

Alberta ■

Freedom To Create. Spirit To Achieve.

Culture and Community Spirit

Annual Report
2010-11

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 2010-11

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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 contains ministers' accountability statements, the audited 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 strategic 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, 2011, 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 May 26, 2011, 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

The past year has been one of discovery, celebration and engagement – all with the goal of supporting our cultural policy, *The Spirit of Alberta*. Across the province, our ministry worked within its means to support arts and culture, preserve and protect our heritage, work together with our nonprofit/voluntary sector, protect human rights and promote fair and inclusive communities.

Community engagement is an essential component of our ministry, and it helps ensure our policies and programs meet today's challenges. We continued dialogues with the arts community and nonprofit/voluntary sector organizations, holding sessions in eight communities. To further support the voluntary sector, our government brought together 12 community leaders to form the new Nonprofit and Voluntary Sector Citizens' Advisory Committee to provide advice on addressing sector issues.

In January 2011, I took part in meetings with key American film studios and independent producers in Los Angeles. Along with the Alberta Film Commissioner; Edmonton and Calgary film commissioners; and representatives from the Alberta Association of Motion Picture and Television Unions and the Alberta Media Production Industries Association, our goal was to explore ways to help increase television, film and digital media productions in Alberta.

Investment in communities through grant programs is another way we work to build strong and healthy communities. Last year, the Community Initiatives Program and Community Facility Enhancement Program provided \$64.7 million to 1,361 applicants. An additional 32 initiatives received \$24.7 million in funding support through the Other Initiatives Program. In the third year of the Community Spirit Program, 1,792 applicants shared \$14.9 million. When coupled with the charitable tax credit for individual contributions, we are continuing our efforts to encourage increased individual charitable giving, while providing support to nonprofit/voluntary sector organizations in Alberta to meet our citizen's needs and build strong and healthy communities.

Our culture was showcased during Alberta Arts Days, which drew thousands of participants to 681 events in 91 communities, and helped to inspire a Canada-wide celebration of arts and culture: National Culture Days. Alberta's vibrant culture was also on display at the 2010 Grey Cup festivities.

Last year also saw many celebrations of our province's heritage and history. The Royal Tyrrell Museum celebrated two milestones: its 25th anniversary and its 10 millionth visitor. In February, Edmonton's Rutherford House also began celebrating its 100th anniversary. In addition, two significant discoveries of dinosaur fossils took place in Edmonton and Fort McMurray. Our department also designated three sites as provincial historic resources in Smoky Lake County, Didsbury and the Crowsnest Pass.

The process for the resolution and settlement of complaints of discrimination to the Alberta Human Rights Commission was strengthened with the appointment of a new director, one full-time and four part-time commissioners.

And yet again, Pollstar Magazine - the concert and live touring events publication that is the industry standard - showed that indeed, "It's all at the Jube" as Alberta's Jubilee Auditoria ranked as the second and third top theatres in Canada, and the 44th and 46th in the world, based on ticket sales in 2010.

These examples offer a glimpse of a few of the many accomplishments in our ministry as we continue the work of enriching and enhancing our province.

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 entities 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 strategic plan, 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 public sector accounting standards. 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 – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

As deputy minister, in addition to program responsibilities, I am responsible for 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:

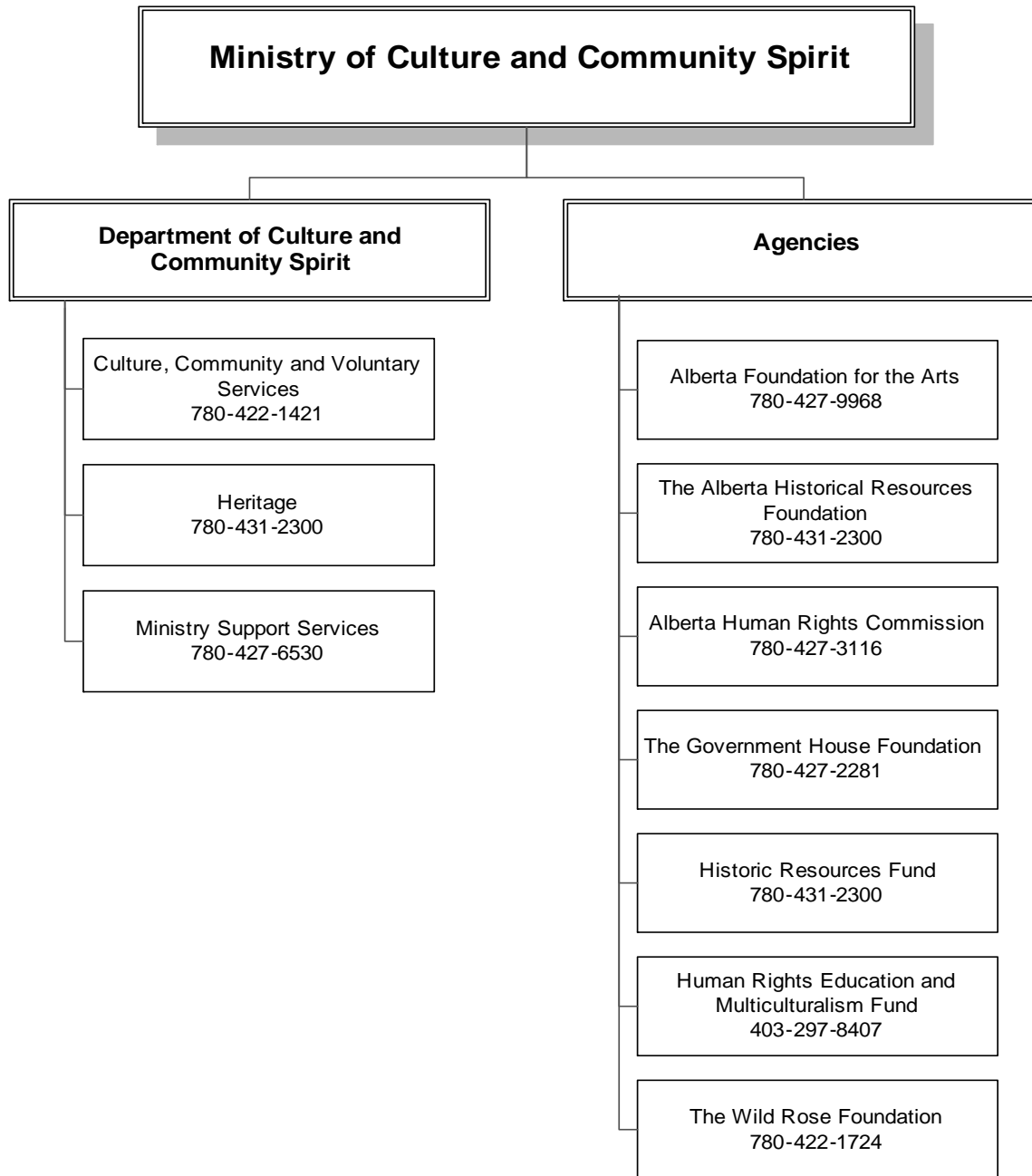
- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board, the Minister of Finance and Enterprise and the Minister of Culture and Community Spirit 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
May 26, 2011*

