



Freedom To Create. Spirit To Achieve.

Culture and Community Spirit

Annual Report
2009-10

Government of Alberta ■

Note to Readers:

Copies of the annual report are available on the website (www.culture.alberta.ca) or by contacting:

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Culture and Community Spirit

Annual Report 2009-10

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The public accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta released June 24, 2010 contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Culture and Community Spirit contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Culture and Community Spirit, regulated funds and provincial agencies for which the minister is responsible; and**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2010, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 10, 2010 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original Signed by
Lindsay Blackett
Minister of Culture and Community Spirit

Message from the Minister

Each government ministry took action in 2009-10 by looking internally at ways to more efficiently provide services to Albertans. The collective savings resulting from those efforts helped lower the deficit and improve the government's fiscal position. Despite financial and staffing constraints, our department worked diligently within its means to further *The Spirit of Alberta*, our province's cultural policy, help promote and preserve our heritage, foster an appreciation of the arts, support our province's nonprofit/voluntary sector, protect human rights and promote fairness and inclusion for all.

In February, our country hosted the 2010 Vancouver Olympic and Paralympic Winter Games. Alberta's presence in Vancouver was invaluable in helping to create business and cultural opportunities before, during and after the Games. More than 80 Alberta artists and groups showcased their talents as part of the Games and the Cultural Olympiad, including over 40 Alberta artists who participated in free concerts at Alberta Plaza.

In 2009-10, Alberta Arts Day was expanded to a three-day celebration. Thousands of Albertans discovered, experienced and celebrated our culture through over 571 events in more than 116 communities. This grassroots celebration of arts and culture helps to build strong and vibrant communities, and I am confident that Alberta Arts Days will be even bigger and better each year.

Communication and consultation with Albertans is essential to help ensure policies and programs work and challenges are being addressed. Our department participated in a number of dialogue sessions with stakeholders across the province. Sessions were held with the arts, heritage and nonprofit/voluntary sectors to help gather input on how to sustain and enhance these sectors, as well as to guide the development of a cultural facilities plan for the province.

Community investment grant programs from our department support important organizations across Alberta. In 2009-10, approximately \$66 million was provided through the Community Facility Enhancement Program and the Community Initiatives Program. As well, the Community Spirit Program donation grant provided \$19 million in funding to 1,741 Alberta-based nonprofit and charitable organizations.

There were a number of changes and milestones for Alberta's film industry in 2009-10. For the first time in its history, the Gemini Awards were held in Alberta – Calgary to be exact. To further support Alberta's competitiveness in the evolving film, television and digital media industries, and to encourage homegrown innovation, changes were made to the Alberta Film Development Program. Four new grant streams were created to support and encourage screen-based productions in our province.

Promoting an understanding and appreciation of our history and heritage is an important role of our department. Last year saw the designation of 14 new historical resources throughout the province. In addition, a number of museums and historic sites took advantage of technology in learning, delivering videoconference sessions and other distance-learning sessions to thousands of students. Facilities like the Royal Tyrrell Museum of Palaeontology delivered more than 200 distance-learning programs to thousands of students from across North America and the world. As well, a new online community resource, Culture in High Gear, was launched to help promote Alberta's heritage, arts, volunteer and other cultural activities.

Our ministry is committed to ensuring that all Albertans have the ability to freely participate in all aspects of society. In 2009-10, discrimination based on sexual orientation was added to the *Alberta Human Rights Act*. The act also recognized the right of parents to receive prior notice when subject matter dealing primarily and explicitly with religion, human sexuality or sexual orientation is to be taught in Alberta schools. The Alberta Human Rights Commission (formerly the Alberta Human Rights and Citizenship Commission) also began a review of its complaint resolution process and governance structure to improve efficiency, capacity and effectiveness.

These examples are just a snapshot of the many accomplishments in our ministry in 2009-10.

Original Signed by
Lindsay Blackett
Minister of Culture and Community Spirit

Management's Responsibility for Reporting

The Ministry of Culture and Community Spirit includes: the Department of Culture and Community Spirit and the agencies listed in the ministry overview chart on page three.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the ministry rests with the Minister of Culture and Community Spirit. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and the sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – Performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

As deputy minister, in addition to program responsibilities, I establish and maintain the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

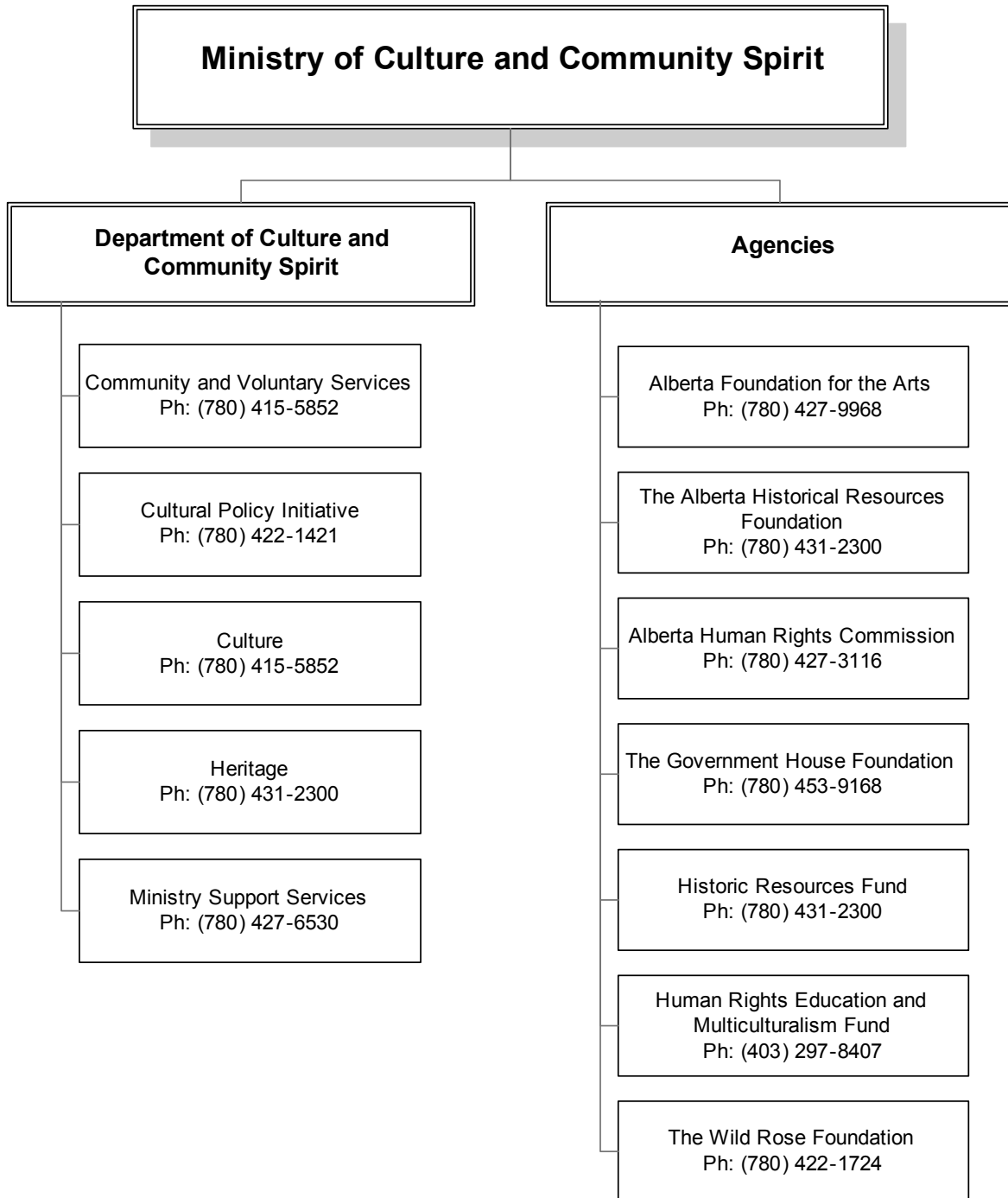
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Minister of Culture and Community Spirit any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the ministry, I have relied, as necessary, on the executive of the individual entities within the ministry.

Original Signed by
Lois Hawkins
Deputy Minister of Culture and Community Spirit
September 10, 2010

Results Analysis

Ministry Overview



The following description of the ministry's structure provides an overview of the range of programs and services available to Albertans.

Department

1. Community and Voluntary Services

The Community and Voluntary Services Division provides support for developing the capacity of Alberta's communities and voluntary sector through financial support, leadership development, training, awareness and recognition initiatives, facilitation and consultation services, public participation and stakeholder consultation processes and enabling collaborative activities with sector leaders. The division also provides financial support through lottery-funded grant programs such as the Community Facility Enhancement Program, Community Initiatives Program and Other Initiatives Program. These programs are integral in delivering a diverse range of supports that can be tailored to meet the needs of communities and nonprofit organizations. Charitable giving to nonprofits and charities is also encouraged through the Community Spirit Program, which promotes the charitable tax credit and provides proportional donation grants.

2. Cultural Policy Initiative

The Cultural Policy Initiative is responsible for collaboratively implementing Alberta's cultural policy, *The Spirit of Alberta*, with the Premier's Council on Arts and Culture and other ministries. It supports a vision that regards culture as a vital, active and creative element in the comprehensive development of the creative sector in Alberta. Additionally, the Cultural Policy Initiative provides guidance, direction, advice and commitment in the development, roll-out, implementation and communication of initiatives that foster implementation of *The Spirit of Alberta*.

3. Culture

The Culture Division supports a wide range of community interests with an emphasis on human rights, the arts, film classification, support to film and television production in Alberta and the management of the Jubilee Auditoria. The division protects human rights, promotes fairness and access, and supports the inclusion of all Albertans through education and information programs, financial support to community organizations and public institutions, collaborative initiatives that help build welcoming and inclusive communities and workplaces, and the work of the Alberta Human Rights Commission (formerly the Alberta Human Rights and Citizenship Commission). The division also works with artists, arts organizations and cultural industries to ensure that opportunities are available to experience the arts. It provides support to the Alberta Foundation for the Arts for grant programs dedicated to the arts and a growing collection of visual art that showcases and promotes the development of visual arts in Alberta. It also manages the Northern and Southern Alberta Jubilee Auditoria. The auditoria provide premier facilities that attract and support the performing arts and enhance Albertans' access to performing and community-based events. The division also includes the Alberta Film Commission. The commission facilitates the growth and sustainability of Alberta's film, television and digital media industries through collaboration and consultation with industry stakeholders and ensuring the province remains an attractive production centre for local and foreign productions. Financial incentives used to attract film and television production are managed through the Alberta Film Development Program. The division also helps Albertans make informed viewing choices by providing film classification services and licenses to commercial film distributors that operate in Alberta.

4. Heritage

The Heritage Division preserves, protects and presents Alberta's history and culture. The division carries out its mandate by managing and operating, in consultation and/or partnership with cooperating societies, a network of 20 provincial heritage facilities consisting of the Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology, Reynolds-Alberta Museum, Ukrainian Cultural Heritage Village, Remington Carriage Museum, 14 historic sites and interpretive centres and the Provincial Archives of Alberta. It also maintains provincial heritage collections, delivers education and exhibition programs, develops exhibits and displays and offers special events. In addition, the division regulates land-based development activities in the province to preserve significant historical resources and protects designated historic places, archaeological and palaeontological sites and historic buildings.

5. Ministry Support Services

Ministry support services includes: the minister's office; deputy minister's office; communications; human resource services; financial services; policy, planning and legislative services; and information management and technology services. These services are provided to the entire ministry to optimize operating efficiency.

Agencies

1. Alberta Foundation for the Arts

The Alberta Foundation for the Arts provides funding to artists, arts organizations and the cultural industries to encourage the growth and development of the arts sector in Alberta. Grants from the foundation help to provide opportunities for public participation in, and enjoyment of, the arts. The foundation also promotes an appreciation for the arts as being integral to Alberta's social, historical and economic development. The Alberta Foundation for the Arts also collects visual artworks, which document the province's significant visual artistic achievements.

2. The Alberta Historical Resources Foundation

The Alberta Historical Resources Foundation provides grant assistance for community-based heritage initiatives across the province. These initiatives include conservation of historical buildings and main street heritage districts as well as development of interpretive markers, publications and educational projects. In addition, the foundation is responsible for the naming of geographical features in Alberta and supporting the activities of several heritage societies.

3. Alberta Human Rights Commission

The Alberta Human Rights Commission is an independent commission of the Government of Alberta, reporting through the minister. The commission protects human rights in Alberta by resolving complaints made under the *Alberta Human Rights Act* (formerly the *Human Rights, Citizenship and Multiculturalism Act*). Human rights tribunals adjudicate complaints that cannot be resolved. The commission also works to eliminate discrimination and barriers to full participation in society through education and other services.

4. The Government House Foundation

The Government House Foundation cares for and promotes the interests of Government House, the former home of the Lieutenant Governors of the province of Alberta. The foundation advises the minister on the preservation of Government House as an historic site and building, and enhances the physical attributes of Government House, including its works of art and furnishings.

5. Historic Resources Fund

The purpose of the Historic Resources Fund is to protect, enhance, promote and display Alberta's historic resources. This is done through funding programs designated by the Lieutenant Governor in Council and by promoting the use and development of related facilities.

6. Human Rights Education and Multiculturalism Fund

Funding provided through the Human Rights Education and Multiculturalism Fund (formerly the Human Rights, Citizenship and Multiculturalism Education Fund) supports community organizations and the ministry in undertaking educational initiatives that eliminate discrimination and racism, and encourages the full participation of Albertans in all aspects of society. The Human Rights Education and Multiculturalism Fund Advisory Committee provides the minister with advice on the use of the fund, reviews grant applications and makes grant recommendations.

7. The Wild Rose Foundation

The Wild Rose Foundation was established to support Alberta's voluntary sector and promotes volunteerism through the provision of financial assistance, skills development and training, and recognition initiatives. The foundation currently provides funding for the Vitalize Provincial Voluntary Sector Conference. Responsibility for other programs and services provided by the Wild Rose Foundation were transferred to the department.



Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as “Reviewed by Auditor General” included in the *Ministry of Culture and Community Spirit’s 2009-10 Annual Report*. These performance measures are prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years’ information.
- Completeness – performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the “Reviewed by Auditor General” performance measures in the Ministry’s 2009-10 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
September 9, 2010

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

Performance Measures Summary Table

Core Business/Goals/Performance Measures	<u>Prior Years' Results</u>				Target	Current Actual	
Lead the implementation of the cultural policy and foster the sustainability and appreciation of the arts, film and television, sound recording and book and magazine publishing							
1. A culturally vibrant province where awareness and appreciation of Alberta's unique cultural identity are shaped by Alberta's cultural policy							
Performance Measure Under Development: This is a new goal in the ministry's business plan, and a performance measure is being developed to help indicate progress toward this goal.							
2. A thriving arts sector with increased growth and sustainability in Alberta's film and television, sound recording, and book and magazine publishing industries							
*2.a	Participation in arts activities or events by adult Albertans	88.8% 2005-06	87.6% 2006-07	87.4% 2007-08	91.0% 2008-09	89%	90.7% 2009-10
2.b	Dollars spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program (\$million)**	N/A 2005-06	N/A 2006-07	87.5 2007-08	89.6 2008-09	118.3	93.4 2009-10
Support Alberta's communities and the nonprofit/voluntary sector							
3. Alberta is strengthened through support to communities and the nonprofit/voluntary sector							
3.a	Level of community volunteerism by adult Albertans	68.9% 2005-06	65.4% 2006-07	68.6% 2007-08	81.4% 2008-09	69%	82.7% 2009-10
*3.b	Percentage of Community Initiatives Program/ Community Facility Enhancement Program grant recipients who indicated the funding benefited their community ***	96.9% 2005-06	98.1% 2006-07	96.9% 2007-08	99.2% 2008-09	98%	94.4% 2009-10
3.c	Customer satisfaction with capacity building facilitation services and workshops	97.7% 2005-06	97.1% 2006-07	98.3% 2007-08	97.3% 2008-09	98%	97.6% 2009-10
Preserve Alberta's historical resources and make them accessible							
4. Alberta's rich heritage is valued, and the province's historical resources are preserved and made accessible to enhance learning and research							
4.a	Visitor satisfaction with experiences at provincial heritage facilities****	98.5% 2005-06	98.5% 2006-07	98.2% 2007-08	99.0% 2008-09	N/A	N/A 2009-10
4.b	Percentage of visitors to provincial heritage facilities who rated the knowledge they gained of Alberta history as excellent or good****	91.1% 2005-06	90.3% 2006-07	91.1% 2007-08	92.7% 2008-09	N/A	N/A 2009-10
*4.c	Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta	92.9% 2005-06	93.9% 2006-07	94.7% 2007-08	95.0% 2008-09	95%	95.4% 2009-10

Core Business/Goals/Performance Measures	Prior Years' Results				Target	Current Actual
	2005-06	2006-07	2007-08	2008-09		
4.d Percentage of adult Albertans who visited a heritage facility in Alberta	61.4%	58.1%	56.9%	62.7%	57%	60.9%
	2005-06	2006-07	2007-08	2008-09		2009-10
4.e Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	62.9%	68.3%	67.5%	63.1%	68%	64.6%
	2005-06	2006-07	2007-08	2008-09		2009-10

Protect human rights, promote fairness and access, and support the inclusion of all Albertans

5. Albertans participate in the social, economic and cultural life of the province without discrimination

*5.a Percentage of adult Albertans who believe human rights are well protected in Alberta	86.7%	88.1%	88.0%	91.1%	89%	89.1%
	2005-06	2006-07	2007-08	2008-09		2009-10
5.b Percentage of Albertans who believe their current or last place of work in Alberta is free of discrimination	N/A	81.0%	79.3%	81.3%	81%	80.9%
		2006-07	2007-08	2008-09		2009-10

* Indicates Performance Measures that have been reviewed by the Office of the Auditor General

For more detailed information, see measures methodology in the Other Information section of the annual report.

The performance measures indicated with an asterisk were selected for review by ministry management based on the following criteria established by government:

1. Enduring measures that best represent the goal and mandated initiatives,
2. Measures that have well-established methodology and data reporting, and
3. Measures that have outcomes over which the government has a great deal of influence.

** In 2009-10, the methodology was revised to better reflect the program's business processes and to more accurately report when the Alberta spend occurs. Previous years' results have been restated based on the revised methodology to provide comparability across years.

*** In order to meet the 2009-10 reporting deadline, the population for the 2009-10 result was limited to those clients who received funding in the first three quarters of the fiscal year, rather than four quarters in prior years. Caution is required in comparing results across years.

**** Starting in 2009-10, this survey is being conducted every three years due to the consistency in results and the cost associated with the survey.

Discussion and Analysis of Results

Strategic Priorities

1. Build a culturally vibrant province

The Premier's Council on Arts and Culture championed the goals of *The Spirit of Alberta* in communities throughout the province, and provided strategic advice on significant cultural matters to the Minister of Culture and Community Spirit. Aspects of Alberta's cultural policy have been successfully integrated into the work of government. The Culture in High Gear webpage was launched to facilitate access to a variety of online cultural resources. Accessibility was also enhanced by the addition of online heritage resources such as over 1,300 specimen images from the Royal Tyrrell Museum of Palaeontology and an improved Provincial Archives of Alberta website. The Alberta Foundation for the Arts provided online access to images and descriptions for thousands of artworks in its collection.

The evaluation of the Alberta Foundation for the Arts grant programs resulted in a simplified grant application and the establishment of four new overarching grant programs that encapsulate all streams of funding to Alberta artists and arts organizations. More than 80 Alberta artists and groups showcased their talents during the 2010 Vancouver Olympic and Paralympic Winter Games and Cultural Olympiad. This included over 40 Alberta artists who participated in free concerts at Alberta Plaza with additional performance opportunities created through various partnerships.

2. Partner with the nonprofit/voluntary sector

Nonprofit/voluntary sector capacity was strengthened by working with organizations to provide training and development opportunities such as the Board Development Program, the Vitalize Provincial Voluntary Sector Conference and province-wide Leadership Workshops. Government and sector leaders through the Alberta Nonprofit/Voluntary Sector Initiative Collaboration Committee advanced discussions on many shared issues and relationship challenges. The ministry also engaged the sector in a series of regional dialogues aimed at finding ways to continually work together for the betterment of Albertans. Further support was provided through the Community Spirit Program with the number of approved grant applications increasing 16 per cent over 2008-09. In total, 1,741 nonprofit and charitable organizations throughout the province shared in a total of \$19 million.

3. Inclusive communities

Alberta's human rights system was reviewed to make it more efficient, effective and transparent for Albertans. The *Human Rights, Citizenship and Multiculturalism Act* was updated to ensure it is consistent with current legislative and judicial decisions and renamed the *Alberta Human Rights Act*. Also, amendments were made to improve the human rights complaint resolution process.

A multi-faceted approach was used to support efforts to build welcoming and inclusive communities and workplaces. The ministry partnered with the Alberta Urban Municipalities Association to assist with information and resource sharing and to establish a provincial network. Work continued on the development of a provincial strategy with the Alberta Hate Crimes Committee to combat hate and bias. Nonprofit groups were also assisted in developing local initiatives to address hate crime and bias incidents. Educational resources and programs, including workshops focusing on immigrants in the community, and reviews of human rights policies were offered to employers and service providers.

4. Infrastructure

The ministry worked on a number of infrastructure projects related to provincial heritage facilities, including working on the design for the Royal Alberta Museum, planning for exhibit renewal at Head-Smashed-In Buffalo Jump and the completion and opening of the exhibit redevelopment at the Royal Tyrrell Field Station in Dinosaur Provincial Park. Heritage collections were also enhanced through the acquisition of objects and documents that are significant to Alberta's history. Through the Community Facility Enhancement Program, community groups and voluntary organizations were assisted with construction, renovation or redevelopment of community public-use facilities, enhancing the quality of life and citizen well-being across the province. In total, \$37.5 million was allocated from the program for projects throughout Alberta.

5. Diversify the economy through film and television, sound recording and book and magazine publishing

In 2009-10, the Alberta Foundation for the Arts provided approximately \$1.3 million in operating funding to sound recording companies and book and magazine publishers. Through the Alberta Film Development Program, the ministry contributed to the development of local production expertise and talent, industry development and continued investment in Alberta-based production with approximately \$20.3 million provided to eligible film productions. To increase Alberta's competitiveness in attracting and retaining film and television productions in Alberta, grant percentages for eligible costs were increased by six per cent, and the per project grant cap was raised to \$5 million from \$3 million. In addition to these incentives, four new grant streams were announced on December 1, 2009 to further support and encourage screen-based productions in Alberta.

Core Business 1

Lead the implementation of the cultural policy and foster the sustainability and appreciation of the arts, film and television, sound recording and book and magazine publishing

Goal 1

A culturally vibrant province where awareness and appreciation of Alberta's unique cultural identity are shaped by Alberta's cultural policy

Overview

The ministry supports this goal on an ongoing basis by:

- Coordinating the support and promotion of the cultural policy within the Government of Alberta by working with other ministries to identify linkages and opportunities to champion the policy.
- Developing partnerships involving government, the private sector, the nonprofit/voluntary sector and other groups to explore and recommend new ways to support the cultural policy.
- Supporting the development of a unique spirit of creativity, innovation and energy to add to Alberta's growth and prosperity.

Results

STRATEGY 1.1

Promote and support culture in Alberta by working with the Premier's Council on Arts and Culture to implement *The Spirit of Alberta*, Alberta's cultural policy.

The Premier's Council on Arts and Culture championed the implementation of the goals in *The Spirit of Alberta* in communities throughout the province and provided strategic advice on significant cultural matters. Aspects of the policy have been successfully integrated into the work of government.

The Premier's Council on Arts and Culture participated in the regional cultural facilities dialogues and its members have been active in supporting Alberta Arts Days in their communities. The chair regularly communicates with the minister to share insights of the council with him.

STRATEGY 1.2

Work with partners to build greater awareness and appreciation of culture, advance cultural initiatives and facilitate and enhance partnerships that strengthen the cultural community and preserve Alberta's cultural legacy.

Culture and Community Spirit worked with other ministries to guide and advise on ways the government can collaborate with partners in the implementation of *The Spirit of Alberta*.

The minister hosted six regional dialogue sessions to receive input on draft principles and strategies to ensure effective future investment in regional cultural facilities. A number of themes emerged when looking at the trends and issues facing the cultural sectors across the province, including: space needs and gaps; the need for multi-use or multi-disciplinary spaces; aging infrastructure; the importance of partnerships for new development; shifting demographics; the uses and challenges of new technology; and the growing role of municipalities in cultural facilities planning. The Regional Cultural Facilities Dialogue Report provided a synopsis of the dialogue sessions and will guide the development of the cultural facility capital planning framework.

A Cultural Ambassador Handbook was developed to provide guidance for cultural professionals representing Alberta on cultural missions. Translations of the cultural policy summary were prepared for use by Alberta's international offices.

STRATEGY 1.3

Identify cultural activities that increase access to culture through the use of technology and establish baselines to help ensure cultural resources are used strategically.

The ministry developed the Culture in High Gear webpage (<http://culture.alberta.ca/highgear/>), providing access to a variety of online cultural resources, highlighting the diverse programs, services and collections offered in Alberta. Culture in High Gear features links to the social media sites that the ministry uses to facilitate public awareness and engagement in cultural programs and services. Multimedia features of the site include cultural vignette videos, a culture calendar with community-generated content and a cultural facilities digital atlas.

Gathering of baseline data about Albertans' access to cultural activities included items such as Albertans' attendance and participation in cultural activities, the types of cultural services and activities they access, barriers to access and participation, the range of cultural opportunities in their communities and their use of technology in accessing Albertan cultural products and experiences. An inventory of culture-related performance measures within the ministry and across government continued to identify potential indicators of policy success and gaps and strengths in government support of cultural initiatives and services. Other baseline data collection was done through the cultural facilities consultation that took place in June 2009. These consultations provided crucial information to determine the state of activity in cultural facilities planning and to identify current trends and projects. These baselines will factor into strategic policy development in support of Albertans' access to cultural activities and services. These will also contribute to the development of a performance measure for the implementation of Alberta's cultural policy.

