Supplies	2,100	1,600	3,700
Printing and Photocopy	350	35	385
Administration***	1,000	3,228	4,228
Transportation - Including Insurance	1,500	200	1,700
Training - Conferences and Workshops	-	100	100
	<u>20,450</u>	<u>7,628</u>	<u>28,078</u>
Operating Surplus (Deficit) For The Year	<u>\$ (450)</u>	<u>\$ (3)</u>	<u>\$ (453)</u>

*** Administration for this program is calculated at 5% of the total organizational administrative costs.

XYZ Youth Centre
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, XXXX

1. Nature of operations

XYZ Youth Centre provides a counselling and a leadership program for youth in the community as well as outreach services. The Centre is incorporated under the Societies Act of Alberta on July 1, 2000.

2. Summary of Significant Accounting Policies

- a. Basis of Presentation. The accompanying financial statements have been prepared using the accrual basis of accounting.
- b. Donated Services. Donations in kind of volunteer time, products or services are not valued in the financial statements.

3. Deferred Revenue	Current Year XXXX	Prior Year XXXX
	<u>XXXX</u>	<u>XXXX</u>
FCSS Grant	3,451	-
Casino	12,299	22,200
Government of Canada Grant	<u>16,000</u>	<u>13,000</u>
	31,750	35,200

4. Administrative Expense

Administration fees are charged to FCSS Youth Counselling program at 5% of the total administrative cost.