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. Culture, Community and Voluntary Services

The Culture, Community and Voluntary Services Division supports a wide range of community and cultural endeavours through education programs and services; collaboration, facilitation and consultation services; and financial support to community organizations. The division works closely with Alberta's nonprofit/voluntary sector in developing its sustained ability to provide services to communities.

The Community Spirit Program encourages charitable giving to nonprofits and charities through the charitable tax credit and donation grant. Lottery-funded grant programs such as the Community Facility Enhancement Program, Community Initiatives Program and Other Initiatives Program offer a diverse range of financial supports to meet the needs of communities and nonprofit organizations. The division also supports the work of the Alberta Human Rights Commission in protecting human rights and promoting fairness and access, including the administration of the Human Rights Education and Multiculturalism Fund.

The division works with artists, arts organizations and cultural industries to provide opportunities for Albertans to experience the arts. It provides support to the Alberta Foundation for the Arts for grant programs dedicated to promoting and showcasing the arts. The division also manages the Northern and Southern Alberta Jubilee Auditoria, which are premier venues that enhance Albertans' access to performing and community-based events. The Alberta Film Commission facilitates the growth and sustainability of Alberta's film, television and digital media industries by working with stakeholders and ensuring the province remains an attractive production centre for local and foreign productions. In addition, financial incentives used to attract film, television and digital media production are managed through the Alberta Multimedia Development Fund (formerly 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.

2. Heritage

The Heritage Division preserves, protects and presents Alberta's natural and cultural history. 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 Provincial Archives of Alberta, Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology, Reynolds-Alberta Museum, Ukrainian Cultural Heritage Village, Remington Carriage Museum and 14 historic sites and interpretive centres. It also manages the provincial heritage collections, and develops and delivers education programs, exhibitions and 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. It also provides support to The Alberta Historical Resources Foundation and The Government House Foundation.

3. 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 and arts organizations 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; for artists to develop excellence in artistic practice; and for organizations to increase capacity for arts programming. The Alberta Foundation for the Arts collects visual art of artistic and historical significance by Alberta artists and supports programming to display artwork from the collection in communities throughout the province.

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*. 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 Alberta's Lieutenant Governors. 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 historical 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 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 promote volunteerism through the provision of financial assistance, skills development and training, and recognition initiatives. The foundation currently provides funding for the annual Vitalize Provincial Voluntary Sector Conference.



Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measure identified as “Reviewed by Auditor General” in the Ministry of Culture and Community Spirit’s 2010-11 Annual Report. This performance measure is the responsibility of the Ministry and is prepared based on the following criteria:

- Reliability – Information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – Current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – Performance measures and targets match those included in Budget 2010.

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 this performance measure.

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

Based on my review, nothing has come to my attention that causes me to believe that the “Reviewed by Auditor General” performance measure in the Ministry’s 2010-11 Annual Report is 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 this performance measure.

[Original signed by Merwan N. Saher, CA]
Auditor General

May 3, 2011

Edmonton, Alberta

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)	Prior Years' Results				Target	Current Actual	
Facilitate the ability to build and sustain the arts, film, television, digital media, sound recording and book and magazine publishing as contributing to the provincial economy and the quality of life of Albertans							
1. A culturally vibrant province where Albertans are aware of and appreciate Alberta's unique cultural identity							
Performance Measures Under Development: The ministry is developing performance measures to help indicate progress toward this goal.							
2. A thriving arts sector with growth and sustainability in Alberta's film, television, digital media, sound recording, and book and magazine publishing industries							
Participation in the arts:							
2.a	Percentage of adult Albertans who participated in arts activities or events*	87.6% 2006-07	87.4% 2007-08	91.0% 2008-09	90.7% 2009-10	90%	89.5% 2010-11
Film and television production spending:							
2.b	Dollars spent in Alberta as a result of film and television productions supported by the Alberta Multimedia Development Fund (\$million)	N/A 2006-07	87.5 2007-08	89.6 2008-09	93.4 2009-10	104.5	63.5 2010-11
Support Alberta's communities and the nonprofit/voluntary sector							
3. Alberta has a strong nonprofit/voluntary sector supporting its communities							
Volunteerism:							
3.a	Percentage of adult Albertans who volunteered in their community	N/A 2006-07	N/A 2007-08	81.4% 2008-09	82.7% 2009-10	81%	72.3% 2010-11
Effectiveness of the Community Initiatives and Community Facility Enhancement Programs:							
3.b	Percentage of Community Initiatives Program and Community Facility Enhancement Program grant recipients who indicated the funding benefited their community	98.1% 2006-07	96.9% 2007-08	99.2% 2008-09	94.4% 2009-10	98%	93.8% 2010-11
Satisfaction with capacity building facilitation services and workshops:							
3.c	Percentage of customers satisfied with capacity building facilitation services and workshops	97.1% 2006-07	98.3% 2007-08	97.3% 2008-09	97.6% 2009-10	98%	96.8% 2010-11