Performance Measure

Performance Measure Under Development:

This is a new goal in the ministry's business plan, and a performance measure is being developed to help indicate progress toward this goal.

Goal 2

A thriving arts sector with increased growth and sustainability in Alberta's film and television, sound recording, and book and magazine publishing industries

Overview

The ministry supports this goal on an ongoing basis by:

- Promoting participation in and fostering appreciation of the arts through the Alberta Foundation for the Arts.
- Hosting international touring theatre companies and musicians and a wide variety of cultural and community events at the Jubilee Auditoria.
- Preserving, maintaining and displaying Alberta's art collections.
- Classifying all films prior to public exhibition, and promoting Alberta's film rating system to encourage informed viewing.
- Licensing and regulating film distributors, and communicating classifications to movie theatres and media outlets.
- Collaborating with stakeholders to align government and the film and television industry efforts and develop ways to increase industry capacity, sustainability and development.
- Delivering training programs and "film friendly" workshops to Alberta communities to support and attract film and television production.
- Marketing Alberta's production expertise, locations and financial incentives to the local, national and international motion picture industry.
- Providing financial incentives to promote film and television production in Alberta.
- Providing support to the sound recording and book and magazine publishing industries.

Results

STRATEGY 2.1

Work with clients and stakeholders to complete a comprehensive program evaluation of the Alberta Foundation for the Arts' grant programs, and adjust programs to better meet the needs and support the growth and development of the arts in Alberta.

The findings from the evaluation of the Alberta Foundation for the Arts' grant programs guided the development of a renewed strategic planning process for the foundation to ensure that the arts are appropriately supported in a culturally vibrant province. The evaluation resulted in a simplified grant application and the establishment of four new overarching grant programs that encapsulate all streams of funding to Alberta artists and arts organizations.

STRATEGY 2.2

Promote the arts and artists in Alberta through an expanded annual arts days event.

Alberta Arts Day was expanded to a three day event with more than 571 arts events taking place in over 116 communities across Alberta. The Alberta Arts Days website (<http://culture.alberta.ca/artsdays/>) featured an online listing of events and a link to a Facebook page. The ministry worked with five flagship Alberta Arts Days celebration sites that received grants to produce daytime and evening events featuring Alberta performers and artists. In addition, activities took place at provincial heritage sites throughout the province, where free admission was offered. The ability to participate online was also available as the Royal Tyrrell Museum of Palaeontology provided a webcast on topics such as palaeontology, dinosaurs and palaeo-art.

In partnership with the Ministry of Municipal Affairs and the Book Publishers Association of Alberta, the ministry profiled Alberta's cultural industries at Alberta Arts Days. Libraries and bookstores received lists of books published in Alberta, award-winning Alberta authors and Alberta magazine publishers. Promotional materials on Alberta's cultural industries including banners, bookmarks and pins were also distributed.

STRATEGY 2.3

Provide opportunities for artists to travel across Alberta and abroad as provincial ambassadors and to participate in major events, such as the 2010 Cultural Olympiad celebrations and Canada Day.

The cultural programming before and during the 2010 Vancouver Olympic and Paralympic Winter Games provided the ministry with the opportunity to promote Alberta's performing artists, showcase Alberta talent on Alberta Day at the Olympics, support the 2010 Cultural Olympiad and create enhanced performance opportunities for Alberta artists and arts organizations. The ministry also facilitated opportunities for Alberta artists to perform and engage with international presenters and media.

More than 80 Alberta artists and groups showcased their talents during the 2010 Vancouver Olympic and Paralympic Winter Games and Cultural Olympiad. This included over 40 Alberta artists who participated in free concerts at Alberta Plaza, with additional performance opportunities created through partnerships (e.g., Art of Craft exhibit at the Museum of Vancouver, athletes' villages in both Vancouver and Whistler). A compact disc produced by the ministry features Alberta recording artists and was used as a promotional item to reach audiences from around the world.

In addition, the ministry facilitated performances by Alberta artists for the cultural component of the 2009 Grey Cup in Calgary and artistic performances and displays of artworks at the five flagship sites for Alberta Arts Days.

DID YOU KNOW? The Choreography Director of the 2010 Vancouver Winter Olympic opening and closing ceremonies was Alberta Ballet's Artistic Director Jean Grand-Maitre.

STRATEGY 2.4

Increase access to Alberta's art collection through the Travelling Exhibition and the Art Placement programs and expansion of electronic access through the Internet.

Access to and awareness of the Alberta Foundation for the Arts' art collection increased through an expansion of electronic access to the collection. Descriptions of thousands of artworks and approximately 1,500 high definition images from the art collection were made available online to provide electronic access to researchers, curators and the general public. Artworks were photographed and made accessible electronically as they were added to the collection.

A map showing the rural venue locations and information about the Travelling Exhibition program exhibits was made available on the Alberta Foundation for the Arts' website. This year was the first time artists made visits to venues in the four regions in which their art collection was featured.

The Art Placement program, which ensures Albertans have opportunities to enjoy the collection, focused on showcasing artworks in the two Jubilee Auditoria as well as the legislature, government offices and public spaces in nonprofit sector organizations.

STRATEGY 2.5

Implement and communicate the *Film and Video Classification Act* and regulations.

Consultations were conducted with stakeholders such as commercial and nonprofit movie exhibitors, film distributors, video retailers and the public to obtain input into the development of the regulation under the *Film and Video Classification Act*. The act was proclaimed in November 2009 and new content was developed on albertafilmratings.ca to explain the legislation, the changes and the implications. Operational changes were reflected in updated forms, policies and procedures. Electronic and postal mail-outs communicated the legislative changes, including penalties and enforcement. Promotional materials to communicate the age ratings under the new legislation were also developed.

STRATEGY 2.6

Develop and implement a communication and marketing plan to promote the Jubilee Auditoria to Albertans and visitors.

The Jubilee Auditoria communications and marketing plan was approved, resulting in new branding and a redeveloped website. The brand features a new look and tagline "it's all at the Jube" that has been branded to items including presentation folders, ticket sleeves and staff nametags. The redeveloped website provides more functionality for patrons and clients while still maintaining the integrity of the information found on the website.

STRATEGY 2.7

Collaborate with municipal and federal governments to review proposals to raise film production capacity in the province.

The ministry recognized the need for a studio facility in the province to help maintain Alberta's competitiveness in attracting screen-based productions, and took a lead role in facilitating the development of an Alberta creative hub facility in Calgary. A nonprofit governance board was established and construction is scheduled to start in 2010-11.

DID YOU KNOW? More than 400 projects have been produced in Alberta since Marilyn Monroe filmed the River of No Return in 1948. Such productions include *The Assassination of Jesse James by the Coward Robert Ford*, *Brokeback Mountain*, *Open Range*, *X-Men II*, *Shanghai Noon*, *Unforgiven*, *Legends of the Fall*, and *Superman I, II and III*.

STRATEGY 2.8

Pursue a funding model to support the sustainability and growth of the film and television production industry.

The Alberta Film Development Program was revised to help Alberta remain competitive in attracting and retaining film, television and digital media production in the province. Grant percentages for eligible costs were increased by six per cent, and the per project grant cap was raised to \$5 million from \$3 million. Additional enhancements announced on December 1, 2009 include four new grant streams to help encourage digital media productions, support professional and project development, facilitate export opportunities for film, television and digital media industry members and encourage the production of Alberta's stories.

The Alberta Film Development Program contributed to the development of local production expertise and talent, industry development and continued investment in Alberta-based production with approximately \$20.3 million provided to eligible film productions spending a minimum of \$25,000 in Alberta and using Alberta locations and talent. Through ongoing research and consultation with the Alberta Film Advisory Council, the ministry continues to investigate new and innovative ways for increasing Alberta's competitiveness and sustainability.

DID YOU KNOW? Alberta is home to expert crews that have been nominated for 48 Academy Awards and 92 Emmy nominations, which is more than any other jurisdiction in Canada.

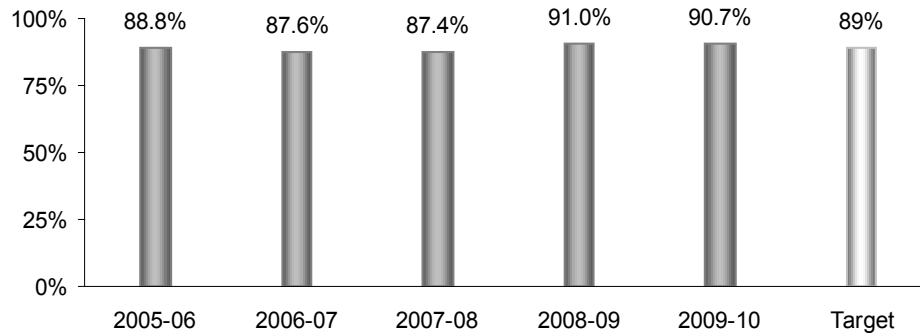
STRATEGY 2.9

Examine innovative means to support the arts, sound recording, and book and magazine publishing industries.

Through consultation and preliminary feedback from regional ministerial dialogues on arts and culture, Alberta-specific funding models were developed that align with government capacity, industry needs and *The Spirit of Alberta*. The Alberta Foundation for the Arts provided approximately \$1.3 million in operating funding support to sound recording companies and book and magazine publishers.

Performance Measures

2.a Participation in arts activities or events by adult Albertans



Source: Culture and Community Spirit Survey of Albertans

Description

This measure provides a general indication of adult Albertans' participation, including attendance, in arts activities or events. Examples of participation include performing in a choir, playing a musical instrument, taking an arts course or visiting an arts exhibition or gallery.

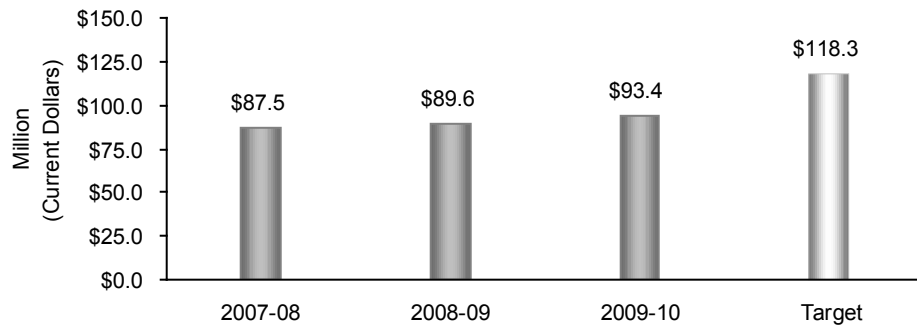
Results

In 2009-10, 90.7 per cent of adult Albertans participated in arts activities or events.

Analysis

The result exceeded the target of 89 per cent and essentially matched the previous year's record high. Albertans' decisions to attend and participate in arts events are influenced by many factors including the availability of time, accessibility, affordability, public awareness and availability of information on the event. Albertans indicated that a lack of time was the primary reason hindering their attendance (52.1 per cent) and participation (58.7 per cent) at arts activities or events. The ministry contributed to the success of the measure through investment in and promotion of arts and culture. The Alberta Foundation for the Arts maintained a historically high level of funding with \$30.1 million allocated for grants in 2009-10. Alberta Arts Days featured more than 571 events in over 116 communities across the province. There were 122 libraries and 80 schools that participated in Alberta Arts Days, highlighting the arts in a way that has never before been experienced in the province. Many of Alberta's best artists, ensembles and artworks were featured over the three years of involvement in Cultural Olympiad showcases leading up to and during the 2010 Vancouver Olympic and Paralympic Winter Games. This included the promotion of more than 80 Alberta artists and groups who showcased their talents during the 2010 Vancouver Olympic and Paralympic Winter Games and Cultural Olympiad. There were more than 40 Alberta artists featured at Alberta Plaza, garnering new audiences and media attention at home and abroad.

2.b Dollars spent in Alberta as a result of film and television production supported by the Alberta Film Development Program (\$million)



Source: Alberta Film Development Program Production Reports

Note: In 2009-10, the methodology was revised to better reflect the program's business processes and to more accurately report when the Alberta spend occurs. Previous years' results have been restated based on the revised methodology to provide comparability across years.

Description

This measure shows the total dollar expenditure in Alberta of all film and television productions supported by the Alberta Film Development Program.

Results

In 2009-10, \$93.4 million was spent in Alberta as a result of film and television productions supported by the Alberta Film Development Program.

Analysis

The result of \$93.4 million was \$24.9 million less than the 2009-10 target of \$118.3 million. Key influencing factors included a global economic crisis that resulted in a worldwide decrease in film production, and a rise in the Canadian dollar that reduced the attractiveness of Alberta for foreign production. In addition, aggressive financial incentives implemented by British Columbia, Ontario, Quebec and several American states affected Alberta's competitiveness. The cancellation of the Alberta based dramatic series Fear Itself further impacted the result. Dramatic series historically have a proportionately higher and sustainable economic impact than one-off movies.

Through the Alberta Film Development Program, approximately \$20.3 million was provided to eligible film programs to develop local production expertise and talent, sustain industry development and continue investment in Alberta-based production. To increase Alberta's competitiveness in attracting and retaining film and television productions, grant percentages for eligible costs were increased by six per cent, and the per project grant cap was raised to \$5 million from \$3 million.

Core Business 2

Support Alberta's communities and the nonprofit/voluntary sector

Goal 3

Alberta is strengthened through support to communities and the nonprofit/voluntary sector

Overview

The ministry supports this goal on an ongoing basis by:

- Recognizing, promoting and providing training to the nonprofit/voluntary sector.
- Providing leadership training opportunities for the nonprofit/voluntary sector through the Board Development Program, the Youth Mentor Program, the Vitalize Provincial Voluntary Sector Conference, leadership development workshops and a provincial volunteer screening initiative.
- Providing community organizations and municipalities with consultative, training and facilitation services to support increased coordination and capacity.
- Supporting Alberta's community organizations and public-use facilities through programs and grants (e.g., Community Facility Enhancement Program, Community Initiatives Program and Other Initiatives Program).
- Providing grants to nonprofit organizations and Canada Revenue Agency-registered charities through the Community Spirit Program donation grant.
- Increasing education and awareness of Alberta's enhanced charitable tax credit and the Community Spirit Program donation grant.

Results

STRATEGY 3.1

Work in partnership with the nonprofit/voluntary sector to strengthen both sector capacity and our communities (e.g., through the Alberta Nonprofit/Voluntary Sector Initiative).

The ministry continued its collaboration with the nonprofit/voluntary sector through the Alberta Nonprofit/Voluntary Sector Initiative, a forum where 11 ministries come together with leaders from the nonprofit/voluntary sector with the common goal of building vibrant and sustainable communities. The capacity of the sector was strengthened by working with organizations to provide training and

development opportunities such as the Board Development Program, the Vitalize Provincial Voluntary Sector Conference and province-wide Leadership Workshops. The ministry also engaged the sector in a series of regional dialogues aimed at finding ways to continue to work together for the betterment of Albertans.

The ministry also worked with over 500 rural and urban community organizations, municipalities and other ministries to meet their goals and to address community issues on over 700 projects. This work was done through facilitation of various meetings and public/stakeholders consultations, and organizational development and training. In total, more than 900 consultations and workshops were held with over 15,000 participants.

STRATEGY 3.2

Strengthen cross-ministry collaboration to identify opportunities for the nonprofit/voluntary sector, including implementation of the Workforce Strategy to benefit the sector.

Cross-ministry consultations were held to identify shared concerns, improve understanding of the sector's value to government and communities and to identify opportunities to work together on policy and challenges. Eleven ministries collaborated with nonprofit/voluntary sector leaders on the Alberta Nonprofit/Voluntary Sector Initiatives' Collaboration Committee to advance the implementation of the Framework for Collaboration.

Three cross-ministry projects were advanced resulting in the preliminary identification of overarching funding principles and an agreement on the terms of reference for a cross-ministry/cross-sector project team. To support the Workforce Strategy, the ministry collaborated with the nonprofit/voluntary sector's Alberta Workforce Council to improve funding practices.

STRATEGY 3.3

Enhance access to information to support Alberta's cultural communities and the nonprofit/voluntary sector through improved online services.

Collaboratively funded projects to improve access to information included five Alberta specific sub-sector reports and summary fact sheets based on the Canadian Survey of Giving, Volunteering and Participating being made available online. The five sub-sectors reported on were education and research, health, sports and recreation, social services and religion. The report and summary fact sheets were made available to the public through the Volunteer Alberta website (www.volunteeraberta.ab.ca). Increasing the awareness of the impact of the nonprofit/voluntary sector was a key point identified at the minister's regional dialogues. To raise awareness of the sector, there is a need to encourage further research and understanding of the sector and its issues. For example, research conducted by the Muttart Foundation on sector umbrella organization feasibility will provide an understanding of how the nonprofit/voluntary sector interacts with government and the perceived need for an umbrella organization to represent the sector on a provincial basis.

STRATEGY 3.4

Establish a Youth Advisory Council (age 35 or younger) to develop recommendations to encourage more youth to become actively involved in their communities.

The Alberta's YouthVOLUNTEER! Society was used as the advisory council to assist in development of recommendations relating to increased youth involvement in volunteer activities. The society, whose board is comprised of youth age 14-24 from across the province, collaborates with various agencies and

organizations to increase the profile of youth volunteerism. For example, this year a youth engagement theme was incorporated into National Volunteer Week. They also provided advice and recommendations to the minister on ways to increase youth volunteerism in Alberta. The ministry is collaborating with the Ministry of Education's Youth Advisory Council to promote Global Youth Service Day - Volunteer Challenge and youth volunteerism.

STRATEGY 3.5

Evaluate the process for allocating funds for the Community Spirit Program donation grant to ensure the goals of the program are met.

The goal of the Community Spirit Program is to increase individual charitable giving to help support Alberta's nonprofit and charitable organizations. The donation grant application process was evaluated through a review and input from stakeholders. Improvements to the program guidelines included clarification on what is and what is not an eligible cash donation. Other improvements included more details on how to submit an acceptable application.

An online application process was introduced through a new grant management system to provide stakeholders with a paperless option to apply for a donation grant and help to increase program efficiencies. A number of education and awareness activities continued during this second year of the program, including a mail-out to nonprofit and charitable organizations, information sessions, advertising, and ongoing collaboration with the voluntary sector. This year saw a 14 per cent increase in the number of grant applications and a 16 per cent increase the number of approved grants. In total 1,741 nonprofit and charitable organizations from throughout the province shared \$19 million.

STRATEGY 3.6

Conduct a review of the ministry's agencies to ensure their mandates remain current and investigate opportunities for operating efficiencies.

The review of the ministry's agencies mandates commenced with work on the Alberta Foundation for the Arts and the community support program areas. The work will continue in 2010-11 with final recommendations provided to the minister.

STRATEGY 3.7

Work with partners and stakeholders to increase community collaborative leadership to enhance the capacity of communities to address complex issues.

Complex community issues such as watershed/water management, education of students with special needs, victims of family violence, greenhouse gases, municipal sustainability and community drug use were addressed through the use of collaborative planning and public participation processes in several communities. An example of this work is the City of Calgary Ecological Footprint Roundtables and Summit. A facilitation team from the ministry worked with the City of Calgary to design, manage and facilitate a public participation process to develop an action plan to reduce the ecological impact of the city.

Training on leadership concepts such as community dialogue, collaborative planning, adaptive leadership in governance and the nature of collaboration were provided to a network of community leadership programs throughout the province. Training and information on the latest approaches to community development and leadership were provided to community leaders at the ATCO Community Symposium, Adult Literacy Conference, Community Development Collaborative and at cross-sector community leadership programs. In partnership with community organizations, six newsletters on

community leadership were published and distributed. The newsletters provided readers with an opportunity to share information, experiences and approaches to leadership development, make connections and support research and learning for leadership in communities.

DID YOU KNOW? The Community Development Branch offers customized services that enhance the capacity of community leaders, organizations, communities, networks and government to achieve their goals, address issues and make a positive contribution to the lives of Albertans. (Visit www.culture.alberta.ca/communitydevelopment for more information.)

STRATEGY 3.8

Collaborate with other ministries to develop and enhance resources on public engagement and participation processes.

The ministry along with nine provincial and territorial governments participated in the Public Policy Forum's public engagement project Building Capacity Together. The multi-stage project will help governments work together to build the knowledge and capacity for designing and delivering effective public engagement processes. Phase one of the project was completed with a framework paper entitled Rethinking the Public Policy Process: A Public Engagement Framework that consolidates the most current thinking and practices from across the country. Two course guides on designing and facilitating public engagement processes for training public servants were also developed.

In partnership with the Ministry of Environment, a community of practice on public engagement was established. The community used its network to share and distribute information on public engagement, and to hold workshops on topics such as how to make communities of practice more effective. Also, the ministry updated and shared a resource entitled Experiences in Public Participation: The Facilitating of Large Events.

STRATEGY 3.9

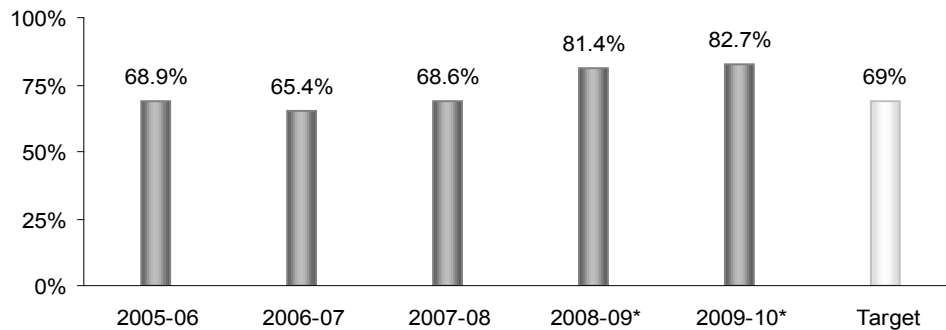
Work with the Ministry of Justice and Attorney General and other ministries to promote strong and vibrant communities and reduce crime so Albertans feel safe.

In partnership with other ministries, police, community groups, municipalities, businesses and social agencies, the ministry supported the Safe Communities Initiative to promote strong and vibrant communities and reduce crime. This included assisting with the design of a funding model to targeted municipalities for the development of safe community plans. The ministry also held proposal writing workshops and developed resources and materials to assist organizations applying to the Safe Communities Innovation Fund.

To address factors that give rise to crime in our communities, the ministry provided facilitation, consultation and training services to over 60 community organizations, municipalities and other ministries. The range of services included strategic planning sessions for the Medicine Hat Women's Shelter and facilitation and planning support to the Town of Slave Lake to develop a response to family violence. The Ministry of Justice and Attorney General received facilitation support in obtaining input from stakeholders to develop a long-term, provincial gang crime suppression strategy. Facilitation services were provided to the Ministry of Solicitor General and Public Security for the 17th Interpol/Canadian Association of Police Educators Training Symposium and for the Federal/Provincial/Territorial Chronic Offenders Practitioners Conference.

Performance Measures

3.a Level of community volunteerism by adult Albertans



Source: Culture and Community Spirit Survey of Albertans

Note: *In 2008-09, the question on volunteerism was changed to better reflect examples of informal volunteering. The example "such as helping a neighbour in need" was added to more clearly indicate what activities fall under informal volunteering. While the example provided greater clarity to what informal volunteering is, the comparability of results was impacted.

Description

This measure indicates the level of community volunteerism by adult Albertans in the past 12 months. Volunteering is an unpaid contribution of time, energy and/or talents to charitable or nonprofit organizations, causes, community development activities, or help through personal initiative to individuals.

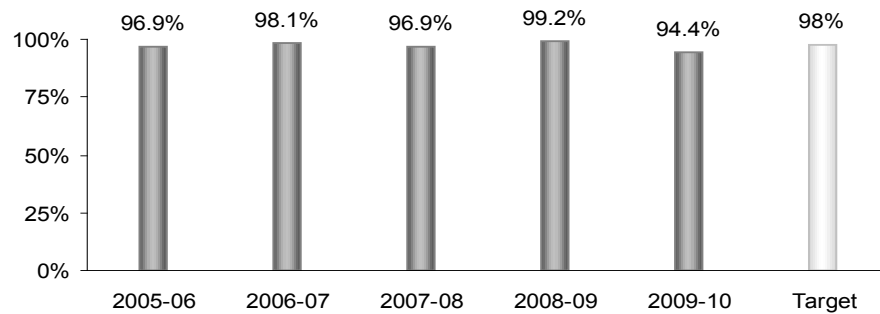
Results

In 2009-10, 82.7 per cent of adult Albertans reported that they volunteered.

Analysis

The percentage of adult Albertans who volunteered increased from 81.4 per cent in 2008-09 to 82.7 per cent in 2009-10, surpassing the target of 69 per cent. The 2009-10 target was based on historical results to allow time to verify that the new example on informal volunteering would have a lasting impact on results. The Alberta volunteerism rate is influenced by Alberta's economy, job market and the amount of free time Albertans have to volunteer. More Albertans may have volunteered in order to enhance their job related skills and increase their experience to strengthen their opportunities in a changing job market. Reasons for the increase in the result include a rise in the following volunteer areas: informal volunteering (2 per cent), arts and culture (2.2 per cent), human services (1.2 per cent), and other types of volunteer work (1.7 per cent). Decreases in volunteer work were noted in the areas of sport (1.4 per cent) and recreation (2.7 per cent). The largest barriers reported by people not volunteering is not having enough time or being too busy (58.7 per cent). Through the Community Initiatives Program, approximately \$28 million was provided to the nonprofit/voluntary sector to support project-based initiatives in areas such as community services, senior services, education and arts and culture. The ministry also provided 143 communities with funding and resources to promote the importance of volunteers during National Volunteer Week. In addition, over 950 delegates at the Vitalize Provincial Voluntary Sector Conference received training.

3.b Percentage of Community Initiatives Program/Community Facility Enhancement Program grant recipients who indicated the funding benefited their community



Source: Surveys of Community Initiatives Program Clients and Community Facility Enhancement Program Clients

Note: In order to meet the 2009-10 reporting deadline, the population for the 2009-10 result was limited to those clients who received funding in the first three quarters of the fiscal year, rather than four quarters in prior years. Caution is required in comparing results across years.

Description

Indicates the percentage of Community Initiatives Program and Community Facility Enhancement Program grant recipients who indicated that grant funding received benefited their communities.

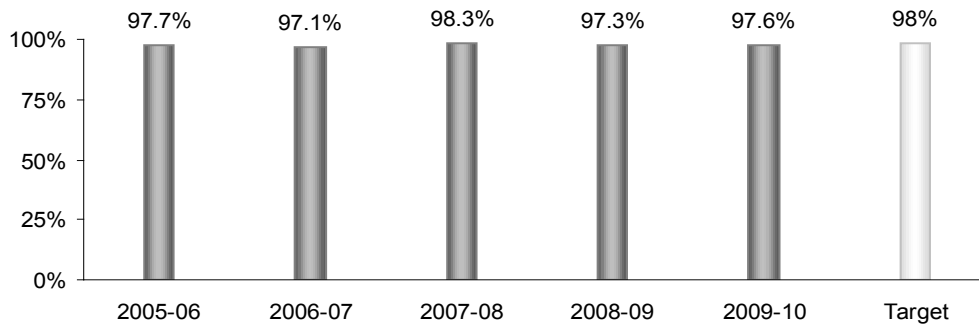
Results

In 2009-10, 94.4 per cent of Community Initiatives Program and Community Facility Enhancement Program grant recipients indicated that funding received benefited their community.

Analysis

While results remain exceptionally high, the target of 98 per cent was not met. Results for both surveys are totalled to produce the overall result. The completion status of projects, unforeseen circumstances and the amount requested versus funding received may influence results. In total, almost \$66 million was provided through these two grant programs to improve Alberta communities. The top three items the Community Initiatives Program grant funding was provided for were to enhance learning, improve health and to improve safety for people in the community. The majority of the Community Facility Enhancement Program grant funding recipients used the funding to repair, renovate or upgrade an existing facility. Of the recipients that used the funding to upgrade an existing facility, 95 per cent indicated that the Community Facility Enhancement Program funding maintained or increased services to their community. Furthermore, 70 per cent of these respondents indicated the facility would now be used for new or additional activities or purposes.

3.c Customer satisfaction with capacity building facilitation services and workshops



Source: Client Satisfaction Survey: Customer Service Information System

Description

This measure indicates the percentage of clients who were satisfied overall with the ministry's capacity building facilitation services and workshops. Capacity building facilitation services and workshops encompass a broad range of activities, including planning, knowledge and skill transfer, facilitation and/or consultation regarding a variety of topics from organizational development to public stakeholder consultations.

Results

In 2009-10, 97.6 per cent of clients were satisfied with the ministry's capacity building facilitation services and workshops.

Analysis

Results remain consistently high and essentially met the target of 98 per cent. The results may be affected by a steady and high demand for facilitation and public participation services and training workshops, which help community organizations and government address issues and develop organizational and board capacity. This is accomplished through the specialized knowledge of the ministry's Community Development Officers. The ministry's focus on customizing these services and workshops to meet the needs of the client likely had a positive influence on results. Another contributing factor is that these services and workshops are highly accessible to organizations anywhere in Alberta. The ministry provided a broad range of capacity building facilitation services and workshops to rural and urban nonprofit/voluntary sector organizations and government organizations. Over 700 projects were supported with approximately 500 of those completed in 2009-10.

Core Business 3

Preserve Alberta's historical resources and make them accessible

Goal 4

Alberta's rich heritage is valued, and the province's historical resources are preserved and made accessible to enhance learning and research

Overview

The ministry supports this goal on an ongoing basis by:

- Managing and promoting a network of 20 provincial heritage facilities that includes museums, historic sites, interpretive centres and the Provincial Archives of Alberta.
- Managing an irreplaceable legacy of over 15 million historical objects and scientific specimens, 48,000 linear metres of archival holdings, 125,000 hours of film and sound recordings, and 130 historical structures.
- Protecting over 500 designated historic places and tens of thousands of archaeological and palaeontological sites.
- Regulating land-based development activities to preserve significant historic resources and ensure that industry adopts appropriate heritage management practices.
- Providing communities with advice and funding assistance for historic preservation and presentation through the Alberta Historical Resources Foundation.
- Providing learning opportunities for students and visitors through curriculum-based and general interest programs, events and activities.
- Conducting scholarly research to enhance understanding of Alberta's history.
- Supporting Alberta's cultural policy by providing opportunities to increase Albertans' access to their heritage.

DID YOU KNOW? The Royal Tyrrell Museum of Palaeontology experienced record visitation in the 2009-10 fiscal year with attendance reaching almost 416,000, which is a 15 year high.

STRATEGY 4.1

Plan and implement improvements to provincial heritage facilities to build pride in Alberta's cultural and natural history and attract visitors from home and abroad.

The ministry worked on a number of infrastructure projects related to provincial heritage facilities, including working on the design for the Royal Alberta Museum, planning for exhibit renewal at Head-Smashed-In Buffalo Jump and the completion and opening of the exhibit redevelopment at the Royal Tyrrell Field Station in Dinosaur Provincial Park. Additionally, the ATCO/Tyrrell Learning Centre was upgraded at the Royal Tyrrell Museum of Palaeontology and a new public elevator between the upper and lower galleries was installed as part of the commitment to a barrier-free environment for museum visitors. Work also progressed on a draft design report for a new outdoor storage compound at the Reynolds-Alberta Museum and possible space for a new warehouse facility.

Improvements were made to many provincial heritage facilities, including enhancements to exhibition galleries, restoration of historic structures, improved signage, installation of new exhibits, construction of visitor amenities such as new washrooms, landscaping and mechanical and utility upgrades. Heritage collections were also enhanced through the acquisition of objects and documents that are significant to Alberta's history.

STRATEGY 4.2

Deliver distance-learning educational programs and provide the ability to explore collections online to ensure that Albertans and people worldwide can access Alberta's heritage.

Over 8,000 students participated in approximately 300 videoconference programs such as geology, palaeontology, Aboriginal culture, rural and urban development, nature and science. The Royal Tyrrell Museum of Palaeontology delivered more than 200 distance-learning programs to students in Alberta, as well as other parts of Canada, the United States, Netherlands and Mexico. Frank Slide Interpretive Centre, Head-Smashed-In Buffalo Jump, Remington Carriage Museum, Reynolds-Alberta Museum and the Royal Alberta Museum also delivered programs. Additionally, there were almost 10,000 web visits and over 3,000 downloads of educational materials on subjects such as palaeontology and historical photographs.

Accessibility was enhanced by the addition of online heritage resources with more than 1,300 specimen images from the Royal Tyrrell Museum of Palaeontology and an improved Provincial Archives of Alberta website. The ministry also offered virtual exhibitions, web-based learning materials and digitized information such as the Royal Alberta Museum exhibition for the Virtual Museum of Canada entitled Piece by Piece: The GWG Story. The exhibition explores the relationship between the products, producers and consumers of Great Western Garment goods through the history of the company.

The Provincial Archives of Alberta launched the online educational resource, Photographs - If Only They Could Speak, which explains the role that photographs play in understanding the past and introduces students, teachers and researchers to the archives and the resources at the Provincial Archives of Alberta. The archives enhanced access to its holdings by updating the public's ability to search its Heritage Resource Management Information System. The system provides a central gateway for virtual visitation of Alberta's heritage and cultural collection.

DID YOU KNOW? The Royal Tyrrell Museum of Palaeontology received two 2009 American Association of Museum's MUSE awards. The Distance-Learning Promotional Video won a bronze award and the Cretaceous Crime Scene: Web Version received an honourable mention.

STRATEGY 4.3

Develop and implement a long-term management strategy that enhances the government's capacity to acquire, preserve and document its heritage collections.

The ministry advanced the development of a collections strategy to establish a vision and direction for future collecting activities. A corresponding collections policy will set out a framework of protocols to develop and manage collections. A vision, goals and anticipated outcomes were developed and key issues identified. The foundation has been laid for determining collecting themes that will be used to identify collection strengths, gaps and long-term collecting priorities.

DID YOU KNOW? The Provincial Archives of Alberta acquired a large donation from Holger Petersen, the founder of the Edmonton-based award-winning roots music recording company Stony Plain Records. The material included administrative and operational business records, master tapes of the label's recording artists and recordings of Alberta artists that were personally collected by Petersen.

STRATEGY 4.4

Support urban and rural municipalities in heritage conservation by providing expertise and enhanced funding through the Alberta Historical Resources Foundation.

The Municipal Heritage Partnership Program assisted rural and urban municipalities to identify, evaluate, plan and protect historic places that define their community's identity. Assistance was also provided to communities in establishing municipal heritage advisory boards and training board members about sound heritage conservation practice. The Alberta Historical Resources Foundation provided more than 110 grants totalling approximately \$2 million for approved conservation work for designated municipal historic resources that are on the Alberta Register of Historic Places.

STRATEGY 4.5

Support the Alberta *Land-use Framework* Biodiversity Action Plan by monitoring the changing state of Alberta's species, habitats and ecosystems to provide relevant and timely scientific information on biodiversity and land-use.

The ministry supported the *Land-use Framework* by monitoring the changing state of Alberta's species, habitats and ecosystems to provide information on biodiversity and land-use. Samples collected by the Alberta Biodiversity Monitoring Institute are processed by the Royal Alberta Museum. This includes specimen sorting, expert identification and long-term storage of specimens and residual material. Both terrestrial and aquatic sites were sampled, sorted and identified to the species level, with specimens representing mosses, lichens, vascular plants, aquatic arthropods, soil arthropods, ground beetles, bees and birds. Many of these specimens will remain in the museum collections to document the biodiversity of Alberta.

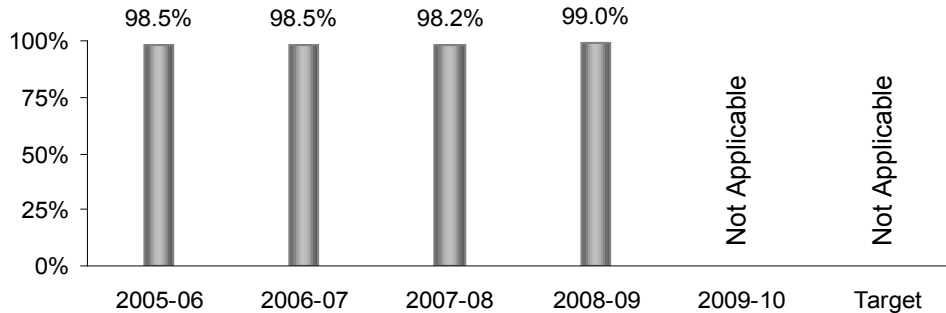
STRATEGY 4.6

Create new research programs and expand the use of innovative, investigative technologies such as CAT scanning, 3-D computer modeling and Geographic Information System technology in support of new education programs at the Royal Tyrrell Museum of Palaeontology.

The Royal Tyrrell Museum of Palaeontology delivered a workshop to present the results of the use of traditional and innovative technologies in the study of fossil and recent turtles to approximately 100 attendees from Canada, the United States, Europe, Asia and South America. A new field guide, *Guidebook to the Geology and Palaeontology of Dinosaur Provincial Park, Alberta*, was produced in conjunction with the workshop. Scientists published 16 peer-reviewed scientific papers and made nine presentations at scientific conferences highlighting some of their innovative work, including new kinds of fossil vertebrates, dinosaur biology, and the geology of fossil-bearing formations. Innovative technologies such as 3-D computer modelling and CAT scans produced an animation of the inside of a fossil turtle skull for inclusion in the 25th anniversary exhibit that opened in May 2010.

Performance Measures

4.a Visitor satisfaction with experiences at provincial heritage facilities



Source: Heritage Facilities Visitor Survey: Non-Local and Local Residents

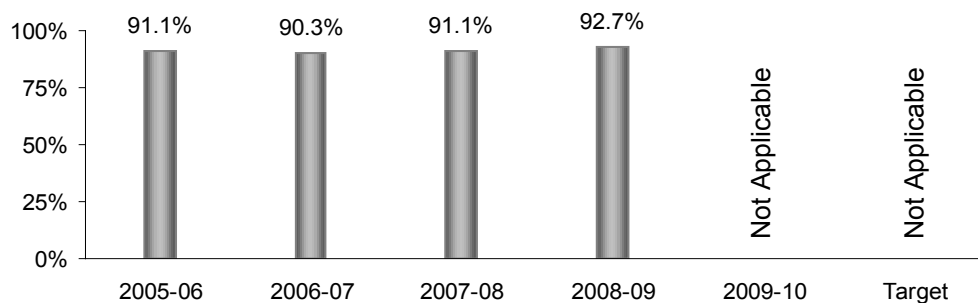
Description

This measure assesses visitors' level of overall satisfaction with their experiences at provincial historic sites, museums and interpretive centres.

Results

Starting in 2009-10, this survey is being conducted every three years due to the consistency in results and the high cost associated with the survey.

4.b Percentage of visitors to provincial heritage facilities who rated the knowledge they gained of Alberta history as excellent or good



Source: Heritage Facilities Visitor Survey: Non-Local and Local Residents

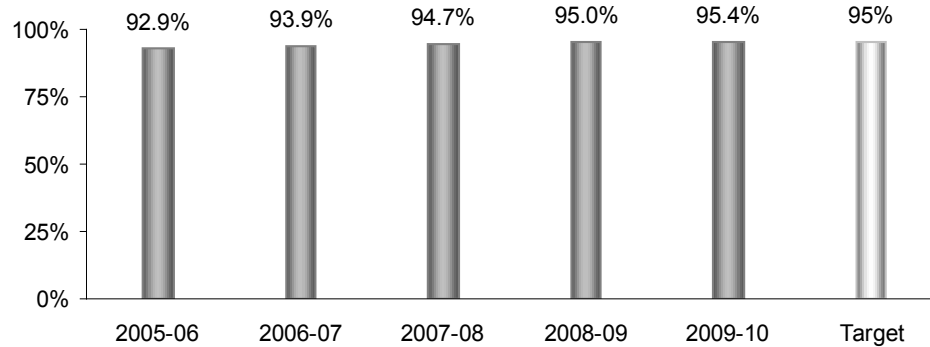
Description

This measure assesses visitors' perceptions of the knowledge they gained about Alberta history during a visit to a provincial historic site, museum or interpretive centre.

Results

Starting in 2009-10, this survey is being conducted every three years due to the consistency in results and the high cost associated with the survey.

4.c Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta



Source: Culture and Community Spirit Survey of Albertans

Note: This is the first year this measure is being reported.

Description

This measure assesses the percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta.

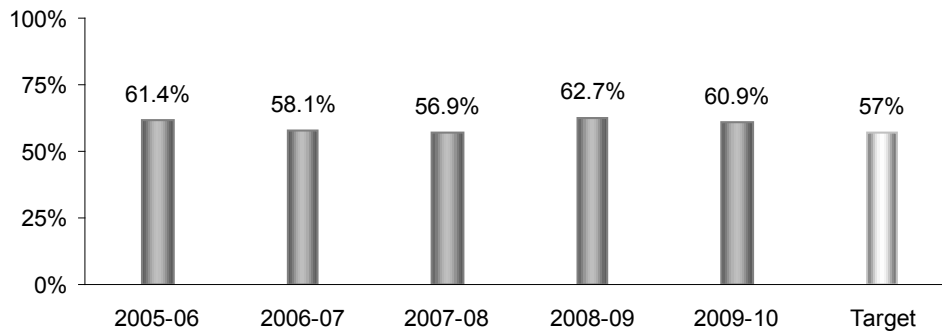
Results

In 2009-10, 95.4 per cent of adult Albertans felt that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta.

Analysis

The result met the target of 95 per cent. In 2009-10, 60.7 per cent of Albertans considered historical resources to be “very important” (34.7 per cent considered them “important”) in contributing to quality of life in Alberta, which was up from 49.9 per cent in 1999-2000. The ministry helped to raise awareness of Alberta’s historical resources by offering free admission and activities at Alberta provincial museums and historical sites during Family Day and Alberta Arts Days events, where Albertans could engage museum and historical curators, and scientists. Education programs and online accessibility of museums and historical sites could also contribute to results.

4.d Percentage of adult Albertans who visited a heritage facility in Alberta



Source: Culture and Community Spirit Survey of Albertans
Note: This is the first year this measure is being reported.

Description

This measure provides an indication how many Albertans visited a heritage facility in Alberta in the past year. The heritage facilities included in this measure are not limited to those operated by the ministry.

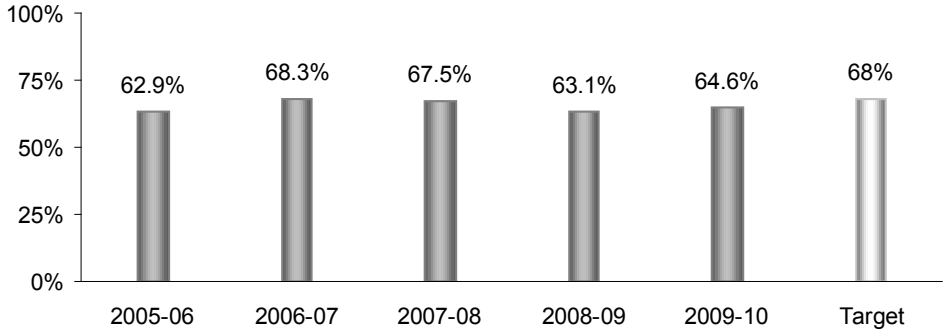
Results

In 2009-10, 60.9 per cent of adult Albertans visited a heritage facility in Alberta.

Analysis

The result exceeded the target of 57 per cent by 3.9 per cent. Albertans' visitation to heritage facilities is influenced by many factors, including the condition and types of the events and exhibits at facilities, other available entertainment or educational opportunities and Albertans' disposable income. Despite the economic recession, there were over 900,000 visits to provincially operated heritage facilities in 2009-10. This includes 106,000 student visits made through school tours. Successful efforts on promotional/advertising campaigns and free admissions to provincial facilities during events contributed to the result. The result may also have been influenced by continued renewal of provincial facilities or development of new exhibits and programs.

4.e Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities



Source: Culture and Community Spirit Survey of Albertans
Note: This is the first year this measure is being reported.

Description

This measure assesses how well Albertans perceive the province’s historical resources are being preserved and protected in Alberta. Albertans were asked to think about the government’s role as the steward and custodian of historical resources particularly with respect to historical buildings and archaeological and fossil resources.

Results

In 2009-10, 64.6 per cent adult Albertans agreed that overall historical resources are being adequately protected and preserved in Alberta communities.

Analysis

The 2009-10 result was 3.4 per cent below the target, but 1.5 per cent above the previous year’s result. Personal experience or knowledge of heritage sites may affect the perception of how well historical resources are being protected. The number and condition of historical resources in Albertans’ communities or places they visit could also influence their response. The preservation activities carried out by the ministry contribute to a positive impact on public perception regarding how well historic resources were preserved and protected. For example, in 2009-10, there were 14 new designations of historical resources (mostly historic buildings) added throughout the province. Almost \$51 million was utilized to support Alberta’s network of historic sites and museums, and heritage preservation and conservation programs.

Core Business 4

Protect human rights, promote fairness and access, and support the inclusion of all Albertans

Goal 5

Albertans participate in the social, economic and cultural life of the province without discrimination

Overview

The ministry supports this goal on an ongoing basis by:

- Promoting awareness and understanding of Alberta's human rights legislation.
- Resolving and adjudicating human rights complaints.
- Providing education, information and consultative services that support human rights, equity, diversity and multiculturalism in the province.
- Providing financial support to community organizations and public institutions through the Human Rights Education and Multiculturalism Fund. (formerly the Human Rights, Citizenship and Multiculturalism Education Fund) for initiatives that foster equality, reduce discrimination and racism, remove organizational barriers and increase community capacity to build inclusive organizations and communities.
- Collaborating with other governments and organizations, and representing the province's international human rights responsibilities.

Results

STRATEGY 5.1

Develop and implement strategies that help build welcoming and inclusive communities and workplaces, particularly for immigrants and ethno-cultural and racial groups.

A multi-faceted approach was used to support efforts to build welcoming and inclusive communities and workplaces. The ministry partnered with the Alberta Urban Municipalities Association to assist with information and resource sharing and to establish a provincial network. The partnership supports the nine Alberta municipalities that have joined the Coalition of Municipalities Against Racism and Discrimination and the Canadian component of a United Nations Educational Scientific and Cultural Organization initiative.

The report *Growth-Related Challenges to Creating Welcoming and Inclusive Communities: What We Heard* was completed. The report summarizes the feedback from meetings with elected officials, service providers, ethno-cultural leaders, multicultural leaders and immigrant-serving agencies in seven communities. It also identifies ways to improve the coordination of responses to growth-related challenges in communities, especially as they relate to international migrants.

Educational resources and programs, including workshops focusing on immigrants in the community, and reviews of human rights policies were offered to employers and service providers. Workshops offered by the Alberta Human Rights Commission (formerly the Alberta Human Rights and Citizenship Commission) helped increase understanding of building respectful and inclusive workplaces. A podcast on the basis of religious discrimination was piloted at the University of Alberta, and 20 policies were reviewed to assist organizations in ensuring their operations were aligned with Alberta's human rights legislation.

STRATEGY 5.2

Support nonprofit organizations and public institutions in building their capacity to develop and deliver effective initiatives that advance the goal of full civic participation.

The ministry provided consultative support to a range of organizations and public institutions across Alberta to help them build their capacity to support Albertans' civic engagement. One of these organizations was the Alberta Hate Crimes Committee, which released a number of publications to help combat hate crimes and incidents. The ministry continued to work with the committee on the development of a provincial strategy to combat hate and bias. The ministry also helped to organize the Say No to Hate rally in Calgary.

The ministry continued to support community organizations and public institutions by implementing initiatives outlined in the report, *Creating Inclusive Communities: A Framework for the Future 2007-12*. An annotated bibliography of diversity resources was developed that details projects undertaken by community organizations with the support of grants from the Human Rights Education and Multiculturalism Fund. Thirty-one grants, totalling more than \$1.3 million, were awarded through the fund for projects that help build welcoming and inclusive communities and workplaces, and reduce racism and discrimination. Many of these grants supported projects for youth and leadership development.

Through the Alberta Human Rights Commission, the ministry initiated a cross-ministry partnership (with the Ministry of Advanced Education and Technology and the Ministry of Employment and Immigration) to print and disseminate posters that promote the link between learning and human rights. The ministry also reprinted and produced a new compact disc version of *Cultural Competence: A Guide to Organizational Change*, which was originally produced by Citizenship and Immigration Canada.

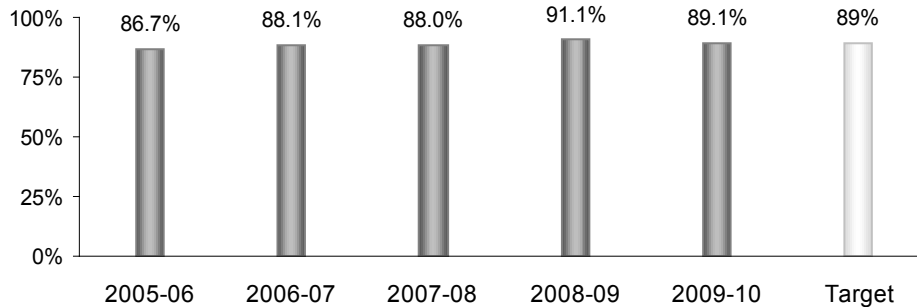
STRATEGY 5.3

Complete the review of the human rights policy and legislative framework that protects human rights and promotes fairness and access to the opportunities to participate fully in the social, cultural and economic life of the province.

Alberta's human rights system was reviewed to make it more efficient, effective and transparent for Albertans. The *Human Rights, Citizenship and Multiculturalism Act* was updated to ensure it is consistent with current legislative and judicial decisions and was renamed the *Alberta Human Rights Act*. Also, amendments were made to improve the human rights complaint resolution process.

Performance Measures

5.a Percentage of adult Albertans who believe human rights are well protected in Alberta



Source: Culture and Community Spirit, Survey of Albertans – Human Rights

Description

This measure provides an indicator of adult Albertans' perceptions of how well human rights are protected in Alberta.

Results

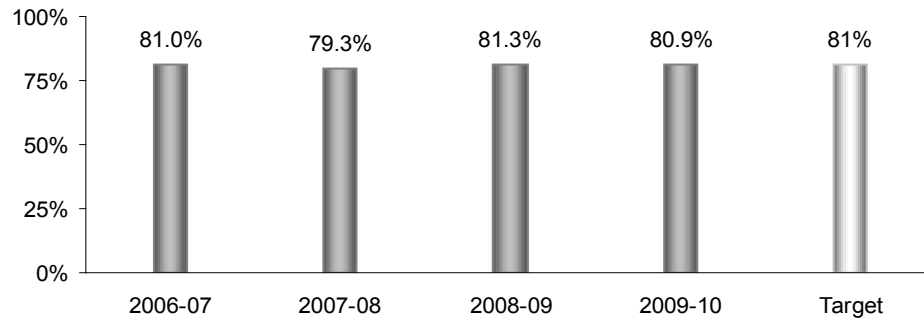
In 2009-10, 89.1 per cent of adult Albertans felt that human rights were well protected in Alberta.

Analysis

The result met the target of 89 per cent. Key factors that could influence the results include media coverage on human rights issues or events, both within and outside Alberta, legislative matters or complaints involving human rights and respondent's knowledge of Alberta's human rights legislation. In 2009-10, there was increased media coverage of human rights due to the review and amendment of the human rights legislation.

During 2009-10, 99 workshops on building respectful and inclusive workplaces with more than 2,200 participants were held by the Alberta Human Rights Commission. Displays were set up at 46 events targeting an estimated audience of over 9,100. Work also continued with stakeholders and the network of municipalities and partners involved in the Coalition of Municipalities Against Racism and Discrimination to help build inclusive communities and combat discrimination.

5.b Percentage of Albertans who believe their current or last place of work in Alberta is free of discrimination



Source: Culture and Community Spirit Survey of Albertans – Human Rights

Note: This is the first year this measure is being reported.

Description

This measure provides an indicator of adult Albertans' perceptions of whether their current or last place of work in Alberta is free from discrimination. Discrimination is defined as being treated unfairly because of colour, gender, race or religious beliefs, age, ancestry, family status, marital status, mental disability, physical disability, place of origin, sexual orientation or source of income.