Preserve Alberta's historic resources and make them accessible

4. Alberta's rich heritage is valued, and historic resources are preserved and accessible to Albertans

Importance of historical resources to quality of life:

4.a Percentage of adult Albertans who feel that historical resources in Alberta communities are important in contributing to the overall quality of life in Alberta**	93.9% 2006-07	94.7% 2007-08	95.0% 2008-09	95.4% 2009-10	95%	93.3% 2010-11
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Visitation to heritage facilities:

4.b Percentage of adult Albertans who visited a heritage facility in Alberta	58.1% 2006-07	56.9% 2007-08	62.7% 2008-09	60.9% 2009-10	59%	61.3% 2010-11
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Protection and preservation of historical resources:

4.c Percentage of adult Albertans who agree that overall historical resources are being adequately protected and preserved in Alberta communities	68.3% 2006-07	67.5% 2007-08	63.1% 2008-09	64.6% 2009-10	66%	65.5% 2010-11
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Satisfaction with provincial heritage facilities:

4.d Percentage of visitors satisfied with experiences at provincial heritage facilities ***	98.5% 2006-07	98.2% 2007-08	99.0% 2008-09	N/A 2009-10	N/A	N/A 2010-11
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Knowledge gained of Alberta history:

4.e Percentage of visitors to provincial heritage facilities who rated the knowledge they gained of Alberta history as excellent or good***	90.3% 2006-07	91.1% 2007-08	92.7% 2008-09	N/A 2009-10	N/A	N/A 2010-11
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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

Human rights protection:

5.a Percentage of adult Albertans who believe human rights are well protected in Alberta	88.1% 2006-07	88.0% 2007-08	91.1% 2008-09	89.1% 2009-10	90%	89.1% 2010-11
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Freedom from workplace discrimination:

5.b Percentage of Albertans who believe their current or last place of work in Alberta is free of discrimination	81.0% 2006-07	79.3% 2007-08	81.3% 2008-09	80.9% 2009-10	82%	79.0% 2010-11
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* This measure is also included in *Measuring Up* 2010-11 under goal eight. Data for this measure for years 2009-10 and 2010-11 were audited by the Auditor General as indicated in the *Measuring Up* Auditors' Report.

** Indicates the Performance Measure that has been reviewed by the Office of the Auditor General.

The performance measure indicated with ** was selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal and mandated initiatives.
- Measures for which new data is available.
- Measures that have well established methodology.

*** Starting in 2010, this survey was being conducted every three years.

Discussion and Analysis of Results

Strategic Priorities

1. Build a culturally vibrant province

In its third year, Alberta Arts Days has grown to 681 events in 91 communities around the province. Alberta Arts Days helped to inspire the creation of the inaugural pan-Canadian 2010 National Culture Days, a movement designed to increase awareness, accessibility and participation in the arts and cultural life of Canadian communities. Online resources provided Albertans with access to celebrations across the province and assisted event organizers in planning and promoting their events. Alberta Arts Days was promoted online through Facebook, Flickr, Twitter, Google Maps and ministry websites. During the three-day event, the ministry also offered free admission and special programs at its historic sites and museums.

The Premier's Council on Arts and Culture continued in its role to assist in championing *The Spirit of Alberta* and advise the ministry on significant matters pertaining to culture. This included convening a special meeting of the council and ministry agencies, which led to an increased level of awareness of mandates between the agencies and the establishment of informal networks between the groups.

Approximately 108,000 K-12 students participated in almost 5,000 curriculum-based programs delivered by the Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology and Provincial Archives of Alberta. This included the video conferencing programs for K-12 students in Alberta and around the world. Additionally, online collections were enhanced by the digitization of approximately 800 new specimen images from the Royal Tyrrell Museum of Palaeontology, which supplemented the 2,000 existing images that are available worldwide through the ministry's online Heritage Resources Management Information System.

2. Partner with the nonprofit/voluntary sector

In late 2010, the minister hosted a series of dialogues with the nonprofit/voluntary sector in follow-up to events held in 2009-10. The purpose was to learn of progress made and to discuss new opportunities to collectively develop solutions that would help ensure the long-term growth and success of the sector and support healthy and vibrant communities. Participants included representatives of social services, human rights, education, environment, health and faith, multicultural, parks and sports and recreation organizations.

The government brought together 12 community leaders from across the province to form the new Nonprofit and Voluntary Sector Citizens' Advisory Committee to provide advice on issues facing the nonprofit/voluntary sector. The committee reviewed information gathered from the minister's series of dialogues with the nonprofit/volunteer sector, aimed at finding ways of working together for the betterment of Albertans. Also, the ministry provided facilitation of various meetings and public/stakeholder consultations, organizational development and numerous training opportunities for several hundred organizations. These efforts strengthened nonprofit/voluntary sector capacity by helping organizations meet their needs and address community issues.