Results

In 2009-10, 80.9 per cent of adult Albertans believed their current or last place of work in Alberta is free of discrimination.

Analysis

The result of 80.9 per cent essentially met the target of 81 per cent. There are numerous factors outside the ministry's control that influence the achievement of results. Key factors influencing the result are company practices, workplace policies and interaction with co-workers. Knowledge of human rights legislation and what constitutes discrimination and media coverage of these issues are also factors.

The ministry offered educational resources and programs, including workshops focusing on immigrants in the community, and reviews of human rights policies to employers and service providers. Workshops offered by the Alberta Human Rights Commission helped increase understanding of building respectful and inclusive workplaces.

Financial Summary

Revenue Highlights

	2010		2009
	Budget	Actual	Actual
Internal Government Transfers	\$ 227.7	\$ 215.1	\$ 456.7
Transfers from the Government of Canada	0.5	2.1	19.8
Investment Income	1.8	0.4	1.5
Premiums, Fees and Licences	5.0	5.3	5.2
Other Revenue	13.5	13.2	11.4
Total Revenues	\$ 248.5	\$ 236.1	\$ 494.6

Revenues decreased by \$258.5 million from the prior year and total \$236.1 million in 2009-10. The primary source of revenue consists of \$215.1 million in internal government transfers. There was a decrease of \$241.6 million from the prior year primarily related to \$140 million for the Major Community Facilities Program ending in 2008-09; one-time capital grant funding in 2008-09 of \$80 million; lottery funding transfers to the Wild Rose Foundation of \$8.5 million ending in 2008-09; and a reduction of \$12.5 million in funding for the Horse Racing and Breeding Renewal Program based on revenues generated at related gaming facilities.

Transfers from the Government of Canada were \$2.1 million, representing a decrease of \$17.7 million from the prior year. This decrease is primarily related to \$19 million in one-time funding in 2008-09 from the Government of Canada's Building Canada Fund for the Art Gallery of Alberta and Heritage Park in Calgary. This decrease was partially offset by \$2 million provided in 2009-10 for the Canada Sports Hall of Fame through the Infrastructure Stimulus Fund.

The ministry's funds and agencies generated \$0.4 million in investment income, which represents a decrease of \$1.1 million in interest earnings from the prior year. Premiums, fees and licences generated \$5.3 million and include admission fees to heritage facilities and film classification fees. Other revenue totals \$13.2 million and includes revenue from donations, contributions in-kind, sales, refunds of expenses and other miscellaneous revenues.

Expense Highlights

	2010		2009
	Budget	Actual	Actual
Cultural Policy Initiative	\$ 5.2	\$ 2.4	\$ 2.0
Arts and Cultural Industries	66.0	64.5	75.5
Community Grants	143.2	142.1	347.6
Community and Voluntary Services	28.0	26.8	33.6
Heritage	51.9	50.6	53.3
Human Rights and Citizenship	8.6	7.7	6.9
Ministry Support Services	5.8	5.8	5.0
Valuation Adjustments	0.1	9.1	0.3
Total Expenses	\$ 308.8	\$ 309.0	\$ 524.2

Expenses decreased by \$215.2 million from the prior year and total \$309 million in 2009-10. This decrease is primarily related to \$140 million for the Major Community Facilities Program ending in 2008-09; one-time capital grant funding in 2008-09 of \$62 million for various projects including the Art Gallery of Alberta, Heritage Park and the Telus World of Science; and a reduction of \$12.5 million in funding for the Horse Racing and Breeding Renewal Program based on revenues generated at related gaming facilities.

In 2009-10, the ministry spent over \$2 million to further implement *The Spirit of Alberta*, the province's cultural policy and build on the four keystones of access, capacity, excellence, and fostering the cultural industries. Funding of more than \$64 million was provided for arts and cultural industries, including over \$20 million for the Alberta Film Development Program and \$35 million for the Alberta Foundation for the Arts.

Nearly 55 per cent or \$168.9 million of total expenses were used in support of the nonprofit/voluntary sector through various community grants and voluntary services programs including: almost \$38 million for the Community Facility Enhancement Program to build, purchase, repair and improve community-use facilities; more than \$28 million through the Community Initiatives Program to enhance and enrich project-based community initiatives; and \$19 million in grant funding for the Community Spirit Program donation grant to assist nonprofit and charitable organizations in their operations, programs, or capital projects.

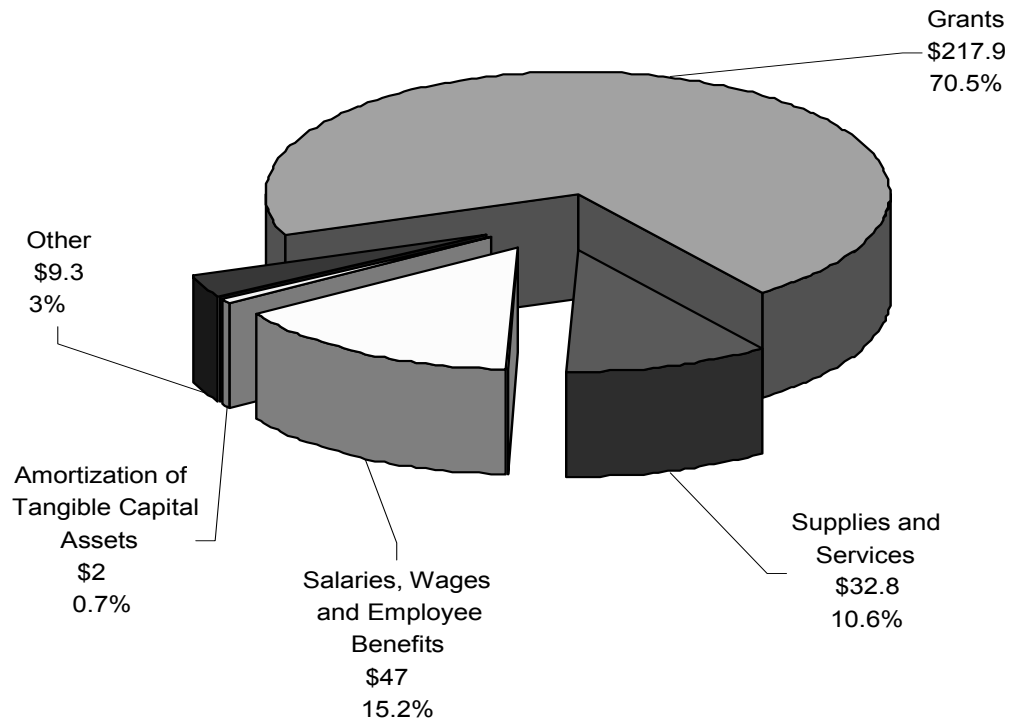
Almost \$51 million was utilized to support Alberta's network of historic sites and museums, and heritage preservation and conservation programs. This included over \$10 million through the Alberta Historical Resources Foundation.

Funding of \$7.7 million was used to protect human rights and create healthier and more inclusive communities in Alberta. This included over \$2 million through the Human Rights Education and Multiculturalism Fund to promote respect for diversity and equality, prevent discrimination and racism, and build welcoming communities and workplaces.

The remaining \$14.9 million or 4.8 per cent of total expenses were used to address general support and other services to manage overall ministry operations and address the increased liability in environmental obligations at various historic sites.

Ministry Operating Expense by Object

Operating Expense by Object - \$309 million



The ministry's greatest operating expense was grants, where 70.5 per cent of the budget is directed. Approximately \$217.9 million was awarded in 2009-10 to support individuals, organizations and communities. Expenditures for salaries, wages and employee benefits totalled \$47 million and were primarily to manage heritage facilities, support community groups, administer grant programs and adjudicate human rights cases. The remainder of the ministry's expenses were for supplies and services (\$32.8 million), amortization of tangible capital assets (\$2 million), and other expenses (\$9.3 million), including a valuation adjustment of \$8.5 million to recognize the increased liability in environmental obligations at various historic sites.

Ministry Expense by Function

(millions of dollars)

	2010		2009
	Budget	Actual	Actual
Agriculture, Resource Management, and Economic Development	\$ 83.0	\$ 69.7	\$ 97.6
Protection of Persons and Property	9.3	8.4	7.6
Recreation and Culture	216.5	230.9	419.0
Total Expense by Function	<u>\$ 308.8</u>	<u>\$ 309.0</u>	<u>\$ 524.2</u>

Expense by function identifies the principal purpose for which an expense is incurred rather than the activity involved. This basis of reporting is used for inter-provincial comparisons and for determining federal funding eligibility.

The function agriculture, resource management, and economic development includes expenses related to the development and promotion of agriculture and other sectors of the economy, such as film development. The function protection of persons and property includes expenses for services provided specifically to ensure public interest objectives are achieved, such as human rights. The function recreation and culture includes expenses incurred in the delivery of programs and services to promote leisure activities.

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Ministry of Culture and Community Spirit

Consolidated Financial Statements

March 31, 2010

**Ministry of Culture and Community Spirit
Consolidated Financial Statements
March 31, 2010**

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Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statements of financial position of the Ministry of Culture and Community Spirit as at March 31, 2010 and 2009 and the consolidated statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

Ministry of Culture and Community Spirit
Consolidated Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget (Schedule 4)	Actual	Actual (Restated)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 227,746	\$ 215,031	\$ 456,728
Transfers from the Government of Canada	526	2,137	19,774
Investment Income	1,832	393	1,533
Premiums, Fees and Licences	4,975	5,315	5,180
Other Revenue	13,450	13,207	11,465
	<u>248,529</u>	<u>236,083</u>	<u>494,680</u>
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Cultural Policy Initiative	5,227	2,394	2,021
Arts and Cultural Industries	65,968	64,530	75,511
Community Grants	143,180	142,119	347,568
Community and Voluntary Services	27,983	26,757	33,606
Heritage	51,853	50,625	53,296
Human Rights and Citizenship	8,600	7,723	6,958
Ministry Support Services	5,856	5,779	5,006
	<u>308,667</u>	<u>299,927</u>	<u>523,966</u>
Valuation Adjustments			
Provision for Environmental Obligations	-	8,518	-
Provision for Doubtful Accounts	-	59	3
Provision for Inventory Write-off	-	2	8
Provision for Vacation Pay and Banked Overtime	90	548	245
	<u>90</u>	<u>9,127</u>	<u>256</u>
	<u>308,757</u>	<u>309,054</u>	<u>524,222</u>
(Loss) on Disposal / Write-down of Tangible Capital Assets	-	(287)	(250)
	<u>-</u>	<u>(287)</u>	<u>(250)</u>
Net Operating Results	<u>\$ (60,228)</u>	<u>\$ (73,258)</u>	<u>\$ (29,792)</u>

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

Ministry of Culture and Community Spirit
Consolidated Statements of Financial Position
As of March 31
(thousands of dollars)

	2010	2009
Assets		
Cash (Note 3)	\$ 20,882	\$ 19,043
Accounts Receivable, Prepaid Expenses and Inventories (Note 4)	4,817	6,320
Cash Appropriated for Non-Current Use (Note 3)	8,467	8,467
Tangible Capital Assets (Schedule 7)	17,983	17,726
	\$ 52,149	\$ 51,556
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 86,516	\$ 169,013
Unearned Revenue	1,182	242
	87,698	169,255
Net Assets (Liabilities)		
Net Assets, Beginning of Year	(117,699)	21,873
Net Operating Results	(73,258)	(29,792)
Net Financing Provided (for) from General Revenues	155,408	(109,780)
Net Assets (Liabilities), End of Year	(35,549)	(117,699)
	\$ 52,149	\$ 51,556

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

Ministry of Culture and Community Spirit
Consolidated Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009 (Restated)
Operating Transactions		
Net Operating Results	\$ (73,258)	\$ (29,792)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	2,014	1,975
Valuation Adjustments	9,127	256
Loss on Disposal / Write-down of Tangible Capital Assets	287	250
	(61,830)	(27,311)
Decrease in Accounts Receivable, Prepaid Expenses and Inventories before Valuation Adjustments	1,442	72,266
(Decrease) Increase in Accounts Payable and Accrued Liabilities before Valuation Adjustments	(91,563)	68,684
Increase (Decrease) in Unearned Revenue	940	(6)
Cash Provided by (Applied to) Operating Transactions	(151,011)	113,633
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 7)	(2,795)	(5,523)
Transfers of Tangible Capital Assets to Others	237	179
Cash (Applied to) Capital Transactions	(2,558)	(5,344)
Financing Transactions		
Net Financing Provided (for) from General Revenues	155,408	(109,780)
Increase (Decrease) in Cash	1,839	(1,491)
Cash, Beginning of Year	19,043	20,534
Cash, End of Year	\$ 20,882	\$ 19,043

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

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 1 Authority and Purpose

The Minister of Culture and Community Spirit has, by the *Government Organization Act* and its regulations, been designated responsible for various *Acts*. To fulfill these responsibilities, the Minister is responsible for the organizations listed in Note 2(a). The authority under which each organization operates is also listed in Note 2(a). Together these organizations form the Ministry of Culture and Community Spirit (the Ministry).

The purpose of the Ministry is to promote, develop and preserve Alberta’s culture and heritage in support of vibrant and inclusive communities. This is done by:

- Fostering the sustainability and appreciation of Alberta’s cultural industries and the arts;
- Supporting Alberta’s communities and the non-profit/voluntary sector;
- Promoting and preserving Alberta’s rich heritage; and
- Protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily 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 (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the ministry.

(a) Reporting Entity

The reporting entity is the Ministry of Culture and Community Spirit. The *Government Accountability Act* defines a Ministry as including the Department and any Provincial agency and Crown-controlled organization for which the Minister is responsible.

These consolidated financial statements include the accounts of the following organizations:

<u>Organization</u>	<u>Authority</u>
Department of Culture and Community Spirit	<i>Government Organization Act</i>
Alberta Foundation for the Arts	<i>Alberta Foundation for the Arts Act</i>
The Alberta Historical Resources Foundation	<i>Historical Resources Act</i>
The Government House Foundation	<i>Government House Act</i>
Historic Resources Fund	<i>Historical Resources Act</i>
Human Rights Education and Multiculturalism Fund	<i>Human Rights, Citizenship and Multiculturalism Act</i>
The Wild Rose Foundation	<i>Wild Rose Foundation Act</i>

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

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

(a) Reporting Entity (continued)

All departments of the Government of Alberta operate within the General Revenue Fund (Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Consolidation

The accounts of the organizations listed in Note 2(a) above have been consolidated. Revenue and expense transactions, investing, capital and financing transactions, and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

(c) 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.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

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

(c) Basis of Financial Reporting (continued)

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 2 discloses information on the Ministry's credit or recovery initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry 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.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs, which are the cost of employer contributions during the year; and
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 5.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

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

(c) Basis of Financial Reporting (continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not consumption in the normal course of operations. Financial assets of the Ministry are limited to cash and short term investments and financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventory for resale.

Investments are recorded at cost. Where there has been a loss in the value of an investment that is other than a temporary decline, the investment is written down to recognize the loss.

Inventory for resale is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories of supplies) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings and works of art held by the Ministry are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

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.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

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

(c) Basis of Financial Reporting (continued)

Net Assets (Liabilities)

Net assets (liabilities) represent the difference between the carrying value of assets held by the Ministry and its liabilities.

Restricted funds, endowment funds and general reserves (Note 6) are considered appropriations from net assets and are reported as net assets.

An externally restricted fund accounts for non-government contributions, which can only be used for the purpose specified by the donor.

An internally restricted fund accounts for funds restricted by the Ministry Foundations for either matching non-government contributions, which can only be used for an identified purpose, or for retaining an ongoing funding capability.

An endowment fund accounts for contributions received under various agreements with sponsors and matching funds may be provided by Ministry Foundations. In addition, the endowment fund can include internally restricted funds to be used for identified purposes, or for retaining an ongoing funding capability.

A general reserve accounts for appropriated funds, which are used for the purpose of maintaining an ongoing funding capability. Transfers from the reserve must be approved.

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 cash, accounts receivable, inventory for resale and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Measurement Uncertainty (thousands of dollars)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$9,700 (2009 – \$4,849) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 3 Cash and Cash Appropriated for Non-Current Use (thousands of dollars)

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, 2010, securities held by CCITF have a time-weighted return of 1.0% (2009 - 3%) per annum.

Due to the short-term nature of these amounts, the carrying value approximates fair value.

Note 4 Accounts Receivable, Prepaid Expenses and Inventories (thousands of dollars)

	2010		2009	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 3,976	\$ -	\$ 3,976	\$ 5,439
Inventory for Resale	597	-	597	509
Prepaid Expenses	42	-	42	72
Refunds from Suppliers	202	-	202	300
	<u>\$ 4,817</u>	<u>\$ -</u>	<u>\$ 4,817</u>	<u>\$ 6,320</u>

Accounts receivable are unsecured and non-interest bearing.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 5 Collections

Collections consist of historical and scientific artifacts, archival holdings and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Ministry has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for \$452 million. A description of the major collections is as follows:

- (a) The Province, through the Historic Sites and Museums Branch, preserves, operates and presents Alberta's history as is represented through 3 museums, 3 interpretive centres and 9 historic sites that contain 50 restored historic buildings/structures and 3 stabilized ruins. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures and 10 newly acquired but unrestored buildings. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.
- (b) The Royal Alberta Museum maintains 13 Curatorial programs, with total collection holdings comprising approximately 12.7 million objects. This includes more than 1,405,000 objects on-site, over 23,200 warehoused objects off site and another estimated 11,270,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic and textile collections, and the permitted archaeological materials recovered in Alberta, all with associated documentation and in many cases images and other media.
- (c) The Royal Tyrrell Museum of Palaeontology collection has over 128,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum exhibits approximately 160 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,300 major and 3,580 smaller artifacts. Included in these numbers are 90 vintage aircraft, the second largest collection in Canada. The museum also houses a collection of documents, numbering over 61,000 pieces, related to the museum's mechanization themes.
- (e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 279 carriages, buggies, wagons and sleighs, and approximately 692 associated small artifacts.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 5 Collections (continued)

- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 54,050 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.
- (g) The Provincial Archives of Alberta holds approximately 42,420 linear metres of government textual records, 5,670 linear metres of private textual records, 66,820 maps, 30,060 architectural drawings, 2,219,100 photographic images, 56,100 hours of sound recordings, 68,690 hours of film and video materials and 13,440 volumes of library holdings.
- (h) The Arts Section of the Arts Branch manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.
- (i) The Glenbow-Alberta Institute, under contract to the Province of Alberta, manages the care of, and access to, a publicly owned collection of approximately 227,000 artifacts in cultural history, military history, ethnology, art and mineralogy, approximately 5.5 shelf kilometres of textual and archival records, over 2,100,000 historical photographs, about 350 hours of film footage and 7,200 sound recordings.
- (j) The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions.

At March 31, 2010, the collection consisted of approximately 405 (2009 – 398) pieces of artworks and other items, with an approximate value of \$986,500 (2009 – \$985,000). Contributions to the collection included 7 artifacts with an appraised value of \$700 (2009 – \$4,100) and there were no dispositions during the year (2009 – Nil).

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 5 Collections (continued)

- (k) The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At year end, the collection consisted of approximately 8,109 (2009 – 7,835) artworks with an approximate value of \$11,477,909 (2009 – \$10,496,850). During the year, the Foundation purchased 274 (2009 – 190) artworks by Alberta artists at a total cost of \$787,979 (2009 – \$716,550). Contributions to the collection included 36 (2009 – 4) artworks with an appraised value of \$193,080 (2009 – \$274,300). There were two artwork dispositions during the year (2009 – Nil).
- (l) The Alberta Historical Resources Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 376 (2009 – 376) artworks with an estimated value of \$16,060 (2009 – \$16,060) and 30 (2009 – 30) antique furnishings estimated at \$12,700 (2009 – \$12,700). There were no artwork dispositions during the year (2009-3).

Note 6 Net Assets (Liabilities) (thousands of dollars)

	2010	2009
Unrestricted Funds	\$ (54,395)	\$ (135,115)
Endowment Funds	6,500	6,500
Externally Restricted Funds	844	1,414
General Reserves	1,967	1,967
Internally Restricted Funds	9,535	7,535
	\$ (35,549)	\$ (117,699)

Note 7 Contractual Obligations (thousands of dollars)

	2010	2009
Programs - Grant Agreements	\$ 78,033	\$ 32,549
Contracts - Service	16,157	20,774
Contracts - Capital Construction	-	358
Operating Leases	25	80
	\$ 94,215	\$ 53,761

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31

Note 7 Contractual Obligations (continued)
(thousands of dollars)

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Programs	Contracts	Operating leases	Total
2010-11	\$ 54,497	\$ 15,736	\$ 17	\$ 70,250
2011-12	20,299	421	2	20,722
2012-13	2,021	-	2	2,023
2013-14	1,097	-	1	1,098
2014-15	89	-	2	91
Thereafter	30	-	1	31
	<u>\$ 78,033</u>	<u>\$ 16,157</u>	<u>\$ 25</u>	<u>\$ 94,215</u>

Note 8 Contingent Liabilities (thousands of dollars)

At March 31, 2010, the Ministry is a defendant in one legal claim. The claim has a specified amounts totalling \$80. The claim, if successful, would be covered by the Alberta Risk Management Fund.

The resulting loss, if any, from this claim cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the environment obligations recorded in the financial statements, which are described in Note 2. Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

**Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31**

Note 9 Trust Funds Under Administration (thousands of dollars)

The Ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Ministry's financial statements.

As at March 31, 2010, trust funds under administration were as follows:

	2010	2009
Fort Dunvegan Historical Society Trust Fund	<u>\$ 3</u>	<u>\$ 4</u>

Note 10 Benefit Plans (thousands of dollars)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$4,179 for the year ended March 31, 2010 (2009 – \$3,632).

At December 31, 2009, the Management Employees Pension Plan reported a deficiency of \$483,199 (2008 – \$568,574) and the Public Service Pension Plan reported a deficiency of \$1,729,196 (2008– \$1,187,538). At December 31, 2009, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$39,516 (2008 – deficiency of \$7,111).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2010, the Bargaining Unit Plan reported an actuarial deficiency of \$8,335 (2009 – \$33,540) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$7,431 (2009 – deficiency of \$1,051). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 11 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 12 Approval of Consolidated Financial Statements

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

Ministry of Culture and Community Spirit
Revenues
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual (Restated)
Internal Government Transfers			
Transfer from the Lottery Fund	\$ 227,666	\$ 214,972	\$ 456,668
Transfer from Alberta Heritage Scholarship Fund	80	59	60
	<u>227,746</u>	<u>215,031</u>	<u>456,728</u>
Transfers from the Government of Canada			
Infrastructure Stimulus Fund	-	2,016	-
Historic Places Initiative	443	109	541
Other	83	12	233
Building Canada Fund	-	-	19,000
	<u>526</u>	<u>2,137</u>	<u>19,774</u>
Investment Income			
Interest	1,832	393	1,533
Premiums, Fees and Licences			
Admission Fees	3,725	4,351	4,204
Film Classification	750	761	779
Lands and Grazing	-	20	22
Other	500	183	175
	<u>4,975</u>	<u>5,315</u>	<u>5,180</u>
Other Revenue			
Recoveries	4,667	3,025	3,104
Donations and Contributions in Kind	1,531	1,777	1,130
Prior Year Refunds of Expenses	575	1,047	1,134
Sales	3,433	3,649	2,416
Rental Revenue	2,731	3,098	2,500
Other	513	611	1,181
	<u>13,450</u>	<u>13,207</u>	<u>11,465</u>
Total Revenues	<u>\$ 248,529</u>	<u>\$ 236,083</u>	<u>\$ 494,680</u>

**Ministry of Culture and Community Spirit
Credit or Recovery Initiatives
Year ended March 31
(thousands of dollars)**

	2010		
	Authorized	Actual ^(a)	(Shortfall) / Excess ^(e)
Acquisition of Historical Collections ^(b)	\$ 1,734	\$ 1,533	\$ (201)
Historic Resources Management ^(c)	443	109	(334)
Royal Alberta Museum ^(d)	500	316	(184)
	<u>\$ 2,677</u>	<u>\$ 1,958</u>	<u>\$ (719)</u>

- ^(a) Revenues from credit or recovery initiatives are included in the Ministry's revenues in the Statement of Operations and Schedule 1.
- ^(b) Acquisition of Historical Collections is related to donations of artifacts and other items to various historic sites and museums.
- ^(c) The Government of Canada provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.
- ^(d) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.
- ^(e) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 to the financial statements.

**Ministry of Culture and Community Spirit
Expenses – Directly Incurred Detailed By Object
Year ended March 31
(thousands of dollars)**

	2010		2009
	Budget	Actual	Actual (Restated)
Grants	\$216,959	\$217,928	\$441,358
Supplies and Services	38,135	32,633	36,494
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,079	1,906	1,077
Salaries, Wages and Employee Benefits	52,036	46,967	44,356
Amortization of Tangible Capital Assets	1,939	2,014	1,975
Financial Transactions and Other	151	160	101
Total Expenses before Recoveries	310,299	301,608	525,361
Less: Recovery from Support Service Arrangements with Related Parties ^(b)	(1,632)	(1,681)	(1,395)
	<u><u>\$ 308,667</u></u>	<u><u>\$ 299,927</u></u>	<u><u>\$523,966</u></u>
Valuation Adjustments			
Provision for Environmental Obligations	\$ -	\$ 8,518	\$ -
Provision for Doubtful Accounts	-	59	3
Provision for Write-down of Inventory	-	2	8
Provision for Vacation Pay and Banked Overtime	90	548	245
	<u><u>\$ 90</u></u>	<u><u>\$ 9,127</u></u>	<u><u>\$ 256</u></u>

^(a) The Ministry received Freedom of Information and Privacy (FOIP) services from the Ministry of Finance and Enterprise, and Information Management and Technology Services from the Ministry of Tourism, Parks and Recreation.

^(b) The Ministry provided Human Resource Services and Policy, Planning and Legislative Services to the Ministry of Tourism, Parks and Recreation, and costs incurred were recovered from the Ministry of Tourism, Parks and Recreation.

Ministry of Culture and Community Spirit
Budget
Year ended March 31
(thousands of dollars)

	2009-2010				
	Estimates	Adjustment	Budget	Authorized Supplementary	Authorized Budget
Revenues					
Internal Government Transfers	\$ 227,746	\$ -	\$ 227,746	\$ -	\$ 227,746
Transfers from the Government of Canada	526	-	526	-	526
Investment Income	1,832	-	1,832	-	1,832
Premiums, Fees and Licences	4,975	-	4,975	-	4,975
Other Revenue	13,450	-	13,450	734 ^(a)	14,184
	<u>248,529</u>	<u>-</u>	<u>248,529</u>	<u>734</u>	<u>249,263</u>
Expenses – Directly Incurred					
Cultural Policy Initiative	5,227	-	5,227	-	5,227
Arts and Cultural Industries	65,968	-	65,968	-	65,968
Community Grants	143,180	-	143,180	-	143,180
Community and Voluntary Services	27,983	-	27,983	-	27,983
Heritage	51,853	-	51,853	734 ^(a)	52,587
Human Rights and Citizenship	8,600	-	8,600	-	8,600
Ministry Support Services	5,856	-	5,856	-	5,856
Credit or Recovery Shortfall	-	(719) ^(d)	(719)	-	(719)
	<u>308,667</u>	<u>(719)</u>	<u>307,948</u>	<u>734</u>	<u>308,682</u>
Valuation Adjustments					
Provision for Vacation Pay and Banked Overtime	90	-	90	-	90
Net Operating Results	<u>\$ (60,228)</u>	<u>\$ 719</u>	<u>\$ (59,509)</u>	<u>\$ -</u>	<u>\$ (59,509)</u>
Equipment/Inventory Purchases	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,041 ^(b)</u>	<u>\$ 1,041</u>
Non-Budgetary Disbursements	<u>\$ 2,685</u>	<u>\$ -</u>	<u>\$ 2,685</u>	<u>\$ 2,888 ^(c)</u>	<u>\$ 5,573</u>

^(a) Treasury Board approved a credit or recovery of expenses increase of \$734 associated with the acquisition of historical collections.

^(b) Treasury Board approved a \$1,041 carry-over of the 2008-09 unused appropriation.

^(c) Treasury Board authorized a one-time increase of \$2,888 in non-budgetary disbursements.

^(d) Adjustments include credit or recovery shortfalls (Schedule 2).

Ministry of Culture and Community Spirit
Related Party Transactions
Year ended March 31
(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. Related parties also include management in the Ministry.

The Ministry and its employees 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 Ministry had the following transactions with related parties recorded on the consolidated Statement of Operations and the consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	<u>2010</u>	<u>2009</u> (Restated)
Revenues		
Lottery Fund	\$ 214,972	\$ 456,668
Alberta Heritage Scholarship Fund	<u>59</u>	<u>60</u>
	<u>\$ 215,031</u>	<u>\$ 456,728</u>
Expenses – Directly Incurred		
Grants	\$ 4,741	\$ 13,208
Other Services	<u>2,093</u>	<u>1,001</u>
	<u>\$ 6,834</u>	<u>\$ 14,209</u>
Transfers of Tangible Capital Assets (To) Others	<u>\$ (237)</u>	<u>\$ (179)</u>
Accounts Payable	<u>\$ 217</u>	<u>\$ 991</u>
Accounts Receivable	<u>\$ 3,067</u>	<u>\$ 4,113</u>

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Ministry of Culture and Community Spirit
Related Party Transactions (continued)
Year ended March 31
(thousands of dollars)

The Ministry 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 consolidated financial statements but are disclosed in Schedule 6.

	<u>2010</u>	<u>2009</u>
Expenses – Incurred by Others		
Accommodation Costs	\$ 36,789	\$ 31,470
GOA Learning Centre Training Services	27	18
Legal Services	268	226
Internal Audit Services	238	244
Financial Services	887	755
Transportation Services	172	159
Information Technology Services	<u>1,773</u>	<u>1,414</u>
	<u>\$ 40,154</u>	<u>\$ 34,286</u>

Ministry of Culture and Community Spirit
Allocated Costs
Year ended March 31
(thousands of dollars)

Program	Expenses – Incurred by Others										Valuation Adjustments ⁽ⁱ⁾	Total Expenses	Total Expenses
	Expenses ^(a)	Accommodation Costs ^(b)	GOA Learning Centre Training Services ^(c)	Legal Services ^(d)	Internal Audit Services ^(e)	Financial Services ^(f)	Transportation Services ^(g)	Information Technology Services ^(h)	Provisions				
Cultural Policy Initiative	\$ 2,394	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 1	\$ 10	\$ 3	\$ 2,413	\$ 2,035		
Arts and Cultural Industries	64,530	9,301	3	11	10	88	17	175	55	74,190	84,544		
Community Grants	142,119	231	1	19	73	41	8	89	26	142,607	348,128		
Community and Voluntary Services	26,757	648	3	4	-	98	19	194	61	27,784	33,344		
Heritage	50,625	25,717	15	42	150	483	94	962	8,817	86,905	76,770		
Human Rights and Citizenship	7,723	683	2	4	-	83	16	165	51	8,727	7,704		
Ministry Support Services	5,779	283	3	188	5	89	17	178	55	6,597	5,983		
	\$ 299,927	\$ 36,863	\$ 27	\$ 268	\$ 238	\$ 887	\$ 172	\$ 1,773	\$ 9,068	\$ 349,222	\$ 558,508		

^(a) Expenses – Directly Incurred as per Consolidated Statement of Operations, excluding valuation adjustments.

^(b) The Ministry of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 5, allocated by square footage.

^(c) The Ministry of Treasury Board provided training services. Costs shown for Government of Alberta Learning Centre Training Services on Schedule 5, allocated by employee.

^(d) The Ministry of Justice and Attorney General provided legal services. Costs for Legal Services on Schedule 5, allocated by estimated costs incurred by each program.

^(e) The Ministry of Treasury Board provided internal audit services. Costs shown for Internal Audit Services on Schedule 5, allocated by estimated costs incurred by each program.

^(f) The Ministry of Service Alberta provided financial services to the Ministry Costs shown for Financial Services on Schedule 5, allocated to the program.

^(g) The Ministry of Service Alberta and the Ministry of Treasury Board provided transportation services. Costs shown for Transportation Services on Schedule 5, allocated to the program.

^(h) The Ministry of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 5, allocated to the program.

⁽ⁱ⁾ Valuation Adjustments as per Statement of Operations. Provisions included in Valuation Adjustments were allocated as follows: Vacation Pay and Banked Overtime – allocated to the program by full time equivalent; Doubtful Accounts – allocated to the program.

**Ministry of Culture and Community Spirit
Tangible Capital Assets
Year ended March 31
(thousands of dollars)**

	2010						2009
	General Capital Assets						(Restated)
	Land Indefinite	Buildings 20-40 years	Computer Hardware and Software 5-8 years	Equipment ^(a) 3-10 years	Other 20 years	Land Improvements 40 years	Total
Estimated Useful Life							
Historical Cost ^(b)	\$ 2,558	\$ 306	\$ 3,265	\$ 17,159	\$ 737	\$ 1,361	\$ 20,677
Beginning of Year	-	441	862	1,042	116	334	5,523
Additions	(105)	-	(43)	(183)	-	(51)	(645)
Disposals, Including Write-Downs	-	(514)	333	163	-	(219)	(179)
Transfers (To) From Others	\$ 2,453	\$ 233	\$ 4,417	\$ 18,181	\$ 853	\$ 1,425	\$ 25,376
Accumulated Amortization	\$ -	\$ -	\$ 946	\$ 6,250	\$ 437	\$ 27	\$ 7,660
Beginning of Year	-	6	335	1,568	78	27	2,014
Amortization Expense	-	-	(12)	(81)	-	(2)	(95)
Effect of Disposal	\$ -	\$ 6	\$ 1,269	\$ 7,737	\$ 515	\$ 52	\$ 9,579
Net Book Value at March 31, 2010	\$ 2,453	\$ 227	\$ 3,148	\$ 10,444	\$ 338	\$ 1,373	\$ 17,983
Net Book Value at March 31, 2009	\$ 2,558	\$ 306	\$ 2,319	\$ 10,909	\$ 300	\$ 1,334	\$ 17,726

^(a)Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture and other equipment.

^(b)Historical cost includes work-in-progress at March 31, 2010 totalling \$1,581 (2009 - \$3,618) comprised of: buildings \$ 60 (2009 - \$306); computer hardware and software \$381 (2009 - \$1,542); equipment \$699 (2009 - \$1,346); land improvements \$364 (2009 - \$343) and others of \$77 (2009 - none).

Department of Culture and Community Spirit

Financial Statements

March 31, 2010

Department of Culture and Community Spirit
Financial Statements
March 31, 2010

Auditor's Report

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Credit or Recovery

Schedule 3 – Expenses – Directly Incurred Detailed by Object

Schedule 4 – Budget

Schedule 5 – Comparison of Expenses - Directly Incurred, Equipment/Inventory Purchases and Capital Investment, Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget

Schedule 6 – Salary and Benefits Disclosure

Schedule 7 – Related Party Transactions

Schedule 8 – Allocated Costs

Schedule 9 – Tangible Capital Assets



Auditor's Report

To the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Department of Culture and Community Spirit as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 Department as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

Department of Culture and Community Spirit
Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget (Schedule 4)	Actual	Actual (Restated)
Revenues (Schedules 1 and 2)			
Internal Government Transfers	\$ 227,676	\$ 214,982	\$ 456,678
Transfers from the Government of Canada	443	2,125	19,541
Premiums, Fees and Licences	750	761	780
Other Revenue	1,920	2,804	1,907
	<u>230,789</u>	<u>220,672</u>	<u>478,906</u>
Expenses – Directly Incurred (Note 2(b) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	5,856	5,779	5,006
Cultural Policy Initiative	5,227	2,394	2,021
Arts and Cultural Industries	59,006	59,671	70,489
Community Grants	143,180	142,119	347,568
Community and Voluntary Services	27,254	26,023	32,908
Heritage	41,944	41,190	43,673
Human Rights and Citizenship	8,295	7,555	6,740
	<u>290,762</u>	<u>284,731</u>	<u>508,405</u>
Statutory (Schedules 3 and 5)			
Queen’s Golden Jubilee Scholarships	10	10	10
Valuation Adjustments			
Provision for Environmental Obligations	-	8,518	-
Provision for Doubtful Accounts	-	2	3
Provision for Vacation Pay and Banked Overtime	90	548	245
	<u>100</u>	<u>9,078</u>	<u>258</u>
	<u>290,862</u>	<u>293,809</u>	<u>508,663</u>
Write-down of Tangible Capital Assets	-	-	(250)
(Loss) on Disposal of Tangible Capital Assets	-	(287)	-
	<u>-</u>	<u>(287)</u>	<u>(250)</u>
Net Operating Results	<u>\$ (60,073)</u>	<u>\$ (73,424)</u>	<u>\$ (30,007)</u>

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

Department of Culture and Community Spirit
Statements of Financial Position
As at March 31
(thousands of dollars)

	2010	2009
Assets		
Cash	\$ 22	\$ 15
Accounts Receivable (Note 3)	3,731	5,161
Tangible Capital Assets (Schedule 9)	13,368	12,950
	\$ 17,121	\$ 18,126
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 84,055	\$ 167,924
Unearned revenue	880	-
	84,935	167,924
Net Assets (Liabilities)		
Net Assets (Liabilities), Beginning of Year	(149,798)	(10,011)
Net Operating Results	(73,424)	(30,007)
Net Financing Provided (for) from General Revenues	155,408	(109,780)
	(67,814)	(149,798)
	\$ 17,121	\$ 18,126

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

Department of Culture and Community Spirit
Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009 (Restated)
Operating Transactions		
Net Operating Results	\$ (73,424)	\$ (30,007)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	1,133	1,154
Valuation Adjustments	9,068	248
Write-down of Tangible Capital Assets	-	250
Loss on Disposal of Tangible Capital Assets	287	-
	(62,936)	(28,355)
Decrease in Accounts Receivable before Valuation Adjustments	1,428	72,272
Increase (Decrease) in Accounts Payable and Accrued Liabilities before Valuation Adjustments	(92,935)	70,506
Increase in Unearned Revenue	880	-
Cash Provided by (Applied to) Operating Transactions	(153,563)	114,423
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedules 5 and 9)	(2,075)	(4,823)
Transfers of Tangible Capital Assets to Others (Schedule 9)	237	179
Cash (Applied to) Capital Transactions	(1,838)	(4,644)
Financing Transactions		
Net Financing Provided (for) from General Revenues	155,408	(109,780)
Increase (Decrease) in Cash	7	(1)
Cash, Beginning of Year	15	16
Cash, End of Year	\$ 22	\$ 15

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

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

Note 1 Authority and Purpose

The Department of Culture and Community Spirit (Department) operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Department is to promote, develop and preserve Alberta's culture and heritage in support of vibrant and inclusive communities. This is done by:

- Fostering the sustainability and appreciation of Alberta's cultural industries and the arts;
- Supporting Alberta's communities and the non-profit/voluntary sector;
- Promoting and preserving Alberta's rich heritage; and
- Protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans.

Note 2 Summary of Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily 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 (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the departments.

(a) Reporting Entity

The reporting entity is the Department of Culture and Community Spirit, which is part of the Ministry of Culture and Community Spirit (Ministry) and for which the Minister of Culture and Community Spirit (the Minister) is accountable.

Other entities reporting to the Minister are:

- Alberta Foundation for the Arts;
- The Alberta Historical Resources Foundation;
- The Government House Foundation;
- Historic Resources Fund;
- Human Rights Education and Multiculturalism Fund; and
- The Wild Rose Foundation.

The activities of these organizations are not included in these financial statements.

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.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

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

(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.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the Department may, with the approval of the Treasury Board, use the excess to fund additional expenses on the program. Schedule 2 discloses information on the Department's credit or recovery initiatives.

Expenses

Directly Incurred

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

Grants are recognized as expenses when authorized, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

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

(b) Basis of Financial Reporting (continued)

Expenses (continued)

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets;
- pension costs which are the cost of employer contributions during the year;
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime and environmental obligations.

Incurred by Others

Services contributed by other entities in support of the Department operations are not recognized and are disclosed in Schedule 7 and allocated to programs in Schedule 8.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets of the Department are recorded at historical cost and are amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000. All land is capitalized.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

When physical assets (tangible capital assets and inventories) are gifted or sold for a nominal sum, the fair values of these physical assets less any nominal proceeds are recorded as grants in kind.

Collections of historic and scientific artifacts, archival holdings and works of art held by the Department are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

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

(b) Basis of Financial Reporting (continued)

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.

Environmental obligations are recorded as liabilities when there is little or no discretion to avoid settlement of the obligation and a reasonable estimate of the amount can be made.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

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

Measurement Uncertainty (thousands of dollars)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Environmental obligations are included in accounts payable and accrued liabilities in the amount of \$9,700 (2009 – \$4,849) for Heritage, based on management's best estimates that reflect the environmental information known at the time. Further environmental assessments, changes in environmental legislation or other unanticipated changes may affect these estimates.

Note 3 Accounts Receivable (thousands of dollars)

	2010		2009	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 3,694	\$ -	\$ 3,694	\$ 4,943
Refunds from Suppliers	37	-	37	218
	<u>\$ 3,731</u>	<u>\$ -</u>	<u>\$ 3,731</u>	<u>\$ 5,161</u>

Accounts receivable are unsecured and non-interest bearing.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

Note 4 Collections

Collections consist of historical and scientific artifacts, archival holdings and works of art of provincial, national and international significance located in the archives, museums and historical sites of the Province of Alberta. The Department has not recorded the value of these collections in the financial statements due to the practical difficulties of reflecting them at a meaningful value. The collections are insured for \$435 million. A description of the major collections is as follows:

- (a) The Province, through the Historic Sites and Museums Branch, preserves, operates and presents Alberta's history as is represented through 3 museums, 3 interpretive centres and 9 historic sites that contain 50 restored historic buildings/structures and 3 stabilized ruins. As well, it administers an additional 3 historic sites which contain 58 undeveloped historic buildings/structures and 10 newly acquired but unrestored buildings. In addition, the Branch owns 1 developed historic resource (leased to a society), 13 cairns, 4 archaeological sites and 1 palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.
- (b) The Royal Alberta Museum maintains 13 Curatorial programs, with total collection holdings comprising approximately 12.7 million objects. This includes more than 1,405,000 objects on-site, over 23,200 warehoused objects off site and another estimated 11,270,000 archaeological artifacts collected as part of the Archaeological Survey of Alberta permit process. The collections represent a highly diverse complement of cultural and natural heritage. These include mammals, birds, fish, insects, plants, minerals, gems, First Nations ethnographical material, military and cultural history artifacts, coins, as well as industrial, domestic and textile collections, and the permitted archaeological materials recovered in Alberta, all with associated documentation and in many cases images and other media.
- (c) The Royal Tyrrell Museum of Palaeontology collection has over 128,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum exhibits approximately 160 major agricultural, industrial and transportation artifacts, and provides conservation, maintenance and restoration services for an additional collection of approximately 3,300 major and 3,580 smaller artifacts. Included in these numbers are 90 vintage aircraft, the second largest collection in Canada. The museum also houses a collection of documents, numbering over 61,000 pieces, related to the museum's mechanization themes.
- (e) The Remington Carriage Museum houses one of the largest collections of horse drawn vehicles in North America, with 279 carriages, buggies, wagons and sleighs, and approximately 692 associated small artifacts.
- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 54,050 artifacts. Approximately 5,000 of these objects are used to furnish various smaller sites throughout the province, and 8,000 objects furnish the historic buildings at the Ukrainian Cultural Heritage Village. The remaining artifacts are preserved in storage.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

Note 4 Collections (continued)

- (g) The Provincial Archives of Alberta holds approximately 42,420 linear metres of government textual records, 5,670 linear metres of private textual records, 66,820 maps, 30,060 architectural drawings, 2,219,100 photographic images, 56,100 hours of sound recordings, 68,690 hours of film and video materials and 13,440 volumes of library holdings.
- (h) The Arts Section of the Arts Branch manages 14 collections containing approximately 1,500 donated, purchased and/or commissioned artworks.
- (i) The Glenbow-Alberta Institute, under contract to the Province of Alberta, manages the care of, and access to, a publicly-owned collection of approximately 227,000 artifacts in cultural history, military history, ethnology, art and mineralogy, approximately 5.5 shelf kilometres of textual and archival records, over 2,100,000 historical photographs, about 350 hours of film footage and 7,200 sound recordings.

Note 5 Contractual Obligations (thousands of dollars)

	2010	2009
Programs - Grant Agreements	\$ 73,316	\$ 23,743
Contracts - Service	5,426	10,368
Contracts - Capital Construction	-	358
Operating Leases	23	72
	<u>\$ 78,765</u>	<u>\$ 34,541</u>

Estimated payment requirements for each of the next five years and thereafter are as follows:

	Programs	Contracts	Operating leases	Total
2010-11	\$ 51,909	\$ 5,366	\$ 15	\$ 57,290
2011-12	19,082	60	2	19,144
2012-13	1,525	-	1	1,526
2013-14	800	-	2	802
2014-15	-	-	1	1
Thereafter	-	-	2	2
	<u>\$ 73,316</u>	<u>\$ 5,426</u>	<u>\$ 23</u>	<u>\$ 78,765</u>

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

Note 6 Contingent Liabilities (thousands of dollars)

At March 31, 2010, the Department is a defendant in one legal claim. The claim has a specified amount totalling \$80. This claim, if successful, would be covered by the Alberta Risk Management Fund.

The resulting loss, if any, from this claim cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the environment obligations recorded in the financial statements, which are described in Note 2. Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Note 7 Trust Funds Under Administration (thousands of dollars)

The Department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the Department's financial statements.

As at March 31, 2010, trust funds under administration were as follows:

	2010	2009
Fort Dunvegan Historical Society Trust Fund	\$ 3	\$ 4

Note 8 Benefit Plans (thousands of dollars)

The Department participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of \$4,179 for the year ended March 31, 2010 (2009 – \$3,632).

At December 31, 2009, the Management Employees Pension Plan reported a deficiency of \$483,199 (2008 – \$568,574) and the Public Service Pension Plan reported a deficiency of \$1,729,196 (2008– \$1,187,538). At December 31, 2009, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$39,516 (2008 – deficiency of \$7,111).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2010, the Bargaining Unit Plan reported an actuarial deficiency of \$8,335 (2009 – \$33,540) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$7,431 (2009 – deficiency of \$1,051). The expense for these two plans is limited to the employer's annual contributions for the year.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31

Note 9 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 10 Approval of Financial Statements

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

Department of Culture and Community Spirit
Revenues
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual (Restated)
Internal Government Transfers			
Transfers from the Lottery Fund	\$ 227,666	\$ 214,972	\$ 456,668
Transfers from the Alberta Heritage Scholarship Fund	10	10	10
	<u>227,676</u>	<u>214,982</u>	<u>456,678</u>
Transfers from the Government of Canada			
Infrastructure Stimulus Fund	-	2,016	-
Historic Places Initiative	443	109	541
Building Canada Fund	-	-	19,000
	<u>443</u>	<u>2,125</u>	<u>19,541</u>
Premiums, Fees and Licences			
Film Classification	750	761	779
Other	-	-	1
	<u>750</u>	<u>761</u>	<u>780</u>
Other Revenue			
Contributions in Kind	1,000	1,533	747
Prior Years Refunds of Expenses	420	947	852
Other	500	324	308
	<u>1,920</u>	<u>2,804</u>	<u>1,907</u>
	<u>\$ 230,789</u>	<u>\$ 220,672</u>	<u>\$ 478,906</u>

Department of Culture and Community Spirit
Credit or Recovery
Year ended March 31
(thousands of dollars)

	2010		
	Authorized	Actual ^(a)	(Shortfall) / Excess ^(e)
Acquisition of Historical Collections ^(b)	\$ 1,734	\$ 1,533	\$ (201)
Historic Resources Management ^(c)	443	109	(334)
Royal Alberta Museum ^(d)	500	316	(184)
	<u>\$ 2,677</u>	<u>\$ 1,958</u>	<u>\$ (719)</u>

^(a) Revenues from credit or recovery initiatives are included in the Department's revenues in the Statement of Operations and Schedule 1.

^(b) Acquisition of Historical Collections is related to donations of artifacts and other items to various historic sites and museums.

^(c) The Government of Canada provided funding to provinces and territories to further the goals of the Historic Places Initiative. The funds are intended to promote development of the Canadian Register of Historic Places, use of nation-wide standards and guidelines and, in particular, greater municipal involvement in the identification and protection of historic places.

^(d) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.

^(e) Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 4 and 5 to the financial statements.

**Department of Culture and Community Spirit
Expenses – Directly Incurred Detailed By Object
Year ended March 31
(thousands of dollars)**

	2010		2009
	Budget	Actual	Actual (Restated)
Voted			
Salaries, Wages and Employee Benefits	\$ 52,036	\$ 46,967	\$ 44,356
Supplies and Services	16,658	14,047	16,916
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,079	1,874	1,045
Grants	226,296	227,262	451,481
Financial Transactions and Other	151	105	101
Amortization of Tangible Capital Assets	1,119	1,133	1,154
Total Voted Expenses before Recoveries	297,339	291,388	515,053
Less: Recovery from Support Service Arrangements with Related Parties ^(b)	(6,577)	(6,657)	(6,648)
	\$ 290,762	\$ 284,731	\$ 508,405
Statutory			
Grants	\$ 10	\$ 10	\$ 10
Valuation Adjustments			
Provision for Environmental Obligations	-	8,518	-
Provision for Doubtful Accounts	-	2	3
Provision for Vacation Pay and Banked Overtime	90	548	245
	\$ 100	\$ 9,078	\$ 258

^(a) The Department received Freedom of Information and Privacy (FOIP) services from the Department of Finance and Enterprise and Information Management and Technology Services from the Department of Tourism, Parks and Recreation.

^(b) The Department provided financial and administrative services to the funds and agencies of the Ministry of Culture and Community Spirit, and costs incurred by the Department for these services were recovered from the funds and agencies of the Ministry of Culture and Community Spirit. The Department provided Human Resource Services and Policy, Planning and Legislative Services to the Department of Tourism, Parks and Recreation, and costs incurred were recovered from the Department of Tourism, Parks and Recreation.

Department of Culture and Community Spirit
Budget
Year ended March 31
(thousands of dollars)

	2009-2010				
	Estimates	Adjustment	Budget	Authorized Supplementary	Authorized Budget
Revenues					
Internal Government Transfers	\$ 227,676	\$ -	\$ 227,676	\$ -	\$ 227,676
Transfers from the Government of Canada	443	-	443	-	443
Premiums, Fees and Licences	750	-	750	-	750
Other Revenue	1,920	-	1,920	734 ^(a)	2,654
	<u>230,789</u>	<u>-</u>	<u>230,789</u>	<u>734</u>	<u>231,523</u>
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	5,856	-	5,856	-	5,856
Cultural Policy Initiative	5,227	-	5,227	-	5,227
Arts and Cultural Industries	59,006	-	59,006	-	59,006
Community Grants	143,180	-	143,180	-	143,180
Community and Voluntary Services	27,254	-	27,254	734 ^(a)	27,988
Heritage	41,944	-	41,944	-	41,944
Human Rights and Citizenship	8,295	-	8,295	-	8,295
Credit or Recovery Shortfall	-	(719) ^(d)	(719)	-	(719)
	<u>290,762</u>	<u>(719)</u>	<u>290,043</u>	<u>734</u>	<u>290,777</u>
Statutory Expenses					
Queen's Golden Jubilee Scholarships	10	-	10	-	10
Valuation adjustments Provision for Vacation Pay	90	-	90	-	90
	<u>100</u>	<u>-</u>	<u>100</u>	<u>-</u>	<u>100</u>
Gain (Loss) on Disposal of Tangible Capital Assets	-	-	-	-	-
Net Operating Results	<u>\$ (60,073)</u>	<u>\$ 719</u>	<u>\$ (59,354)</u>	<u>\$ -</u>	<u>\$ (59,354)</u>
Equipment/Inventory Purchases	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>	<u>\$ -</u>	<u>\$ 2,000</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,041 ^(b)</u>	<u>\$ 1,041</u>
Non-Budgetary Disbursements	<u>\$ 2,685</u>	<u>\$ -</u>	<u>\$ 2,685</u>	<u>\$ 2,888 ^(c)</u>	<u>\$ 5,573</u>

(a) Treasury Board approved a credit or recovery of expense increase of \$734 associated with the acquisition of historical collections.