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 facilitation of a planning session with ministries involved in the Alberta Gang Reduction Strategy to prioritize actions for implementation. Consultation and training were also provided to organizations applying to the Safe Communities Innovation Fund.

3. Inclusive communities

The process for the resolution and settlement of complaints of discrimination to the Alberta Human Rights Commission has been strengthened with the appointment of a new director, one full-time and four part-time commissioners. The new director brings expert knowledge of labour and administrative law to the commission, having served on various tribunals in Canada, most recently as Commissioner of the Canada Pension Plan/Old Age Security Act Review Tribunals. The new members of the commission are members of the Alberta legal community who bring expertise in relevant areas of the law, including human rights law, labour law, mediation and arbitration.

4. Infrastructure sustainability

In association with the Ministry of Infrastructure, ministry staff advanced the redevelopment capacity of the Royal Alberta Museum by initiating construction in fall 2010 at the Acheson Centre to convert it to a heritage collections facility. As well, a greater understanding of the museum's natural and human history requirements was gained through numerous planning and design exercises. Plans for a new museum in downtown Edmonton were announced in April 2011. The existing Royal Alberta Museum at the Glenora site will remain open to the public until the new facility is completed.

5. Economic diversification through culture

The ministry supported the development and implementation of a project-building plan for the Alberta Creative Hub, a permanent soundstage and film studio managed by a nonprofit society. The result of this project will be a common infrastructure that will foster growth and innovation of creative industries, particularly Alberta's film, television and digital media industries. When completed, it will be a centre for cultural excellence to help attract and retain talent and productions to Alberta, increasing the economic contribution of this industry to Alberta. In January 2011, a mission to Los Angeles, California, was undertaken to highlight Alberta as a premier filming location to key film studios and independent producers in the United States.

The Alberta Film Development Program was renamed the Alberta Multimedia Development Fund to highlight the inclusion of funding for digital media and projects in the digital multimedia sector. It continues to assist conventional production practices, encourage new business models and accommodate alternative distribution or broadcast delivery options. Also, four new programs were implemented to provide additional support to the production sector in the areas of project/script development, export market development, training and mentorship, and Alberta stories.

Core Business 1

Facilitate the ability to build and sustain the arts, film, television, digital media, sound recording and book and magazine publishing as contributing to the provincial economy and the quality of life of Albertans

Goal 1

A culturally vibrant province where Albertans are aware of and appreciate Alberta's unique cultural identity

Overview

Culture and Community Spirit supports this goal by coordinating the support and promotion of *The Spirit of Alberta*. This policy has four keystones: Albertans, no matter where they live or their level of income, have the access to a wide range of cultural activities; communities have the capacity they need to support culture; our artists and creators are striving to achieve excellence; and government policy will encourage cultural industry capacity, sustainability and development. As well, the ministry develops partnerships involving other ministries, other governments, the private sector, the nonprofit/voluntary sector and the cultural sector to explore and recommend new ways to support the cultural policy.

Results

The minister continued to engage the arts sector in dialogues across the province to identify challenges and opportunities where the government and the arts sector could work together to support healthy and vibrant communities. In follow-up to the meetings held in 2009-10, the minister returned to Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge and Red Deer as well as visited two new communities: Cold Lake and Medicine Hat. Approximately 175 people from the arts sector participated in this second round of dialogues. Those who were unable to attend the meetings were able to provide feedback through the Culture and Community Spirit website. The size of the arts sector in Alberta, along with diverse local needs and interests, resulted in unique conversations within each community. There were, however, a number of themes that were repeated in several of the conversations that are important to note, including: promoting the arts; funding challenges; communication and collaboration; facility needs; engaging the private sector; engaging young Albertans; and regional challenges facing northern communities.

The Premier's Council on Arts and Culture continued in its role to assist in championing *The Spirit of Alberta* and advise the ministry on significant matters pertaining to culture. One initiative undertaken was to convene a special meeting of the council and the ministry's agencies. This meeting was held in September 2010 in Drumheller. It was the first time the council had met with representatives from the Alberta Foundation for the Arts, the Alberta Historical Resources Foundation, the Alberta Nonprofit/Voluntary Sector Initiative and the Human Rights and Multiculturalism Education Fund Advisory Committee. A significant level of awareness was created between the agencies regarding one another's mandates and led to the creation of informal networks between the council and the agency representatives.

Ministry staff also continued to work with colleagues at all levels of government and in the community on initiatives related to culture. Within the provincial government, some of the partnerships included assisting the Alberta Japan Office to promote an Alberta musician performing in Japan, and providing the Ministry of Service Alberta with updated content for the cultural bundle on its website. At the federal level, representatives from the ministry participate on the Federal-Provincial/Territorial Culture/Heritage and Tourism Initiative. Additionally there are many partnerships with municipalities, nonprofit groups, cultural industries and individual artists through community investment programs.

Goal 2

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

Overview

Culture and Community Spirit supports this goal by working with artists, arts organizations and cultural industries to promote participation in, and foster an appreciation of, the arts. This includes preserving, maintaining and displaying Alberta's art collections; providing support to new media, the sound recording and book and magazine publishing industries; and distributing grants to artists and arts organizations through the Alberta Foundation for the Arts. At the Jubilee Auditoria, the ministry showcases a wide variety of cultural and community events, including international touring theatre companies and musicians. The ministry collaborates with stakeholders to align government and film, television and digital media industry efforts to increase industry capacity, sustainability and development. This includes classifying all films prior to public exhibition, licensing and regulating film distributors, and communicating classifications to movie theatres and media outlets.