(b) Treasury Board approved a \$1,041 carry-over of the 2008-09 unused appropriation.

(c) Treasury Board authorized a one-time increase of \$2,888 in non-budgetary disbursements.

(d) Adjustments include credit or recovery shortfalls (Schedule 2).

**Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget
Year ended March 31
(thousands of dollars)**

	2009-10 Estimates	Adjustments ^(b)	2009-10 Budget	2009-10 Supplementary Authorized ^(c)	2009-10 Authorized Budget	2009-10 Actual	Unexpended (Over Expended)
Voted Operating Expense and Equipment/Inventory Purchases and Capital Investment							
1 Ministry Support Services							
1.0.1 Minister's Office	\$ 600	\$ -	\$ 600	\$ -	\$ 600	\$ 576	\$ 24
1.0.2 Deputy Minister's Office	660	-	660	-	660	635	25
1.0.3 Financial Services	1,385	-	1,385	-	1,385	1,413	(28)
1.0.4 Information Management and Technology Services	1,400	-	1,400	-	1,400	1,391	9
1.0.5 Policy, Planning and Legislative Services	661	-	661	-	661	623	38
1.0.6 Communications	430	-	430	-	430	487	(57)
1.0.7 Human Resources	720	-	720	-	720	654	66
	5,856	-	5,856	-	5,856	5,779	77
2 Cultural Policy Initiative							
2.0.1 Cultural Policy Initiative	670	-	670	-	670	620	50
2.0.2 Corporate Cultural Initiatives	4,557	-	4,557	-	4,557	1,774	2,783
Equipment / Inventory Purchases	-	-	-	-	-	708	(708)
	5,227	-	5,227	-	5,227	3,102	2,125
3 Arts and Cultural Industries							
3.0.1 Program Support	952	-	952	-	952	724	228
3.0.2 Arts							
Operating Expense	2,120	-	2,120	-	2,120	1,562	558
Operating Expense Funded by Lotteries	750	-	750	-	750	750	-

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
Year ended March 31
(thousands of dollars)

	2009-10 Estimates	Adjustments ^(b)	2009-10 Budget	2009-10 Supplementary Authorized ^(a)	2009-10 Authorized Budget	2009-10 Actual	Unexpended (Over Expended)
3.0.3 Film and Television Production							
Operating Expense	660	-	660	-	660	1,452	(792)
Operating Expense Funded by Lotteries	19,690	-	19,690	-	19,690	20,349	(659)
3.0.4 Assistance to the Alberta Foundation for the Arts							
Operating Expense Funded by Lotteries	34,834	-	34,834	-	34,834	34,834	-
	59,006	-	59,006	-	59,006	59,671	(665)
4 Community Grants							
4.0.1 Program Support	2,320	-	2,320	-	2,320	2,048	272
4.0.2 Community Facility Enhancement Program							
Operating Expense Funded by Lotteries	38,000	-	38,000	-	38,000	37,478	522
4.0.3 Community Initiatives Program							
Operating Expense Funded by Lotteries	28,000	-	28,000	-	28,000	28,348	(348)
4.0.4 Major Fairs and Exhibitions							
Operating Expense Funded by Lotteries	23,360	-	23,360	-	23,360	23,360	-
4.0.5 Other Initiatives							
Operating Expense	-	-	-	-	-	12,079	(12,079)
Operating Expense Funded by Lotteries	8,500	-	8,500	-	8,500	8,500	-
4.0.6 Horse Racing and Breeding Renewal Program							
Operating Expense Funded by Lotteries	35,000	-	35,000	-	35,000	24,513	10,487
4.0.7 Bingo Associations							
Operating Expense Funded by Lotteries	8,000	-	8,000	-	8,000	5,793	2,207
	143,180	-	143,180	-	143,180	142,119	1,061

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
Year ended March 31
(thousands of dollars)

	2009-10 Estimates	Adjustments ^(b)	2009-10 Budget	2009-10 Authorized Supplementary Budget ^(a)	2009-10 Authorized Budget	2009-10 Actual	Unexpended (Over Expended)
5	Community and Voluntary Services						
5.0.1	430	-	430	-	430	300	130
5.0.2	4,020	-	4,020	-	4,020	4,138	(118)
5.0.3	2,804	-	2,804	-	2,804	2,069	735
5.0.4	20,000	-	20,000	-	20,000	19,516	484
	27,254	-	27,254	-	27,254	26,023	1,231
6	Heritage						
6.0.1	850	-	850	-	850	1,016	(166)
6.0.2	7,050	-	7,050	-	7,050	6,809	241
6.0.3	3,180	-	3,180	-	3,180	2,853	327
6.0.4	11,510	-	11,510	-	11,510	11,234	276
6.0.5	2,760	-	2,760	-	2,760	2,549	211
6.0.6	1,000	-	1,000	734 ^(c)	1,734	1,533	201
6.0.7	5,290	-	5,290	-	5,290	4,081	1,209
6.0.8	9,507	-	9,507	-	9,507	9,507	-
6.0.9	797	-	797	-	797	903	(106)
6.0.10	-	-	-	-	-	705	(705)
	2,000	-	2,000	-	2,000	606	1,394
	-	-	-	1,041 ^(d)	1,041	761	280
	43,944	-	43,944	1,775	45,719	42,557	3,162

Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
Year ended March 31
(thousands of dollars)

	2009-10 Estimates	Adjustments ^(b)	2009-10 Budget	2009-10 Supplementary Authorized ^(a)	2009-10 Authorized Budget	2009-10 Actual	Unexpended (Over Expended)
7 Human Rights and Citizenship							
7.0.1 Human Rights and Citizenship Operating Expenses	6,270	-	6,270	-	6,270	5,530	740
7.0.2 Assistance to the Human Rights Education and Multiculturalism Fund							
Operating Expense funded by Lotteries	2,025	-	2,025	-	2,025	2,025	-
	8,295	-	8,295	-	8,295	7,555	740
Credit or Recovery Shortfall (Schedule 2)	-	(719)	(719)	-	(719)	-	(719)
Total Voted Expenses	\$ 292,762	\$ (719)	\$ 292,043	\$ 1,775	\$ 293,818	\$ 286,806	\$ 7,012
Operating Expense	\$ 63,096	\$ (719)	\$ 62,377	\$ 734	\$ 63,111	\$ 69,759	\$ (6,648)
Operating Expense funded by Lotteries	227,666	-	227,666	-	227,666	214,972	12,694
Equipment/Inventory Purchases	2,000	-	2,000	-	2,000	1,314	686
Capital Investment	292,762	(719)	292,043	734	292,777	286,045	6,732
	-	-	-	1,041 ^(c)	1,041	761	280
Total Voted Expenses	\$ 292,762	\$ (719)	\$ 292,043	\$ 1,775	\$ 293,818	\$ 286,806	\$ 7,012
Statutory Expenses	\$ 10	\$ -	\$ 10	\$ -	\$ 10	\$ 10	\$ -
Queen's Golden Jubilee Scholarships	-	-	-	-	-	8,518	(8,518)
Valuation Adjustments – Environmental Obligations	90	-	90	-	90	548	(458)
Valuation Adjustments – Vacation Pay and Banked Overtime	-	-	-	-	-	2	(2)
Valuation Adjustments – Doubtful Accounts	100	\$ -	\$ 100	\$ -	\$ 100	\$ 9,078	\$ (8,978)

**Department of Culture and Community Spirit
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursements by Element to Authorized Budget (continued)
Year ended March 31
(thousands of dollars)**

	2009-10 Estimates	Adjustments ^(b)	2009-10 Budget	2009-10 Authorized Supplementary ^(a)	2009-10 Authorized Budget	2009-10 Actual	Unexpended (Over Expended)
Non-Budgetary Disbursements by Program							
6							
6.0.10	\$ 2,685	\$ -	\$ 2,685	\$ 2,888 ^(e)	\$ 5,573	\$ 3,668	\$ 1,905
	\$ 2,685	\$ -	\$ 2,685	\$ 2,888	\$ 5,573	\$ 3,668	\$ 1,905

^(a) Treasury Board approval is pursuant to section 24(2) of the *Financial Administration Act* (for net budgeted initiatives).
^(b) Adjustments include credit or recovery shortfalls (Schedule 2).
^(c) Treasury Board approved a credit or recovery of expenses increase of \$734 associated with the acquisition of historical collections.
^(d) Treasury Board approved a \$1,041 carry-over of the 2008-09 unused appropriation.
^(e) Treasury Board authorized a one-time increase of \$2,888 in non-budgetary disbursements.

Department of Culture and Community Spirit
Salary and Benefits Disclosure
Year ended March 31

	2010			2009	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-cash Benefits ⁽³⁾	Total	Total (Restated)
Senior Officials					
Deputy Minister ⁽⁴⁾	\$ 264,069	\$ -	\$ 62,902	\$ 326,971	\$ 360,444
Chief of the Commission and Tribunals, Alberta Human Rights Commission	220,245	8,651	2,552	231,448	122,248
Executives					
Assistant Deputy Minister, Culture Division ⁽⁵⁾	15,426	-	3,720	19,146	242,984
Assistant Deputy Minister, Community and Voluntary Services Division	185,117	-	9,006	194,123	176,387
Assistant Deputy Minister, Heritage Division	147,984	-	35,800	183,784	176,145
Executive Director, Human Resource Services ⁽⁶⁾	151,545	-	36,808	188,353	167,819
Executive Director, Policy, Planning and Legislative Services ⁽⁶⁾	151,545	-	36,790	188,335	199,036
Executive Director, Information Management and Technology Services ⁽⁶⁾	151,545	-	37,045	188,590	195,848
Executive Director, Financial Services	151,545	-	37,028	188,573	206,802
Executive Director, Strategic Technology Coordination ⁽⁷⁾	148,431	-	36,063	184,494	-
Executive Director, Cultural Policy Initiative ⁽⁸⁾	145,317	-	35,127	180,444	170,956

Prepared in accordance with Treasury Board Directive 12/98 as amended.

Total salary and benefits relating to a position are disclosed.

- (1) Base salary includes pensionable base pay.
- (2) Other cash benefits include vacation payout, overtime, modifier in lieu of automobile and lump sum payments. There were no bonuses paid in 2010.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension and supplementary retirement plan, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.
- (4) Automobile provided, no dollar amount included in other non-cash benefits.
- (5) This position ended on May 5, 2009.
- (6) The incumbent's services are shared with the Department of Tourism, Parks and Recreation which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this schedule.
- (7) This position became part of the Executive Team on April 1, 2009.
- (8) This position ended on March 31, 2010.

Department of Culture and Community Spirit
Related Party Transactions
Year ended March 31
(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. Related parties also include management in the Department.

The Department and its employees 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 Department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009 (Restated)
Revenues				
Grants	\$ -	\$ -	\$ 214,982	\$ 456,678
Expenses – Directly Incurred				
Grants	\$ 46,366	\$ 54,832	\$ 2,167	\$ 917
Other services	-	-	1,477	988
	\$ 46,366	\$ 54,832	\$ 3,644	\$ 1,905
Transfer of Tangible Capital Assets to Others	\$ -	\$ -	\$ (237)	\$ (179)
Accounts Payable	\$ 1	\$ 59	\$ 137	\$ 982
Accounts Receivable	\$ 452	\$ 311	\$ 3,067	\$ 4,113

The above transactions do not include support service arrangement transactions disclosed in Schedule 3.

Department of Culture and Community Spirit
Related Party Transactions
Year ended March 31
(thousands of dollars)

The Department 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 8.

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Recoveries				
Services Provided	\$ 1,172	\$ 830	\$ -	\$ -
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 36,047	\$ 30,654
GOA Learning Centre Training				
Services	-	-	27	18
Legal Services	-	-	261	220
Internal Audit Services	-	-	78	233
Financial Services	-	-	887	755
Transportation Services	-	-	172	159
Information Technology Services	-	-	1,773	1,414
	\$ -	\$ -	\$ 39,245	\$ 33,453

**Department of Culture and Community Spirit
Allocated Costs
Year ended March 31
(thousands of dollars)**

Program	2010										2009	
	Expenses (a)	Services Provided (b)	Accommodation Costs (c)	Learning Centre Training Services (d)	Legal Services (e)	Internal Audit Services (f)	Financial Services (g)	Transportation Services (h)	Information Technology Services (i)	Provisions	Valuation Adjustment (j)	(Restated)
Ministry Support Services	\$ 5,779	\$ -	\$ 283	\$ 3	\$ 186	\$ 5	\$ 89	\$ 17	\$ 178	\$ 55	\$ 6,595	\$ 5,983
Cultural Policy Initiative	2,394	-	-	-	-	-	5	1	10	3	2,413	2,035
Arts and Cultural Industries	59,671	(432)	8,842	3	8	-	88	17	175	55	68,427	82,239
Community Grants	142,119	-	231	1	20	73	41	8	89	26	142,608	348,130
Community and Voluntary Services	26,023	-	574	3	4	-	98	19	194	61	26,976	33,342
Heritage	41,190	(538)	25,499	15	42	-	483	94	962	8,817	76,564	62,393
Human Rights and Citizenship	7,555	(202)	618	2	1	-	83	16	165	51	8,289	7,304
Queen's Golden Jubilee Scholarships	10	-	-	-	-	-	-	-	-	-	10	10
	\$ 284,741	\$ (1,172)	\$ 36,047	\$ 27	\$ 261	\$ 78	\$ 887	\$ 172	\$ 1,773	\$ 9,068	\$ 331,882	\$ 541,436

(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.

(b) The Ministry of Culture and Community Spirit provided financial and administrative services to its funds and agencies.

(c) The Department of Infrastructure provided accommodations. Costs shown for Accommodation on Schedule 7, allocated by square footage.

(d) The Department of Treasury Board provided training services. Costs shown for Government of Alberta Learning Centre on Schedule 7, allocated by employee.

(e) The Department of Justice and Attorney General provided legal services. Costs for Legal Services on Schedule 7, allocated by estimated costs incurred by each program.

(f) The Department of Treasury Board provided internal audit services. Costs shown for Internal Audit Services on Schedule 7, allocated by estimated costs incurred by each program.

(g) The Department of Service Alberta provided financial services to the Department. Costs shown for Financial Services on Schedule 7, allocated to the program.

(h) The Department of Service Alberta and Department of Treasury Board provided transportation services. Costs shown for Transportation Services on Schedule 7, allocated to the program.

(i) The Department of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 7, allocated to the program.

(j) Valuation Adjustments as per Statement of Operations. Provisions included in Valuation Adjustments were allocated as follows: Vacation Pay and Banked Overtime – allocated to the program by full time equivalent; Doubtful Accounts – allocated to the program.

Department of Culture and Community Spirit
Tangible Capital Assets
Year ended March 31
(thousands of dollars)

	2010						2009
	General Capital Assets			Infrastructure Assets			(Restated)
	Land	Buildings	Computer Hardware and Software	Equipment ^(a)	Other	Land Improvements	Total
Estimated Useful Life	Indefinite	20-40 years	5-8 years	3-10 years	20 years	40 years	Total
Historical Cost ^(b)	\$ 2,558	\$ 306	\$ 2,938	\$ 9,504	\$ 176	\$ 1,361	\$ 16,843
Beginning of Year	-	441	793	391	116	334	2,075
Additions	(105)	-	-	(27)	-	-	(132)
Disposals, Including Write-Downs	-	(514)	333	163	-	(219)	(237)
Transfers (To) From Others	-	-	(31)	(148)	-	(51)	(230)
Write-offs	\$ 2,453	\$ 233	\$ 4,033	\$ 9,883	\$ 292	\$ 1,425	\$ 18,319
Accumulated Amortization							
Beginning of Year	\$ -	\$ -	\$ 777	\$ 2,973	\$ 116	\$ 27	\$ 3,893
Amortization Expense	-	6	307	772	21	27	1,133
Effect of Disposal	-	-	-	(73)	-	(2)	(75)
Transfers (To) From Others	-	-	-	-	-	-	-
	\$ -	\$ 6	\$ 1,084	\$ 3,672	\$ 137	\$ 52	\$ 4,951
Net Book Value at March 31, 2010	\$ 2,453	\$ 227	\$ 2,949	\$ 6,209	\$ 155	\$ 1,373	\$ 13,368
Net Book Value at March 31, 2009	\$ 2,558	\$ 306	\$ 2,161	\$ 6,531	\$ 60	\$ 1,334	\$ 12,950

^(a) Equipment includes network switches and routers, vehicles, heavy equipment, fire protection equipment, office equipment and furniture and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2010 totalling \$1,250 (2009 - \$3,537) comprised of: buildings \$ 60 (2009 - \$306); computer hardware and software \$381 (2009 - \$1,542); equipment \$368 (2009 - \$1,346); land improvements \$364 (2009 - \$343) and others of \$77 (2009 - none).

Alberta Foundation for the Arts

Financial Statements

March 31, 2010

**Alberta Foundation for the Arts
Financial Statements
March 31, 2010**

Auditor's Report

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Members of the Alberta Foundation for the Arts and the Minister of Culture and Community Spirit:

I have audited the statements of financial position of the Alberta Foundation for the Arts as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 Foundation as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

Alberta Foundation for the Arts
Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual Restated (Note 3)
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 34,834	\$ 34,834	\$ 34,834
Investment Income	555	119	503
Other Revenue			
Prior Years Refunds of Expenses	75	67	65
Donations of Artworks	200	193	274
	<u>35,664</u>	<u>35,213</u>	<u>35,676</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Arts Organizations	27,315	26,826	27,902
Support to Individual Artists	5,393	5,369	4,970
Support to Cultural Industries	1,780	1,693	1,732
Administration	1,203	859	1,015
	<u>35,691</u>	<u>34,747</u>	<u>35,619</u>
Net Operating Results	<u>\$ (27)</u>	466	57
Operating Fund Balance, Beginning of Year		<u>1,362</u>	<u>1,305</u>
Operating Fund Balance, End of Year		<u>\$ 1,828</u>	<u>\$ 1,362</u>

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

**Alberta Foundation for the Arts
Statements of Financial Position
As at March 31
(thousands of dollars)**

	2010	2009
Financial Assets		
Cash (Note 4)	\$ 2,431	\$ 1,377
Accounts Receivable (Note 5)	25	5
	2,456	1,382
Cash Appropriated for Non-Current Use (Note 4)	467	467
Tangible Capital Assets (Note 6)	152	174
	\$ 3,075	\$ 2,023
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 780	\$ 194
Fund Balances		
Operating	1,828	1,362
General Reserve – Restricted (Note 8)	467	467
	2,295	1,829
	\$ 3,075	\$ 2,023

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

Alberta Foundation for the Arts
Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009
Operating Transactions		
Net Operating Results	\$ 466	\$ 57
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	27	27
	493	84
(Increase) Decrease in Accounts Receivable and Accrued Interest	(20)	65
Increase (Decrease) in Accounts Payable and Accrued Liabilities	586	(925)
Cash Provided (Applied to) by Operating Transactions	1,059	(776)
Capital Transactions		
Acquisition of Tangible Capital Assets	(5)	-
Cash (Applied to) Provided by Capital Transactions	(5)	-
Increase (Decrease) in Cash	1,054	(776)
Cash, Beginning of Year	1,377	2,153
Cash, End of Year	\$ 2,431	\$ 1,377

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

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31**

Note 1 Authority and Purpose

The Alberta Foundation for the Arts (Foundation) operates under the authority of the *Alberta Foundation for the Arts Act*, Chapter A-19, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To support and contribute to the development of literary, performing, visual and media arts in Alberta;
- To provide both individuals and organizations with opportunities to participate in the arts in Alberta;
- To promote the enjoyment of works of art created by Alberta artists;
- To oversee the collection, preservation and display of works of art by Alberta artists; and
- To encourage artists living in Alberta in their work.

The Foundation is a Crown agent of the Government 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 primarily 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 Alberta Foundation for the Arts, 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 goods or services directly in return. Internal government transfers are recognized as revenue when received.

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31**

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 Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

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 Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Foundation are limited to cash and financial claims such as accounts receivable from other organizations.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Artworks and Collections

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value

Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31**

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

(b) Basis of Financial Reporting (continued)

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

Note 3 Program Transfer (thousands of dollars)

The Alberta Games Cultural Component grant program in amount of \$150 was transferred from the Foundation to the Ministry of Tourism, Parks and Recreation. Comparatives for 2008-09 have been restated for this transfer. The effect was to decrease revenues by \$150 from \$34,984 to \$34,834 and to decrease expenses by \$150 from \$35,769 to \$35,619.

Note 4 Cash and Cash Appropriated for Non-Current Use (thousands of dollars)

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, 2010, securities held by CCITF have a time-weighted return of 1.0 % (2009 – 3.0%) per annum.

Cash appropriated for non-current use in the amount of \$467 (2009 – \$467) has been internally restricted and is therefore not available to pay for operating expenses of the Foundation (Note 8).

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31

Note 5 Accounts Receivable (thousands of dollars)

	2010		2009	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 25	\$ -	\$ 25	\$ 5

Accounts receivable are unsecured and non-interest bearing.

Note 6 Tangible Capital Assets (thousands of dollars)

	Equipment	Computer Hardware and Software	2010 Total	2009 Total
Estimated Useful Life	10 years	4 years		
Historical Costs				
Beginning of Year	\$ 268	\$ 20	\$ 288	\$ 288
Additions	5	-	5	-
Disposals	-	-	-	-
	273	20	293	288
Accumulated Amortization				
Beginning of Year	94	20	114	87
Amortization Expense	27	-	27	27
Effect of Disposals	-	-	-	-
	121	20	141	114
Net Book Value at March 31, 2010	\$ 152	\$ -	\$ 152	
Net Book Value at March 31, 2009	\$ 174	\$ -		\$ 174

Equipment includes vehicles, office equipment and furniture, and other equipment.

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31**

Note 7 Artworks and Collections

The Alberta Foundation for the Arts actively collects visual artworks, which document the Province's significant visual artistic achievement. The collection is accessible to the public and consists of paintings, sculptures, drawings, photographs, ceramics, glass, fibre and prints. At year end, the collection consisted of approximately 8,108 (2009 – 7,835) artworks with an approximate value of \$11,477,909 (2009 – \$10,496,850). During the year, the Foundation purchased 237 (2009 – 190) artworks by Alberta artists at a total cost of \$787,979 (2009 – \$716,550). Contributions to the collection included 36 (2009 – 4) artworks with an appraised value of \$193,080 (2009 – \$274,300). There were two artwork dispositions during the year (2009 – Nil). The collection is insured.

Note 8 General Reserve (thousands of dollars)

The general reserve in the amount of \$467 has been established by appropriation from the operating fund balance for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

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

Note 9 Contractual Obligations (thousands of dollars)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009
Grant Agreements	\$ 420	\$ 2,350
Service Contracts	988	1,025
	\$ 1,408	\$ 3,375

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

	Grant Agreements	Service Contracts	Total
2011	\$ 420	\$ 888	\$ 1,308
2012	-	100	100
	\$ 420	\$ 988	\$ 1,408

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31**

Note 10 Honoraria (thousands of dollars)

	2010			2009	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Board ^(c)					
Chair	\$ 13	\$ -	\$ 13	\$	2
Vice Chair	1	-	1		-
Other Members (9)	36	-	36		26
	\$ 50	\$ -	\$ 50	\$	28

^(a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. 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.

^(b) No benefits were provided to Board members.

^(c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

Note 11 Current and Comparative Figures

Current and comparative figures have been reclassified to conform to the presentation in the 2010-11 Government Estimates, which were released on February 9, 2010.

Note 12 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Foundation for the Arts
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual Restated (Note 3)
Grants	\$ 30,357	\$ 30,141	\$ 31,043
Supplies and Services	2,069	1,697	1,806
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,621	1,851	1,725
Acquisition of Artworks	1,374	788	716
Donations of Artworks	200	193	274
Honoraria (Note 10)	43	50	28
Amortization of Tangible Capital Assets	27	27	27
	<u>\$ 35,691</u>	<u>\$ 34,747</u>	<u>\$ 35,619</u>

^(a) The Foundation receives financial and program related administrative services from the Department of Culture and Community Spirit.

**Alberta Foundation for the Arts
Related Party Transactions
Year ended March 31
(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 Foundation paid or collected certain taxes and fees set by regulation for premiums, 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 Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	<u>2010</u>	<u>2009</u>	<u>2010</u>	<u>2009</u>
		Restated (Note 3)		Restated (Note 3)
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 34,834	\$ 34,834	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ -	\$ -	\$ 2,627	\$ 2,525
Other Services	-	-	50	11
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,677</u>	<u>\$ 2,536</u>
Accounts Receivable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ -</u>
Accounts Payable	<u>\$ 7</u>	<u>\$ 10</u>	<u>\$ 3</u>	<u>\$ -</u>

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

**Alberta Foundation for the Arts
Related Party Transactions
Year ended March 31
(thousands of dollars)**

The Foundation 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	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ 459	\$ 459
Other Services	340	255	-	-
Legal Services	-	-	2	4
Internal Audit Services	-	-	10	11
	\$ 340	\$ 255	\$ 471	\$ 474

**Alberta Foundation for the Arts
Allocated Costs
Year ended March 31
(thousands of dollars)**

Program	2010				2009		
	Expenses ^(a)	Accommodation Costs ^(b)	Other Services ^(c)	Legal Services ^(d)	Internal Audit Services ^(e)	Total Expenses	Total Expenses
Support to Arts Organizations	\$ 26,826	\$ 128	\$ 64	\$ 2	\$ -	\$ 27,020	\$ 27,991
Support to Individual Artists	5,369	187	78	-	10	5,644	5,534
Support to Cultural Industries	1,693	62	99	-	-	1,854	1,743
Administration	859	82	99	-	-	1,040	1,079
	<u>\$ 34,747</u>	<u>\$ 459</u>	<u>\$ 340</u>	<u>\$ 2</u>	<u>\$ 10</u>	<u>\$ 35,558</u>	<u>\$ 36,347</u>

Restated
(Note 3)

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

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

^(c) 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.

^(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.