Results

In its third year, Alberta Arts Days has grown to 681 events in 91 communities across the province. Alberta Arts Days helped to inspire the inaugural pan-Canadian 2010 National Culture Days, which was designed to increase awareness, accessibility and participation in Canadian cultural life. Online resources provided Albertans with access to celebrations across the province and assisted event organizers in planning and promoting their events. Alberta Arts Days was promoted online through Facebook, Flickr, Twitter, Google Maps and ministry websites. During the three-day event, the ministry also offered free admission and special programs at its historic sites and museums.

DID YOU KNOW? The Alberta Arts Days website was the most viewed departmental website for the month of September 2010, while the Alberta Culture Calendar was the third most viewed that month.

The Alberta Film Development Program was renamed the Alberta Multimedia Development Fund to highlight the inclusion of funding for digital media and projects in the digital multimedia sector. The fund continues to assist conventional film productions and encourages new business models and alternative distribution or broadcast delivery options. Also, four new programs were implemented to provide additional support to the production sector in the areas of project/script development, export market development, training and mentorship, and Alberta stories.

The ministry also supported the development of a project-building plan for the Alberta Creative Hub, a permanent sound stage and film studio managed by a nonprofit society. This common infrastructure will foster growth and innovation of creative industries, particularly film, television and digital media. When completed, it will be a centre for cultural excellence and help to attract and retain talent and productions, increasing the economic contribution of this industry to Alberta. A mission with key American film studios and independent producers in Los Angeles, California, was undertaken in January 2011 by the minister, the film commissioners of the province, the City of Edmonton and the City of Calgary; and representatives from the Alberta Association of Motion Picture and Television Unions and the Alberta Media Production Industries Association. The goal of the visit was to promote Alberta as a premier filming location and explore ways to help increase television, film and digital media productions in Alberta.

The ministry worked with over 40 film festivals and community groups to provide rating and content information for over 900 films screened in communities across the province. Age ratings and advance content information for over 450 films were provided to Albertans on albertafilmratings.ca, which experienced a 20 per cent increase in web traffic over last year. Every movie theatre in the province was provided with promotional material about Alberta's age rating and content information system to support the implementation of the 2009 *Film and Video Classification Act*. A link to information about the act on albertafilmratings.ca received nearly 2,000 visits from public and industry stakeholders wanting to learn more.

DID YOU KNOW? The ministry website albertafilmratings.ca has a Twitter feed ([abfilmrating](#)) to provide Albertans with instantaneous movie content and ratings information as it becomes available.

To provide opportunities for artists throughout the province, the ministry supported cultural activities such as Alberta House, which was a component of the 2010 Grey Cup Festival in Edmonton. The four-day festival featured performances from Alberta artists and performers representing an array of disciplines including literary arts, Aboriginal arts, theatre, music, visual arts, culinary arts and sports. Also, a social media strategy was implemented to provide Albertans with increased awareness of the Traveling Exhibition and Art Placement programs. Over 3,000 visits were made to the Traveling Exhibition online maps, which locate exhibits in Alberta communities.

Alberta Foundation for the Arts grant streams such as Arts Festivals, Community Presenting, and Individual Project grants provided opportunities for artists to travel throughout Alberta and around the world to participate in major events. For example, the foundation's Cultural Relations grants enabled Alberta artists to act as cultural ambassadors in China, France, Germany, the United Kingdom, Japan, Cuba, South Africa, Burundi and Argentina.

DID YOU KNOW? The Alberta Foundation for the Arts collection has more than 8,200 artworks and includes more than 3,000 paintings, 1,100 drawings and 600 sculptures. More than 2,600 of these artworks are out on display in Alberta communities.

The Alberta Foundation for the Arts grant program structure continued to evolve based on input from the foundation's Program Evaluation Steering Committee. The grant programs will be streamlined from four programs of 36 grant streams to three programs of 18 grant streams to lessen administrative burden on organizations. Included in this restructuring is a reduced number of grant application forms to enhance clarity within the application process.

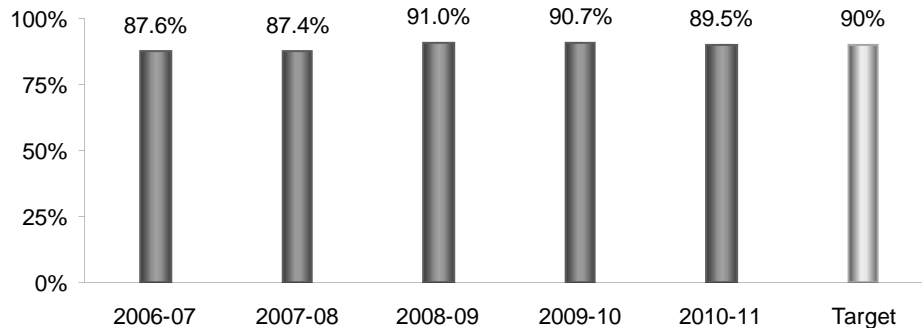
The Alberta Foundation for the Arts targeted the 2010-11 fiscal year as a transitional programming year, with full implementation of grant stream changes slated for the 2011-12 fiscal year. Responsibility for cultural industries granting has been transferred from the Alberta Foundation for the Arts to the department. This decision will result in the alignment of the cultural industry grant streams with the recently renamed Alberta Multimedia Development Fund, and the refinement of guidelines to further support the ministry's commitment to the Cultural Industries goal of *The Spirit of Alberta*.

From hosting touring shows and concerts, to supporting Alberta's cultural organizations, community celebrations, graduations and amateur performances, the Jubilee Auditoria provide a place for Albertans to experience all types of arts and culture. Last year, Pollstar Magazine - the concert and live touring events publication industry standard - ranked the Jubilee Auditoria as the second and third top theatres in Canada, and the 44th and 46th in the world, based on ticket sales in 2010.

Performance Measures

2.a Participation in the arts:

Percentage of adult Albertans who participated in arts activities or events



Source: Culture and Community Spirit Survey of Albertans on Culture

Description

This measure indicates 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

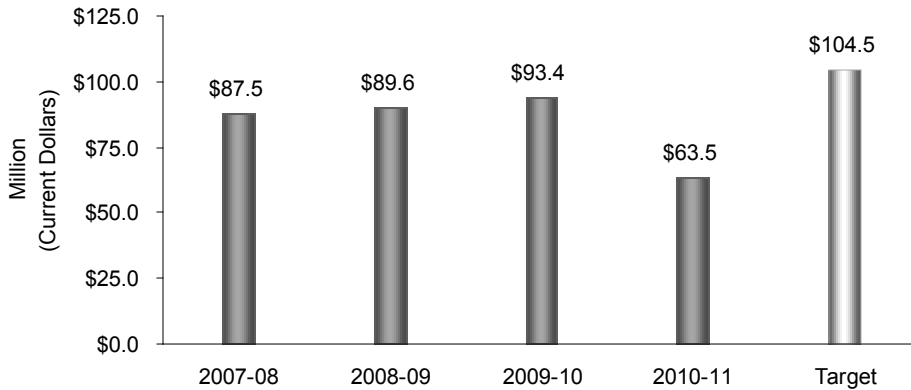
In 2010-11, 89.5 per cent of adult Albertans participated in arts activities or events. The result was slightly less than the target of 90 per cent but remains consistently high and just below the near record levels of the past two years.

Analysis

Albertans' decisions to attend and participate in arts activities or 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 (46.3 per cent) and participation (52.1 per cent) at arts activities or events. Continuing high levels of participation may be attributed to the continued success of Alberta Arts Days and other events such as Alberta House, a component of the four-day festival that featured performances from Alberta poets, songwriters and comedy improv groups leading up to the 2010 Grey Cup in Edmonton. The Jubilee Auditoria, operated by the ministry, helps to support Alberta's cultural policy by offering access to cultural events and activities to all Albertans.

2.b Film and television production spending

Dollars spent in Alberta as a result of film and television productions supported by the Alberta Multimedia Development Fund (\$million)



Source: Alberta Multimedia Development Fund Production Reports

Note: In 2010-11, the Alberta Film Development Program was renamed the Alberta Multimedia Development Fund.

Description

This measure indicates the total dollar expenditure in Alberta of all film productions supported by the Alberta Multimedia Development Fund. Eligible costs generally include all expenditures where the good or service is purchased and consumed in Alberta.

Results

In 2010-11, \$63.5 million was spent in Alberta as a result of film and television productions supported by the Alberta Multimedia Development Fund. The result was \$41 million less than the target of \$104.5 million.

Analysis

The key influencing factors contributing to the result include the cancellation of two dramatic series and the residual effect of the global economic situation that resulted in a worldwide decrease in film production. The continued high value of the Canadian dollar has also further reduced the attractiveness of Alberta for foreign productions. In addition, the effects of the aggressive financial incentives recently implemented by British Columbia, Ontario, Quebec and several American states that affected Alberta's competitiveness are now being felt. While recent action was taken to increase Alberta's competitiveness in attracting and retaining film and television productions by increasing grant percentages by six per cent, and raising the per project grant cap to \$5 million from \$3 million, it may take time for the changes to have an influence. Finally, southern Alberta lacks the competitive draw of a permanent studio facility, a requirement in attracting large budget productions to the province. The development of the Alberta Creative Hub will significantly improve the province's ability to attract foreign production and better facilitate indigenous production, resulting in growth to the sector overall.

Core Business 2

Support Alberta's communities and the nonprofit/voluntary sector

Goal 3

Alberta has a strong nonprofit/voluntary sector supporting its communities

Overview

Culture and Community Spirit provides support to this goal through capacity building initiatives within Alberta's communities and the nonprofit/voluntary sector. This includes working in collaboration with the sector and offering awareness, recognition, leadership and training. The ministry provides facilitation and consultation services as well as public participation and stakeholder consultation processes to the nonprofit/voluntary sector, community organizations, networks and government entities. The ministry also provides financial support to Alberta's community organizations, nonprofit organizations and public-use facilities through a diverse range of programs and grants (e.g., Community Spirit Program, Community Initiatives Program and Community Facility Enhancement Program).

Results

In late 2010, the minister hosted a series of dialogues with the nonprofit/voluntary sector in follow-up to meetings held in 2009-10. The purpose was to learn of progress made and to discuss new opportunities to collectively develop solutions that would help ensure the long-term growth and success of the sector, and support healthy and vibrant communities. Participants included representatives of social services, human rights, education, environment, health and faith, multicultural, parks and sports and recreation organizations.

To help further the conversation, two communities were added to the second tour for a total of eight community visits in Grande Prairie, Calgary, Red Deer, Fort McMurray, Edmonton, Lethbridge, Cold Lake and Medicine Hat. Approximately 230 representatives from Alberta's nonprofit/voluntary sector participated in the second round of dialogues. Those who were unable to attend the meetings were able to provide feedback through the Culture and Community Spirit website. The size of the nonprofit/voluntary sector in Alberta, along with diverse local needs and interests, resulted in unique conversations within each community. There were, however, a number of themes that were repeated in several of the conversations including: capacity of sector organizations; promoting the value of the sector; health and sustainability of the sector; collaboration; funding practices; and under-represented groups.