^(e) The Department of Treasury Board provided Internal Audit Services. Costs shown for Internal Audit Services on Schedule 2, allocated by estimated costs incurred by each program.

The Alberta Historical Resources Foundation

Financial Statements

March 31, 2010

**The Alberta Historical Resources Foundation
Financial Statements
March 31, 2010**

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Directors of the Alberta Historical Resources Foundation and the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Alberta Historical Resources Foundation as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 Foundation as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

The Alberta Historical Resources Foundation
Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 9,507	\$ 9,507	\$ 9,507
Investment Income	272	64	213
Other Revenue	6	16	87
	<u>9,785</u>	<u>9,587</u>	<u>9,807</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Provincial Heritage Organizations			
Alberta Museums Association	2,000	2,250	2,000
Other	471	490	475
	<u>2,471</u>	<u>2,740</u>	<u>2,475</u>
Glenbow Museum	3,489	3,489	3,489
Heritage Preservation and Awareness	2,916	3,353	2,866
Main Street Program	676	300	529
Heritage Markers Program	106	137	197
Administration	183	162	245
	<u>9,841</u>	<u>10,181</u>	<u>9,801</u>
Valuation Adjustments			
Provision for Inventory Write-Off	-	-	5
	<u>9,841</u>	<u>10,181</u>	<u>9,806</u>
Net Operating Results	<u>\$ (56)</u>	(594)	1
Fund Balances, Beginning of Year		<u>4,310</u>	<u>4,309</u>
Fund Balances, End of Year		<u>\$ 3,716</u>	<u>\$ 4,310</u>

The accompanying notes and schedules are part of these financial statements

The Alberta Historical Resources Foundation
Statements of Financial Position
As at March 31
(thousands of dollars)

	2010	2009
Financial Assets		
Cash (Note 3)	\$ 3,941	\$ 4,043
Cash Appropriated for Non-Current Use (Notes 3 and 7)	50	50
Tangible Capital Assets (Note 4)	184	240
	\$ 4,175	\$ 4,333
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 459	\$ 23
Fund Balances		
Operating	3,651	4,260
Restricted (Note 6)	15	-
Reserve (Note 7)	50	50
	3,716	4,310
	\$ 4,175	\$ 4,333

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

The Alberta Historical Resources Foundation
Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009
Operating Transactions		
Net Operating Results	\$ (594)	\$ 1
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	56	56
Valuation Adjustments	-	5
	(538)	62
Decrease in Accounts Receivable	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities	436	(82)
	(102)	(19)
Cash (Applied to) Operating Transactions	(102)	(19)
(Decrease) in Cash	(102)	(19)
Cash, Beginning of Year	4,043	4,062
Cash, End of Year	\$ 3,941	\$ 4,043

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

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31

Note 1 Authority and Purpose

The Alberta Historical Resources Foundation (Foundation) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is to assist in the preservation and interpretation of Alberta's heritage primarily through the encouragement and sponsorship of community heritage initiatives.

The Foundation is a Crown agent of the Government 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 primarily 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 Alberta Historical Resources Foundation, 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

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for the revenues and expenses associated with the primary activities of the Foundation;
- Restricted funds account for contributions received with imposed conditions on how the funds are to be used, interest earned and the expenses associated with the specified activities; and
- The reserve fund was established to ensure an ongoing funding capability as described in Note 7.

Revenue

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.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31

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

(b) Basis of Financial Reporting (continued)

Revenue (continued)

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. Internal government transfers are recognized as revenue when received.

Expenses

Directly Incurred

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

Directly incurred expenses include amortization of tangible capital assets.

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 Foundation's operations are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Foundation are limited to cash and cash appropriated for non-current use and financial claims such as accounts receivable from other organizations and individuals.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Collections of historical assets held by the Foundation are not recorded as assets. Purchases of collection items are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31

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

Basis of Financial Reporting (continued)

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 the 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, inventory for resale 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 (thousands of dollars)

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, 2010, securities held by the Fund have a time-weighted return of 1.0% (2009 –3.0%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Cash in the amount of \$50 has been appropriated for non-current use (Note 7).

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31

Note 4 Tangible Capital Assets (thousands of dollars)

	Heritage Markers	Equipment	2010 Total	2009 Total
Estimate Useful Life	10 years	7 years		
Historical Cost				
Beginning of Year	\$ 561	\$ 3	\$ 564	\$ 564
Additions	-	-	-	-
Disposals, Including Write-Downs	-	(3)	(3)	-
	<u>561</u>	<u>-</u>	<u>561</u>	<u>564</u>
Accumulated Amortization				
Beginning of Year	321	3	324	268
Amortization Expense	56	-	56	56
Effect of Disposals	-	(3)	(3)	-
	<u>377</u>	<u>-</u>	<u>377</u>	<u>324</u>
Net Book Value at March 31, 2010	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ 184</u>	
Net Book Value at March 31, 2009		<u>\$ -</u>		<u>\$ 240</u>

Note 5 Artworks and Collections

The Foundation has a collection of historical assets which is comprised of paintings, sketches, photographs and antique furnishings. At year end, the collection consisted of 376 (2009 – 376) artworks with an estimated value of \$16,060 (2009 – \$16,060) and 30 (2009 – 30) antique furnishings estimated at \$12,700 (2009 – \$12,700). During the year, the Foundation did not acquire any historical assets (2009 – Nil). There were no artwork dispositions during the year (2009 – 3). The collection is insured.

Note 6 Restricted Fund (thousands of dollars)

	Bob Etherington Heritage Trades Scholarship ^(a)		Roger Soderstrom Fellowship Fund ^(b)	
	2010	2009	2010	2009
Opening Balance	\$ -	\$ -	\$ -	\$ 3
Contributions Received	15	-	-	-
Expenses	-	-	-	(3)
Closing Balance	<u>\$ 15</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31**

Note 6 Restricted Fund (thousands of dollars) (continued)

- (a) The Bob Etherington Heritage Trades Scholarship was designed to develop the heritage trades in Alberta by encouraging tradespersons to hone their technical skills and further their understanding of the challenges and complexities of heritage conservation work.
- (b) The Roger Soderstrom Fellowship fund is a scholarship designed to encourage professional development and advanced studies in the field of heritage conservation in Alberta.

Note 7 Reserve (thousands of dollars)

A reserve in the amount of \$50 has been established by appropriation from the operating fund for the purpose of retaining an ongoing funding capability. Transfers from the reserve to the operating fund require board approval.

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

Note 8 Honoraria (thousands of dollars)

	2010			2009	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Board ^(c)					
Chair	\$ 6	\$ -	\$ 6	\$	7
Other Members (7)	15	-	15	\$	16
	\$ 21	\$ -	\$ 21	\$	23

- (a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. 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.
- (b) No benefits were provided to Board members.
- (c) Members appointed to the Foundation are paid honoraria for attending Foundation meetings at rates set by Ministerial Order. They are also paid for sub-committee meetings, to attend out-of-town meetings and for attending to other Foundation duties.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31

Note 9 Contractual Obligations (thousands of dollars)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009
Grant Agreements	\$ 3,120	\$ 4,253
Service Contracts	2,966	3,489
Long-term Leases	2	8
	\$ 6,088	\$ 7,750

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

	Grant Agreements	Service Contracts	Long-term Leases	Total
2011	\$ 1,188	\$ 2,966	\$ 2	\$ 4,156
2012	1,041	-	-	1,041
2013	475	-	-	475
2014	297	-	-	297
2015	89	-	-	89
Thereafter	30	-	-	30
	\$ 3,120	\$ 2,966	\$ 2	\$ 6,088

Note 10 Current and Comparative Figures

Current and comparative figures have been reclassified to conform to the presentation in the 2010-11 Government Estimates, which were released on February 9, 2010.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

**The Alberta Historical Resources Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(thousands of dollars)**

	2010		2009
	Budget	Actual	Actual
Grants	\$ 5,422	\$ 5,527	\$ 5,210
Supplies and Services	3,623	3,622	3,848
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	724	955	664
Honoraria (Note 8)	16	21	23
Amortization of Tangible Capital Assets	56	56	56
	<u>\$ 9,841</u>	<u>\$ 10,181</u>	<u>\$ 9,801</u>
Valuation Adjustments			
Provision for Inventory Write-Off	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>

^(a) The Foundation receives financial and program related administrative services from the Department of Culture and Community Spirit.

The Alberta Historical Resources Foundation
Related Party Transactions
Year ended March 31
(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 Foundation 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 Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009 (Restated)
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 9,507	\$ 9,507	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ 50	\$ 50	\$ 28	\$ 30
Other services	-	-	4	99
	<u>\$ 50</u>	<u>\$ 50</u>	<u>\$ 32</u>	<u>\$ 129</u>
Accounts Payable	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ -</u>

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

The Foundation 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	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Other Services	\$ 149	\$ 96	\$ -	\$ -
Accommodation Costs	-	-	21	21
	<u>\$ 149</u>	<u>\$ 96</u>	<u>\$ 21</u>	<u>\$ 21</u>

The Alberta Historical Resources Foundation
Allocated Costs
Year ended March 31
(thousands of dollars)

Program	Expenses – Incurred by Others				2010		2009	
	Expenses ^(a)	Other Services ^(b)	Accommodation Costs ^(c)	Total Expenses	Total Expenses	Total Expenses		
Support to Provincial Heritage Organizations	\$ 2,740	\$ -	\$ -	\$ 2,740	\$ 2,475	\$ 2,475		
Glenbow Museum	3,489	-	-	3,489	3,489	3,489		
Heritage Preservation and Awareness	3,353	50	7	3,410	2,866	2,866		
Main Street Program	300	74	10	384	536	536		
Heritage Markers	137	-	-	137	197	197		
Administration	162	25	4	191	360	360		
	<u>\$ 10,181</u>	<u>\$ 149</u>	<u>\$ 21</u>	<u>\$ 10,351</u>	<u>\$ 9,923</u>	<u>\$ 9,923</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.

The Government House Foundation

Financial Statements

March 31, 2010

**The Government House Foundation
Financial Statements
March 31, 2010**

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Directors of the Government House Foundation and the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Government House Foundation as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 Foundation as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

**The Government House Foundation
Statements of Operations
Year ended March 31**

	2010		2009
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Alberta Historical Resources Foundation	\$ 50,000	\$ 50,000	\$ 50,000
Investment Income	5,000	956	2,810
Premiums, Fees and Licences	5,000	4,025	5,030
Donations of Artworks	-	700	4,100
	<u>60,000</u>	<u>55,681</u>	<u>61,940</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Public Relations	31,000	36,809	20,007
Administration	12,000	21,190	19,660
Conservation of Collections	3,000	1,606	7,992
Collection Acquisitions	14,000	700	4,100
	<u>60,000</u>	<u>60,305</u>	<u>51,759</u>
Net Operating Results	<u>\$ -</u>	(4,624)	10,181
Fund Balance, Beginning of Year		<u>76,409</u>	<u>66,228</u>
Fund Balance, End of Year		<u>\$ 71,785</u>	<u>\$ 76,409</u>

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

The Government House Foundation
Statements of Financial Position
As at March 31

	2010	2009
Financial Assets		
Cash (Note 3)	\$ 75,156	\$ 77,933
Accounts Receivable	-	26
	\$ 75,156	\$ 77,959
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 3,371	\$ 1,550
Fund Balance	71,785	76,409
	\$ 75,156	\$ 77,959

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

**The Government House Foundation
Statements of Cash Flows
Year ended March 31**

	2010	2009
Operating Transactions		
Net Operating Results	\$ (4,624)	\$ 10,181
(Increase) Decrease in Accounts Receivable	26	(26)
Increase in Accounts Payable and Accrued Liabilities	1,821	700
Cash Provided by (Applied to) Operating Transactions	(2,777)	10,855
Cash, Beginning of Year	77,933	67,078
Cash, End of Year	\$ 75,156	\$ 77,933

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

The Government House Foundation
Notes to the Financial Statements
Year ended March 31

Note 1 Authority and Purpose

The Government House Foundation (Foundation) operates under the authority of the *Government House Act*, Chapter G-9, Revised Statutes of Alberta 2000.

The purpose of the Foundation is:

- To advise the Minister on the preservation of Government House as a historic site and building;
- To inform and stimulate the interest of the public in the historical and architectural development of Government House; and
- To solicit and receive by gift, bequest, devise, transfer or otherwise, any personal property for use or display in Government House.

The Foundation is a Crown agent of the Government 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 primarily 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 Government House Foundation, 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 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. Internal government transfers are recognized as revenue when received.

**The Government House Foundation
Notes to the Financial Statements
Year ended March 31**

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 Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Incurred by Others

Services contributed by other entities in support of the Foundation's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Foundation are limited to cash and accounts receivable from other organizations.

Artworks are not recorded as assets. Purchases of artworks are expensed in the period in which the items are acquired. Donations of artworks and collection items are reported as revenue and expenses at their fair value when fair value can be determined. When fair value cannot be reasonably determined, these donations are recorded at nominal value. Proceeds from the disposition of artworks can only be used to acquire other items to be added to the collection or for the direct care of existing artworks.

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 value because of the short-term nature of these instruments.

The Government House Foundation
Notes to the Financial Statements
Year ended March 31

Note 3 Cash

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, 2010, securities held by the Fund have a time-weighted return of 1.0% (2009 –3.0%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Artworks and Collections

The Government House Foundation actively collects various significant items pertaining to the history of Government House. The collection is accessible to the public and consists of paintings, drawings, prints, sculptures, furnishings, books and silverware. The majority of the collection is used or displayed in Government House, while some items are on loan to other provincial institutions. The collection is insured.

At March 31, 2010, the collection consisted of approximately 405 (2009 – 398) pieces of artworks and other items, with an approximate value of \$986,500 (2009 – \$985,000). During the year, the Foundation made no artwork purchases (2009 – Nil). Contributions to the collection included 7 artifacts with an appraised value of \$700 (2009 – \$4,100) and there were no dispositions during the year (2009 – Nil).

Note 5 Contractual Obligations

At March 31, 2010, the Foundation had commitments in the amount of approximately \$16,000 (2009 – \$11,498) relating to service contracts.

Note 6 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

The Government House Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31

	<u>2010</u>		<u>2009</u>
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Supplies and Services			
General Office	\$ 14,000	\$ 36,637	\$ 24,552
Contracted Services	24,000	21,471	18,360
Hosting	5,000	397	4,747
Materials and Supplies	17,000	1,800	4,100
	<u>\$ 60,000</u>	<u>\$ 60,305</u>	<u>\$ 51,759</u>

**The Government House Foundation
Related Party Transactions
Year ended March 31**

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

The Foundation 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 Foundation 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 the related parties.

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues				
Transfers from the Alberta Historical Resources Foundation	\$ 50,000	\$ 50,000	\$ -	\$ -
Expenses – Directly Incurred				
Other Services	\$ -	\$ -	\$ 2,515	\$ 1,599

The Foundation 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	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Other Services	\$ 11,947	\$ 11,310	\$ -	\$ -
Accommodation Costs	-	-	2,728	2,622
	\$ 11,947	\$ 11,310	\$ 2,728	\$ 2,622

**The Government House Foundation
Allocated Costs
Year ended March 31**

Program	Expenses – Incurred by Others			
	Expenses (a)	Other Services (b)	Accommodation Costs (c)	Total Expenses
Public Relations Administration	\$ 36,809	\$ 4,618	\$ 1,055	\$ 42,482
Conservation of Collections	21,190	4,538	1,036	26,764
Collection Acquisitions	1,606	1,845	421	3,872
	700	946	216	1,862
	<u>\$ 60,305</u>	<u>\$ 11,947</u>	<u>\$ 2,728</u>	<u>\$ 74,980</u>
				<u>\$ 25,392</u>
				<u>\$ 24,952</u>
				<u>\$ 10,143</u>
				<u>\$ 5,204</u>
				<u>\$ 65,691</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.

Historic Resources Fund

Financial Statements

March 31, 2010

**Historic Resources Fund
Financial Statements
March 31, 2010**

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Revenues

Schedule 2 – Expenses – Directly Incurred Detailed by Object

Schedule 3 – Related Party Transactions

Schedule 4 – Allocated Costs

Schedule 5 – Statement of Operations by Fund



Auditor's Report

To the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Historic Resources Fund as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years 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 audits.

I conducted my audits 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, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

**Historic Resources Fund
Statements of Operations
Year ended March 31
(thousands of dollars)**

	2010		2009
	Budget	Actual	Actual
Revenues (Schedule 1)			
Interpretive Programs and Services	\$ 3,811	\$ 4,187	\$ 4,017
Promotion and Presentation	4,757	3,457	3,805
Jubilee Auditoria	6,399	6,501	5,199
Other Initiatives	501	232	398
Provincial Archives	120	169	273
	<u>15,588</u>	<u>14,546</u>	<u>13,692</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)			
Interpretive Programs and Services	3,905	4,242	4,035
Promotion and Presentation	5,060	3,940	3,903
Jubilee Auditoria	6,095	4,936	4,227
Other Initiatives	480	345	1,168
Provincial Archives	120	224	220
	<u>15,660</u>	<u>13,687</u>	<u>13,553</u>
Valuation Adjustments			
Provision for Doubtful Accounts	-	57	-
Provision for Inventory Write-Off	-	-	3
	<u>15,660</u>	<u>13,744</u>	<u>13,556</u>
Net Operating Results	<u>\$ (72)</u>	802	136
Fund Balances, Beginning of Year		<u>13,944</u>	<u>13,808</u>
Fund Balances, End of Year		<u>\$ 14,746</u>	<u>\$ 13,944</u>

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

Historic Resources Fund
Statements of Financial Position
As at March 31
(thousands of dollars)

	2010	2009
Financial Assets		
Cash (Note 3)	\$ 10,774	\$ 9,175
Accounts Receivable (Note 4)	803	914
Prepaid Expenses	22	-
Inventory for Resale	597	509
Tangible Capital Assets (Note 5)	4,279	4,362
	\$ 16,475	\$ 14,960
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 1,427	\$ 785
Unearned Revenue	302	231
	1,729	1,016
Fund Balances (Schedule 5)		
Operating	4,382	4,995
Restricted Funds	10,364	8,949
	14,746	13,944
	\$ 16,475	\$ 14,960

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

**Historic Resources Fund
Statements of Cash Flows
Year ended March 31
(thousands of dollars)**

	2010	2009
Operating Transactions		
Net Operating Results	\$ 802	\$ 136
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	798	738
Valuation Adjustments	57	3
	1,657	877
(Increase) Decrease in Accounts Receivable before Valuation Adjustments	54	(70)
(Increase) in Prepaid Expenses	(22)	-
(Increase) in Inventory before Valuation Adjustments	(88)	(61)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	642	(455)
Increase (Decrease) in Unearned Revenue	71	(17)
Cash Provided by Operating Transactions	2,314	274
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 5)	(715)	(700)
Increase (Decrease) in Cash	1,599	(426)
Cash, Beginning of Year	9,175	9,601
Cash, End of Year	\$ 10,774	\$ 9,175

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

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31

Note 1 Authority and Purpose

Historic Resources Fund (Fund) operates under the authority of the *Historical Resources Act*, Chapter H-9, Revised Statutes of Alberta 2000.

The purpose of the Fund is to protect, enhance, promote and display Alberta's historic resources by funding programs designated by the Lieutenant Governor in Council and by promoting the use and development of related facilities.

The Fund is a Crown agent of the Government 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 primarily 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 Historic Resources 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

Fund Accounting

Transactions are grouped, for accounting and reporting purposes, into funds in accordance with specified activities or objectives. These funds are described as follows:

- The operating fund accounts for the revenues and expenses associated with the primary activities of the Fund and is unrestricted; and
- Restricted funds account for contributions received with imposed conditions on how the funds are to be used, interest earned and the expenses associated with the specified activities.

Revenue

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.

**Historic Resources Fund
Notes to the Financial Statements
Year ended March 31**

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

(b) Basis of Financial Reporting (continued)

Revenue (continued)

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met and a reasonable estimate of the amounts can be made.

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.

In addition to program operating expenses like salaries, supplies, etc., directly incurred expenses also include:

Amortization of tangible capital assets.

Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value.

Incurred by Others

Services contributed by other entities in support of the Fund's operations are disclosed in Schedule 3 and allocated to programs in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Fund are limited to cash and cash appropriated for non-current use and financial claims such as accounts receivable from other organizations and individuals as well as inventory for resale. Inventory is valued at the lower of cost and net realizable value. Cost is determined on the first in first out basis.

Assets acquired by right are not included. Tangible capital assets of the Fund are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

Donated tangible capital assets are recorded at their fair value at the time of contribution.

**Historic Resources Fund
Notes to the Financial Statements
Year ended March 31**

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

Basis of Financial Reporting (continued)

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 the 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, inventory for resale 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 (thousands of dollars)

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, 2010, securities held by the Fund have a time-weighted return of 1.0% (2009 – 3.0%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable (thousands of dollars)

	2010		2009	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 637	\$ -	\$ 637	\$ 833
Refunds from Suppliers	166	-	166	81
	<u>\$ 803</u>	<u>\$ -</u>	<u>\$ 803</u>	<u>\$ 914</u>

Accounts receivable are unsecured and non-interest bearing.

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31

Note 5 Tangible Capital Assets (thousands of dollars)

	Equipment	Computer Hardware and Software	2010 Total	2009 Total
Estimate Useful Life	3 - 20 years	5 years		
Historical Cost ^(a)				
Beginning of Year	\$ 7,383	\$ 307	\$ 7,690	\$ 6,990
Additions	646	69	715	700
Disposals, Including Write-Downs	(8)	(12)	(20)	-
	<u>8,021</u>	<u>364</u>	<u>8,385</u>	<u>7,690</u>
Accumulated Amortization				
Beginning of Year	3,178	150	3,328	2,590
Amortization Expense	769	29	798	738
Effect of Disposals	(8)	(12)	(20)	-
	<u>3,939</u>	<u>167</u>	<u>4,106</u>	<u>3,328</u>
Net Book Value at March 31, 2010	<u>\$ 4,082</u>	<u>\$ 197</u>	<u>\$ 4,279</u>	
Net Book Value at March 31, 2009		<u>\$ 157</u>		<u>\$ 4,362</u>

^(a) Historical cost includes work-in-progress at March 31, 2010 totalling \$331 (2009 – \$81).

Note 6 Contractual Obligations (thousands of dollars)

Contractual obligations are obligations of the Department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009
Service Contracts	<u>\$ 6,291</u>	<u>\$ 5,328</u>

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

	Service Contracts
2011	\$ 6,178
2012	113
	<u>\$ 6,291</u>

**Historic Resources Fund
Notes to the Financial Statements
Year ended March 31**

Note 7 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 8 Approval of Financial Statements

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

**Historic Resources Fund
Revenues
Year ended March 31
(thousands of dollars)**

	2010		2009
	Budget	Actual	Actual
Transfers from Government of Canada	\$ 83	\$ 12	\$ 233
Investment Income	350	94	276
Premiums, Fees and Licences	4,053	4,371	4,226
Other Revenue			
Recoveries	4,667	3,025	3,104
Donations	271	20	29
Rental Revenue	2,731	3,098	2,500
Sales	3,433	3,649	2,401
Other Miscellaneous Revenue	-	10	439
Other Grants and Contributions	-	264	432
Prior Years Refunds of Expenses	-	3	52
	\$ 15,588	\$ 14,546	\$ 13,692

Historic Resources Fund
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Supplies and Services			
Materials and Supplies	\$ 3,666	\$ 2,155	\$ 2,941
Contracted Services	8,802	8,262	7,816
General Office	281	818	573
Supplies and Services from Support			
Service Arrangements with Related Parties ^{(a) (b)}	1,976	1,577	1,347
Travel	197	71	135
Hosting	1	6	3
Amortization of Tangible Capital Assets	737	798	738
	\$ 15,660	\$ 13,687	\$ 13,553
Valuation Adjustments			
Provision for Doubtful Accounts	\$ -	\$ 57	\$ -
Provision for Inventory Write-Off	-	-	3
	\$ -	\$ 57	\$ 3

^(a) The Fund receives financial and administrative services from the Department of Culture and Community Spirit.

^(b) The Fund receives administrative services from the Department of Tourism, Parks and Recreation.

**Historic Resources Fund
Related Party Transactions
Year ended March 31
(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 on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009 (Restated)
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 556	\$ 433
Accounts Receivable	\$ -	\$ 5	\$ -	\$ -
Accounts Payable	\$ 378	\$ 278	\$ 77	\$ 9

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

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 4.

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Other Services	\$ 377	\$ 345	\$ -	\$ -
Accommodation Costs	-	-	194	195
Internal Audit Services	-	-	150	-
	\$ 377	\$ 345	\$ 344	\$ 195

**Historic Resources Fund
Allocated Costs
Year ended March 31
(thousands of dollars)**

Program	2010					2009	
	Expenses – Incurred by Others					Valuation Adjustments	
	Expenses ^(a)	Other Services ^(b)	Accommodation Costs ^(c)	Internal Audit Services ^(d)	Provision for Doubtful Accounts ^(e)	Total Expenses	Total Expenses
Interpretive Programs and Services	\$ 4,242	\$ 182	\$ 60	\$ 136	\$ 23	\$ 4,643	\$ 4,236
Promotion and Presentation	3,940	170	56	-	13	4,179	4,113
Jubilee Auditoria	4,936	-	70	14	21	5,041	4,287
Other Initiatives	345	15	5	-	-	365	1,228
Provincial Archives	224	10	3	-	-	237	232
	<u>\$ 13,687</u>	<u>\$ 377</u>	<u>\$ 194</u>	<u>\$ 150</u>	<u>\$ 57</u>	<u>\$ 14,465</u>	<u>\$ 14,096</u>

^(a) Expenses – Directly Incurred as per Statement of Operations, excluding valuation adjustments.
^(b) The Department of Culture and Community Spirit provided financial and administrative services. Costs shown for Other Services on Schedule 3, 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 3, allocated by square footage.
^(d) The Department of Treasury Board provided Internal Audit Services. Costs shown for Internal Audit Services on Schedule 3, allocated by estimated costs incurred by each program.
^(e) Valuation adjustments as per Statement of Operations. Provision for Doubtful Accounts was estimated and allocated to program.