DID YOU KNOW? For 22 consecutive years, Alberta's annual provincial voluntary sector conference, Vitalize, has helped organizations achieve their goals by providing affordable and accessible skills development.

The government brought together 12 community leaders from across the province to form the new Nonprofit and Voluntary Sector Citizens' Advisory Committee to provide advice on issues facing the nonprofit/voluntary sector. As a part of its work, the committee reviewed information gathered from the minister's dialogues with the sector.

The Alberta Nonprofit/Voluntary Sector Initiative provided cross-ministry forums for discussion of nonprofit/voluntary sector issues including the initiative's Ministers Meetings, Collaboration Committee Meetings, Deputy Ministers Meetings and the Continuing the Dialogue session, a cross-ministry and cross-sector dialogue on sector funding. The minister, along with his Alberta Nonprofit/Voluntary Sector Initiative ministerial colleagues, had discussions on how ministries can work more collaboratively to ensure a better understanding of the sector, and how government programs and services can better align with high priority needs related to the sector. Also, members of the Alberta Nonprofit/Voluntary Sector Initiative and several deputy ministers had discussions on the issue of how nonprofit/voluntary sector organizations and the clients they serve are changing.

The ministry supported a partnership with the Ministry of Environment to develop a Terms of Reference and a strategic plan for the Community of Practice on Public Engagement to share and distribute information on public engagement, and to hold workshops on topics such as how to make communities of practice more effective.

To address community issues, the ministry's Community Development Branch worked with over 500 rural and urban community organizations, municipalities and other ministries on over 800 projects. This work was done through organizational development, training and facilitation of various meetings and public/stakeholders consultations. More than 900 consultations and workshops were held with over 13,000 participants.

DID YOU KNOW? Client feedback indicated that the ministry, through the Community Development Branch, did an excellent job of guiding the planning process and drawing out both board and community members. Branch staff allowed clients to express their own ideas without influence.

The third year of the Community Spirit Program was launched with the continued goal of increasing individual charitable giving and providing support to individual nonprofit/voluntary sector organizations in Alberta. In total, 1,792 applicants to the donation grant program from around the province shared \$14.9 million in 2010-11. Further financial support was provided through the Community Initiatives Program, the Community Facility Enhancement Program and the Other Initiatives Program to assist nonprofit community organizations in responding to identified needs equitably across the province. The Community Initiatives Program and the Community Facility Enhancement Program provided \$64.7 million to 1,361 applicants to benefit community projects and initiatives throughout the province. An additional 32 initiatives received \$24.7 million in funding support through the Other Initiatives Program.

DID YOU KNOW? During the 2010-11 donation grant cycle, the Community Spirit Program received approximately 33 per cent of their applications through the new online application system.

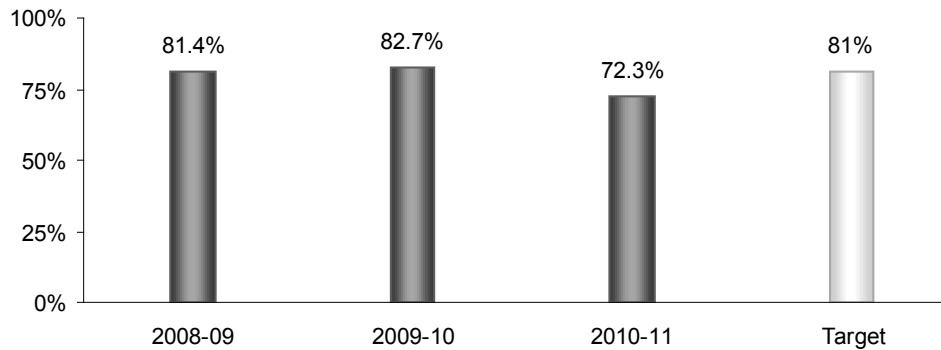
In partnership with other ministries, police, community groups, municipalities, businesses and social agencies, the ministry supported the Safe Communities Initiative to promote strong and vibrant communities and reduce crime. This included facilitation of a planning session with ministries involved in the Alberta Gang Reduction Strategy to prioritize actions for implementation. Assistance was also provided to several organizations interested in applying to the Safe Communities Innovation Fund by providing consultation and training in proposal writing.

The ministry contributed to developing meaningful, long-term solutions to reduce crime and preserve the safety of our communities through facilitation, consultation and training services to 70 community organizations, municipalities and other ministries. Examples of the range of support provided include facilitation of a meeting for the Smoky Lake Rural Crime Watch Association; a stakeholder input session for the Alberta School Boards Association's drug awareness committee; and board governance training for Crisis Centre Sexual Assault Services in Red Deer. The Alberta Gaming and Liquor Commission and Alberta Health Services also received facilitation support to update a draft action plan for a government working session on the Alberta Alcohol Strategy.

Performance Measures

3.a Volunteerism

Percentage of adult Albertans who volunteered in their community



Source: Culture and Community Spirit Survey of Albertans on Culture

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.