Historic Resources Fund
Statement of Operations by Fund
Year ended March 31
(thousands of dollars)

	2010					2009
	Restricted Funds					Operating Fund
	Glenbow-Alberta Institute (a)	Jubilee Auditoria (b)	Japanese-Canadian Initiative (c)	Contributions (d)	Total Restricted Funds	
Revenues						
Operating Revenue	\$ 14	\$ 6,446	\$ -	\$ 274	\$ 6,734	\$ 7,698
Donations	-	-	-	1	1	19
Investment Income	4	55	2	-	61	33
	<u>18</u>	<u>6,501</u>	<u>2</u>	<u>275</u>	<u>6,796</u>	<u>7,750</u>
						<u>14,546</u>
						<u>13,692</u>
Operating Expenditures	40	4,936	41	343	5,360	8,327
Valuation Adjustments						
Provision for Doubtful Accounts	-	21	-	-	21	36
Provision for Inventory Write-Off	-	-	-	-	-	-
	<u>40</u>	<u>4,957</u>	<u>41</u>	<u>343</u>	<u>5,381</u>	<u>8,363</u>
						<u>13,744</u>
Net Operating Results	(22)	1,544	(39)	(68)	1,415	(613)
Fund Balance at Beginning of Year	478	7,535	187	749	8,949	4,995
Fund Balance at End of Year	<u>\$ 456</u>	<u>\$ 9,079</u>	<u>\$ 148</u>	<u>\$ 681</u>	<u>\$ 10,364</u>	<u>\$ 4,382</u>
						<u>\$ 14,746</u>
						<u>\$ 13,944</u>

(a) The purpose of the fund is to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections displayed at the Glenbow-Alberta Institute.

(b) Accumulated surpluses arising from the operation of the Jubilee Auditoria may only be used for the payment of expenses related to the Jubilee Auditoria.

(c) The purpose of the fund is to support the educational and scientific exchange between Japanese and Canadian scientists and students to further the knowledge of and build interest in the science of Palaeontology with the special interest to the people and the institutions of Japan and the Province of Alberta.

(d) The purpose of the fund is to support multi year projects where contributors have specified that the donation, sponsorship and/or grant monies are to be spent only on those projects.

Human Rights Education and Multiculturalism Fund

Financial Statements

March 31, 2010

**Human Rights Education and Multiculturalism Fund
Financial Statements
March 31, 2010**

Auditor's Report

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Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Human Rights Education and Multiculturalism Fund as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years 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 audits.

I conducted my audits 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, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

Human Rights Education and Multiculturalism Fund
Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 2,025	\$ 2,025	\$ 1,825
Transfers from the Alberta Heritage Scholarship Fund	70	49	50
Investment Income	175	36	131
Premiums, Fees and Licences	35	66	25
Previous Years Refunds of Expenses	25	-	18
	<u>2,330</u>	<u>2,176</u>	<u>2,049</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Community Groups	1,550	1,612	1,523
Education Programs	655	489	430
Queen’s Golden Jubilee Awards and Medals	70	49	50
Administration	55	43	41
	<u>2,330</u>	<u>2,193</u>	<u>2,044</u>
Net Operating Results	<u>\$ -</u>	(17)	5
Operating Fund Balance, Beginning of Year		<u>1,680</u>	<u>1,675</u>
Operating Fund Balance, End of Year		<u>\$ 1,663</u>	<u>\$ 1,680</u>

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

Human Rights Education and Multiculturalism Fund
Statements of Financial Position
As at March 31
(thousands of dollars)

	2010	2009
Financial Assets		
Cash (Note 3)	\$ 1,825	\$ 1,706
Accounts Receivable (Note 4)	-	3
	1,825	1,709
 Cash Appropriated for Non-Current Use (Notes 3 and 5)	 1,450	 1,450
	\$ 3,275	\$ 3,159
 Liabilities		
Accounts Payable and Accrued Liabilities	\$ 162	\$ 28
Unearned Revenue	-	1
	162	29
 Fund Balances		
Operating	1,663	1,680
General Reserve – Restricted (Note 5)	1,450	1,450
	3,113	3,130
	\$ 3,275	\$ 3,159

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

Human Rights Education and Multiculturalism Fund
Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009
Operating Transactions		
Net Operating Results	\$ (17)	\$ 5
Decrease in Accounts Receivable	3	10
Increase (Decrease) in Accounts Payable and Accrued Liabilities	134	(204)
(Decrease) Increase in Unearned Revenue	(1)	1
 Cash Provided by (Applied to) Operating Transactions	 119	 (188)
	-	
Cash, Beginning of Year	1,706	1,894
Cash, End of Year	\$ 1,825	\$ 1,706

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

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31

Note 1 Authority and Purpose

The Human Rights Education and Multiculturalism Fund (Fund) operates under the authority of the *Alberta Human Rights Act*, Chapter A-25.5, 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 Alberta Human Rights 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 primarily 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 Education and Multiculturalism 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. Internal government transfers are recognized as revenue when received.

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31

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 not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. 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.

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31

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, 2010, securities held by CCITF have a time weighted return of 1% (2009 – 3.0%) per annum.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 4 Accounts Receivable (thousands of dollars)

	2010		2009	
Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value	
Accounts Receivable	\$ -	\$ -	\$ -	\$ 3

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.

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31

Note 6 Contractual Obligations (thousands of dollars)

Contractual obligations are obligations of the Fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009
Grant Agreements	\$ 457	\$ 763
Service Contracts	120	47
	\$ 577	\$ 810

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

	Grant Agreements	Service Contracts	Total
2011	\$ 260	\$ 96	\$ 356
2012	176	24	200
2013	21	-	21
	\$ 457	\$ 120	\$ 577

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31

Note 7 Honoraria (thousands of dollars)

	2010			2009	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Advisory Committee Chair ^(c)	\$ -	\$ -	\$ -	\$ -	-
Vice-Chair ^(d)	-	-	-	-	-
Other Members ^(e)	11	-	11	12	12
	<u>\$ 11</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ 12</u>	<u>12</u>

- (a) 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.
- (b) No benefits were provided to the Advisory Committee members.
- (c) The Chair of the Advisory Committee is a Member of the Legislative Assembly and is not compensated by the Fund. The Chair received Nil (2009 – Nil) from the Department of Culture and Community Spirit for his duties as Chair of the Advisory Committee.
- (d) The Vice-Chair of the Advisory Committee is the Chief of the Commission and Tribunals, Alberta Human Rights 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.
- (e) 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 2009 figures have been reclassified to conform to the 2010 presentation.

Note 9 Approval of Financial Statements

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

Human Rights Education and Multiculturalism Fund
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Grants	\$ 1,290	\$ 1,404	\$ 1,255
Supplies and Services	409	153	148
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	625	625	629
Honoraria (Note 7)	6	11	12
	\$ 2,330	\$ 2,193	\$ 2,044

^(a) The Fund receives financial and administrative services from the Department of Culture and Community Spirit.

Human Rights Education and Multiculturalism Fund
Related Party Transactions
Year ended March 31
(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 premiums, 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 on 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	
	2010	2009	2010	2009 (Restated)
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 2,025	\$ 1,825	\$ -	\$ -
Transfers from the Alberta Heritage Scholarship Fund	-	-	49	50
	<u>\$ 2,025</u>	<u>\$ 1,825</u>	<u>\$ 49</u>	<u>\$ 50</u>
Expenses				
Grants	\$ -	\$ -	\$ 50	\$ 50
Accounts Payable	<u>\$ 2</u>	<u>\$ 7</u>	<u>\$ 5</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	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Other Services	\$ 202	\$ 104	\$ -	\$ -
Accommodation Costs	-	-	65	65
Legal Services	-	-	-	2
	<u>\$ 202</u>	<u>\$ 104</u>	<u>\$ 65</u>	<u>\$ 67</u>

Human Rights Education and Multiculturalism Fund
Allocated Costs
Year ended March 31
(thousands of dollars)

Program	2010				2009	
	Expenses (a)	Other Services (b)	Accommodation Costs (c)	Legal Services (d)	Total Expenses	Total Expenses
Support to Community Groups	\$ 1,612	\$ 78	\$ 25	\$ -	\$ 1,715	\$ 1,570
Education Programs	489	82	29	-	600	515
Queen's Golden Jubilee Awards and Medals	49	4	1	-	54	55
Administration	43	38	10	-	91	75
	<u>\$ 2,193</u>	<u>\$ 202</u>	<u>\$ 65</u>	<u>\$ -</u>	<u>\$ 2,460</u>	<u>\$ 2,215</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.

The Wild Rose Foundation

Financial Statements

March 31, 2010

**The Wild Rose Foundation
Financial Statements
March 31, 2010**

Auditor's Report

Statements of Operations

Statements of Financial Position

Statements of Cash Flows

Notes to the Financial Statements

Schedule 1 – Expenses – Directly Incurred Detailed by Object

Schedule 2 – Related Party Transactions

Schedule 3 – Allocated Costs



Auditor's Report

To the Minister of Culture and Community Spirit

I have audited the statements of financial position of the Wild Rose Foundation as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits 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 Foundation as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Original signed by Merwan N. Saher, CA
Auditor General

Edmonton, Alberta
June 11, 2010

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

The Wild Rose Foundation
Statements of Operations
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ -	\$ -	\$ 8,516
Investment Income	475	79	407
Premiums, Fees and Licences	132	113	144
Other Revenue			
Donations	50	15	75
Prior Years Refunds of Expenses	60	28	61
Miscellaneous Revenue	12	14	17
	<u>729</u>	<u>249</u>	<u>9,220</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Vitalize Conference for Volunteers	729	734	819
Support to Alberta Non-Profit Organizations	-	-	4,977
International Development Program	-	-	1,749
Voluntary Sector Development	-	-	1,165
Other Initiatives	-	-	207
Administration	-	-	297
	<u>729</u>	<u>734</u>	<u>9,214</u>
Valuation Adjustments			
Provision for Doubtful Accounts	-	2	-
	<u>729</u>	<u>736</u>	<u>9,214</u>
Net Operating Results	<u>\$ -</u>	(487)	6
Operating Fund Balance, Beginning of Year		<u>2,310</u>	<u>2,304</u>
Operating Fund Balance, End of Year		<u>\$ 1,823</u>	<u>\$ 2,310</u>

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

The Wild Rose Foundation
Statements of Financial Position
As at March 31
(thousands of dollars)

	2010	2009
Financial Assets		
Cash (Note 4)	\$ 1,814	\$ 2,649
Accounts Receivable	-	58
Investment (Note 4)	6,500	6,500
	8,314	9,207
 Prepaid Expenses	 20	 41
	 \$ 8,334	 \$ 9,248
 Liabilities		
Accounts Payable and Accrued Liabilities	\$ 11	\$ 428
Unearned Revenue	-	10
	11	438
 Fund Balances		
Operating Fund	1,823	2,310
Endowment Fund – Internally Restricted (Note 5)	6,500	6,500
	8,323	8,810
	 \$ 8,334	 \$ 9,248

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

The Wild Rose Foundation
Statements of Cash Flows
Year ended March 31
(thousands of dollars)

	2010	2009
Operating Transactions		
Net Operating Results	\$ (487)	\$ 6
Non cash items included in Net Operating Results		
Valuation Adjustments	2	-
	(485)	6
Decrease (Increase) in Accounts Receivable before valuation adjustments	56	(56)
Decrease (Increase) in Prepaid Expenses	21	(8)
(Decrease) in Accounts Payable and Accrued Liabilities	(417)	(44)
(Decrease) Increase in Unearned Revenue	(10)	10
	(835)	(92)
Cash (Applied to) Provided by Operating Transactions		
Cash, Beginning of Year	2,649	2,741
Cash, End of Year	\$ 1,814	\$ 2,649

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

**The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31**

Note 1 Authority and Purpose

The Wild Rose Foundation (Foundation) operates under the authority of the *Wild Rose Foundation Act*, Chapter W-8, Revised Statutes of Alberta 2000.

The purposes of the Foundation are:

- To provide funding to volunteer, non-profit organizations that provide valuable services to Albertans;
- To foster or promote the use of volunteers, or to assist those who volunteer or use the services of volunteers in Alberta; and
- To foster or promote charitable, philanthropic, humanitarian, or public spirited acts or to assist those who perform them.

The Foundation is a Crown agent of the Government 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 primarily 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 Wild Rose Foundation, 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

Revenue

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. Internal government transfers are recognized as revenue when received.

**The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31**

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 Foundation has primary responsibility and accountability for, as reflected in the Government's budget documents.

Directly incurred expenses include amortization of tangible capital assets.

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 Foundation operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Foundation are limited to cash and financial claims such as accounts receivable from other organizations.

Assets acquired by right are not included. Tangible capital assets of the Foundation are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is \$250,000 and the threshold for major systems enhancements is \$100,000. The threshold for all other tangible capital assets is \$5,000.

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 the 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.

**The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31**

Note 3 Program Transfer (thousands of dollars)

The Leadership Development, Board Development, Youth Initiatives and Volunteer Awards/Week programs were transferred from the Wild Rose Foundation to the Department of Culture and Community Spirit effective April 1, 2009.

Note 4 Cash and Investment

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, 2010, securities held by CCITF have a time-weighted return of 1.0% (2009 – 3.0%) per annum.

Investment also consists of deposits in the CCITF. It represents deposits equivalent to the endowment fund balance. These deposits are internally restricted.

Due to the short-term nature of these deposits, the carrying value approximates fair value.

Note 5 Endowment Fund – Internally Restricted (thousands of dollars)

In 1985, the members of the Foundation directed that the initial contribution of lottery funds amounting to \$4,500 be placed in an endowment fund so that the funds are not available for use in its operations. In 1993, a further \$2,000 was transferred from the operating fund balance to the endowment fund. The purpose of the fund is to earn income and to retain an ongoing funding capability.

Interest earned on the endowment fund is reported as operating revenue.

**The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31**

Note 6 Honoraria (thousands of dollars)

	2010	2009
	Total ^(a)	Total
Board ^(b)		
Chair	\$ -	\$ 15
Other Members	-	24
	\$ -	\$ 39

^(a) The Foundation has no employees. Staff of the Department of Culture and Community Spirit administers the Foundation. 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

^(b) Effective April 7, 2009 the Board of the Foundation was no longer active.

Note 7 Contractual Obligations (thousands of dollars)

Contractual obligations are obligations of the Foundation to others that will become liabilities in the future when the terms of those contracts or agreements are met.

	2010	2009 (Restated)
Service Contracts		
Vitalize Conference for Volunteers	366	466
	\$ 366	\$ 466

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31

Note 7 Contractual Obligations (thousands of dollars) (continued)

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

	<u>Service Contracts</u>
2011	\$ 242
2012	<u>124</u>
	<u>\$ 366</u>

Note 8 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 9 Approval of Financial Statements

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

The Wild Rose Foundation
Expenses – Directly Incurred Detailed by Object
Year ended March 31
(thousands of dollars)

	2010		2009
	Budget	Actual	Actual
Grants	\$ -	\$ -	\$ 7,091
Supplies and Services	729	734	1,163
Supplies and Services from Support Services			
Arrangements with Related Parties ^(a)	-	-	921
Honoraria (Note 6)	-	-	39
	<u>\$ 729</u>	<u>\$ 734</u>	<u>\$ 9,214</u>
Valuation Adjustments			
Provision for Doubtful Accounts	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ -</u>

^(a) The Foundation received financial and program related administrative services from the Department of Culture and Community Spirit.

**The Wild Rose Foundation
Related Party Transactions
Year ended March 31
(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 Foundation paid or collected certain taxes and fees set by regulation for premiums, 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 Foundation had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	2010	2009	2010	2009
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ -	\$ 8,516	\$ -	\$ -
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ -	\$ 2
Accounts Receivable	\$ -	\$ 54	\$ -	\$ -
Accounts Payable	\$ 11	\$ 13	\$ -	\$ -

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

The Foundation 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.

	<u>Entities in the Ministry</u>		<u>Other Entities</u>	
	2010	2009	2010	2009
Expenses – Incurred by Others				
Accommodation Costs	\$ -	\$ -	\$ -	\$ 74
Other Services	92	19	-	-
	\$ 92	\$ 19	\$ -	\$ 74

**The Wild Rose Foundation
Allocated Costs
Year ended March 31
(thousands of dollars)**

Program	Expenses – Incurred by Others				Total Expenses
	Expenses ^(a)	Accommodation Costs ^(b)	Other Services ^(c)	Total Expenses	
Vitalize Conference for Volunteers Support to Alberta Non-Profit Organizations	\$ 734	\$ -	\$ 92	\$ 826	\$ 828
International Development Program	-	-	-	-	5,027
Voluntary Sector Development	-	-	-	-	1,767
Other Initiatives	-	-	-	-	1,176
Administration	-	-	-	-	209
					300
	\$ 734	\$ -	\$ 92	\$ 826	\$ 9,307

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

^(b) The Department of Infrastructure provided accommodations. Current year costs are reflected in the financial statements of the Department of Culture and Community Spirit.

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

Other Information

Ministry of Culture and Community Spirit Statements of Write-Offs Year Ended March 31, 2010

The following information is unaudited:

The following has been prepared pursuant to section 23 of the *Financial Administration Act*. This statement includes all write-offs made or approved during the fiscal year. There were no remissions or compromises.

	<u>Unaudited</u>
Write-offs	
Accounts receivable	<u>\$ 2,040</u>
Total	<u>\$ 2,040</u>

Acts Administered by Culture and Community Spirit

Culture and Community Spirit is responsible for a wide array of acts that have a direct impact on quality of life in Alberta. Below is a list of all acts administered by Culture and Community Spirit. If you would like to review these acts in more detail, they are included on the ministry's website (<http://culture.alberta.ca/about/legislation.aspx>).

Name of Act	Description
<i>Alberta Centennial Medal Act</i>	Establishes the Centennial Medal and the process to award medals to outstanding Albertans who have made significant contributions to society
<i>Alberta Foundation for the Arts Act</i>	Establishes the foundation with its mandate to promote arts development
<i>Alberta Human Rights Act</i>	Provides for Heritage Day and establishes the Human Rights Commission and the Human Rights and Multiculturalism Education Fund; prohibits discrimination on specific grounds
<i>Emblems of Alberta Act</i>	Establishes provincial emblems and governs the reproduction and use of the emblems
<i>Film and Video Classification Act</i>	Provides for licenses for screening motion pictures, classification of films and prohibits access of minors to adult videos
<i>First Nations Sacred Ceremonial Objects Repatriation Act</i>	Provides the mechanism for the repatriation of First Nations sacred objects
<i>Foreign Cultural Property Immunity Act</i>	Provides for immunity from seizure of foreign cultural property in Alberta
<i>Glenbow-Alberta Institute Act</i>	Enables the Glenbow-Alberta Institute to hold and administer grants, and to foster historical, cultural and scientific activities in Alberta
<i>Government House Act</i>	Establishes the foundation and sets out its mandate to preserve and promote Government House
<i>Historical Resources Act</i>	Provides for the use and protection of historic resources; establishes the Historic Resources Fund and the Alberta Historical Resources Foundation
<i>Holocaust Memorial Day and Genocide Remembrance Act</i>	Establishes Yom ha-Shoah – Holocaust Memorial Day
<i>Queen Elizabeth II Golden Jubilee Recognition Act</i>	Establishes special awards and scholarships that honour Alberta youth in recognition of the Queen's Golden Jubilee
<i>Wild Rose Foundation Act</i>	Establishes the foundation and sets out its mandate of providing grants for volunteer nonprofit organizations and to promote charitable and humanitarian activities

Performance Measures: Data Source and Methodology

Culture and Community Spirit Survey of Albertans

(Measures: 2.a, 3.a, 4.c, 4.d and 4.e)

The Culture and Community Spirit Survey of Albertans is an annual province-wide telephone survey of 1,000 adult Albertans. Resinnova Research Inc. conducted this survey using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. Albertans were asked questions about if they participated, attended or supported one of the following areas: arts and culture, volunteerism and heritage. Interviews were conducted from March 2 to 15, 2010 by trained and experienced interviewers. At least 10 per cent of each interviewer's work was directly monitored during the call. The response rate was 45 per cent and the results are reliable to within +/- 3.1 per cent, 19 times out of 20.

Alberta Film Development Program Production Reports

(Measure: 2.b)

The results for this measure are collected from the Alberta Film Development Program's administration records. Film production companies approved for funding under the Alberta Film Development Program submit production reports to the ministry for each production satisfactorily completed. Basic information from the production report is entered by program staff as data into an excel spreadsheet, which produces a sum of the dollar value of film productions for the fiscal year. Based on the value of the project, the film production companies provide either audit statements, review engagements prepared by qualified accountants or an affidavit as part of the production report. The production is included in the fiscal year that the grant authorization process is initiated, which is shortly after the production report is received. Reporting may occur in a different fiscal year than the year in which the bulk of production work takes place due to project completion times crossing the reporting year and influencing results for the following year.

Surveys of Community Initiatives Program Clients and Community Facility Enhancement Program Clients

(Measure: 3.b)

The 2009-10 surveys were conducted by Leger Marketing. Samples were drawn from all the Community Initiatives Program and Community Facility Enhancement Program clients from the first three quarters of the 2009-10 fiscal year. The final sample sizes were 320 for the Community Initiatives Program survey and 163 for the Community Facility Enhancement Program survey. Leger Marketing's VOXCO Interviewer System was used for data collection. Interviews for the two surveys were conducted between March 31 and April 12, 2010. Results were determined using the "yes" category of the response options "yes" and "no." Results for the surveys are totaled to produce the overall result. In terms of the combined individual results, 300 of the 320 (93.8 per cent) Community Initiatives Program clients responded "yes" and 156 of the 163 (95.7 per cent) of the Community Facility Enhancement Program clients responded "yes." The overall margin of error for the measure is +/- 3.6 per cent at the 95 per cent confidence level. The margin of error for the Community Initiatives Program survey is +/- 4.5 per cent at the 95 per cent confidence level and the margin of error for the Community Facility Enhancement Program survey is +/- 6.3 per cent at the 95 per cent confidence level. In order to meet the 2009-10 reporting deadline, the population for the 2009-10 result was limited to those clients who received funding in the first three quarters of the fiscal year, rather than four quarters in prior years. Caution is required in comparing results across years.

Client Survey – Customer Service Information System

(Measure: 3.c)

The survey was conducted from April 1, 2009 to March 31, 2010 by the Community Development Branch. Survey respondents are clients with whom agreements for service have been established and are selected from those who receive branch services. Clients are community leaders, members of organizations or representatives of government set in the context of group participation. Only projects completed during the fiscal year are counted in the survey, even if the project was started in a prior year. There were 3,982 surveys distributed; however, only 3,791 surveys were returned resulting in a response rate of 95.2 per cent. Overall satisfaction is based on the top two response categories of a six point scale (very satisfied, satisfied, slightly satisfied, slightly dissatisfied, dissatisfied and very dissatisfied). The margin of error is +/- 0.4 per cent.

Heritage Facilities Visitor Survey - Non-Local and Local Residents

(Measures: 4.a and 4.b)

The satisfaction level of visitors at provincial historic sites, museums and interpretive centres is determined through the Heritage Facilities Visitor Survey – Non-Local and Local Residents. A multi-stage, stratified systematic random sample is used, and each facility is sampled independently. This measure reports the overall satisfaction level of independent visitors. This excludes school groups, tours or other groups; after-hours visitors to facilities; people attending education programs; or visitors attending facilities for special functions. A private research firm, Banister Research and Consulting Inc. was responsible for survey and questionnaire design updates, data quality control, data entry, verification and final report preparation. Overall results were determined using the top two combined response categories of a five-point rating scale (i.e., very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied and very dissatisfied).

Culture and Community Spirit Survey of Albertans – Human Rights

(Measure: 5.a and 5.b)

The Culture and Community Spirit Survey of Albertans – Human Rights is an annual province-wide telephone survey of 1,000 adult Albertans. Resinnova Research Inc. conducted this survey using a random sample stratified by age group, gender and geographic location to be representative of Alberta's population. For performance measure 5.a, the results are based on the combined total of adult Albertans who indicated human rights are "fairly well" or "very well" protected in Alberta, the top two categories of a four point scale. For performance measure 5.b, the results are based on the combined total of adult Albertans who indicate they "agree" or "strongly agree" that their workplace is free from discrimination. Interviews were conducted from February 16 to March 2, 2010 by trained and experienced interviewers. At least 10 per cent of each interviewer's work was directly monitored during the call. The response rate was 48.8 per cent and the results are reliable to within +/- 3.1 per cent, 19 times out of 20.

Readership Survey

Culture and Community Spirit 2009-10 Annual Report

Thank you for reading the Culture and Community Spirit 2009-10 Annual Report. We hope that you will take a few minutes to complete this readership survey. We are committed to continuous improvement and welcome your feedback and suggestions.

Instructions: Please read each question carefully and circle the rating that best describes your response. If you require more space for your response, please use a separate piece of paper and identify the corresponding question clearly. If you have any questions, or require further clarification, please call Brad Babiak (780) 644-3272 or send an e-mail to brad.babiak@gov.ab.ca

If you would like to be contacted regarding your feedback, please provide your information below.

Name:
Organization:
Telephone Number:
E-mail:

1. Having reviewed and read through the Culture and Community Spirit 2009-10 Annual Report, how would you rate it overall on the following characteristics? Using a scale of one to five, where ONE is STRONGLY DISAGREE, THREE is NEUTRAL, and FIVE is STRONGLY AGREE, do you agree that...*(Please circle only one rating number for each statement.)*

	Strongly Disagree		Neutral		Strongly Agree
I learned something new about the ministry by reading this report.....	1	2	3	4	5
This annual report is easy to read.....	1	2	3	4	5
This annual report was informative and useful to me.....	1	2	3	4	5
The report has an appealing format/look	1	2	3	4	5
I can easily find information that I am looking for.....	1	2	3	4	5
I plan on using this annual report as a reference.....	1	2	3	4	5
Overall, this annual report meets my needs as a reader	1	2	3	4	5

2. What areas or features did you like the most about this annual report?

3. What areas or features would you recommend for further improvement?

Please fax this survey to (780) 427-0255 or mail it to Culture and Community Spirit, Planning and Performance Measurement, 7th Floor, Standard Life Centre, 10405 Jasper Avenue, Edmonton Alberta, Canada, T5J 4R7