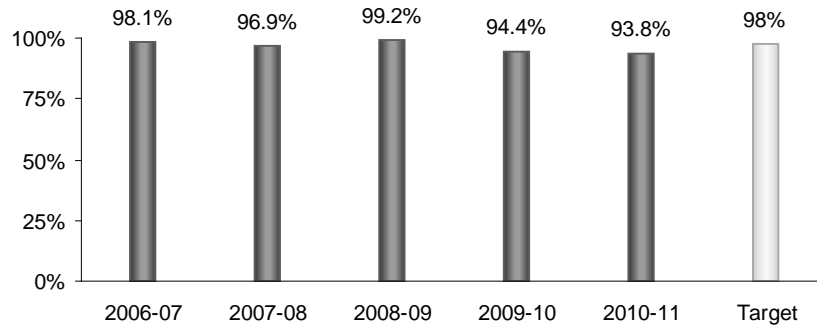
Results

In 2010-11, 72.3 per cent of adult Albertans reported that they volunteered, 8.7 per cent lower than the target.

Analysis

The 2010-11 result was 10.4 per cent less than the 2009-10 survey result of 82.7 per cent. The most significant decrease in volunteering was in the area of informal volunteering (-13.6 per cent) but declines were also seen in arts and culture (-4.4 per cent), human services (-2.2 per cent), other various types of volunteer work (-3.8 per cent) and sport (-2.6 per cent). One area, youth development, had an increase in volunteering (3.8 per cent). The Alberta volunteerism rate is influenced by Alberta's economy, job market and the amount of free time Albertans have to volunteer. There was also an emerging trend identified among organizations on how volunteers want to be engaged. Rather than volunteer two afternoons a week for example, volunteers want to be involved in group volunteering, episodic volunteering and using social media and other technological methods to volunteer. This year, Albertans indicated their primary barriers to volunteering include lack of time (48 per cent), disability or health problem (15.2 per cent) and lack of interest in volunteering (8.3 per cent).

3.b Effectiveness of the Community Initiatives and Community Facility Enhancement Programs: Percentage of Community Initiatives Program and Community Facility Enhancement Program grant recipients who indicated the funding benefited their community



Source: Community Initiatives Program Client Survey and Community Facility Enhancement Program Client Survey
Note: Due to the new annual report timelines, the result for the 2010-11 fiscal year is based on the last quarter of the 2009-10 fiscal year and the first three quarters of the 2010-11 fiscal year.

Description

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

Results

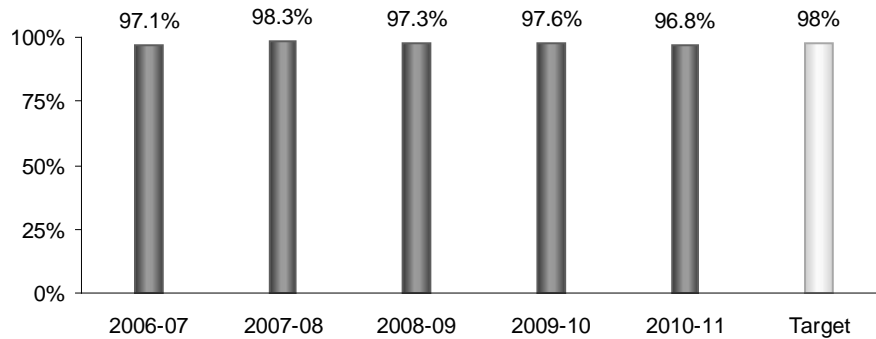
In 2010-11, 93.8 per cent of Community Initiatives Program and Community Facility Enhancement Program grant recipients agreed that the funding benefited their community. While the result remains exceptionally high, the target was not met.

Analysis

The completion status of projects, unforeseen increases in project costs and the amount of funding requested versus received are potential influences on the result. In total, \$64.7 million was provided to 1,361 applicants through these two grant programs to improve Alberta communities. Of the recipients who responded that the Community Initiatives Program benefited their community, 91 per cent indicated that the funding enabled their organization to increase the quality of services it provides. For example, funding was used for essential service costs to build or upgrade a building or facility, or for events, programs and equipment. Of the recipients that received funding from the Community Facility Enhancement Program, 88.5 per cent indicated that the funding maintained or increased services to their community; for example, funding was used to upgrade or build facilities. Furthermore, 71.2 per cent of these respondents indicated the facility would now be used for new or additional activities or purposes.

3.c Satisfaction with capacity building facilitation services and workshops:

Percentage of customers satisfied 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 capacity building facilitation services and workshops. Capacity building facilitation services and workshops encompass a broad range of activities including planning, knowledge and skill transfer, and facilitation and/or consultation regarding a variety of topics from organization development to public stakeholder consultations.

Results

In 2010-11, 96.8 per cent of clients were satisfied with the ministry's capacity building facilitation services and workshops. While the result remains exceptionally high, the target was not met.

Analysis

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 to 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 800 projects were supported, with approximately 600 of those completed in 2010-11.

Core Business 3

Preserve Alberta's historic resources and make them accessible

Goal 4

Alberta's rich heritage is valued, and historic resources are preserved and accessible to Albertans

Overview

Culture and Community Spirit supports this goal by managing, operating and promoting a network of provincial heritage facilities that comprises five major museums, 14 historic sites and interpretive centres, and the Provincial Archives of Alberta. This includes managing an irreplaceable legacy of millions of historic and scientific objects, specimens and records. Curriculum-based and general interest programs, exhibits, events and activities provide learning opportunities for children, students and adults. The ministry ensures that over 450 designated historic places and thousands of archaeological and palaeontological sites are protected. The ministry regulates land-based development activities to preserve significant historic resources and ensure that industry adopts appropriate heritage management practices. The Alberta Historical Resources Foundation provides advice and funding assistance for historical preservation and presentation.

Results

In association with the Ministry of Infrastructure, staff advanced the redevelopment capacity of the Royal Alberta Museum by initiating construction in fall 2010 at the Acheson Centre to convert it to a heritage collections facility. As well, a greater understanding of the museum's natural and human history requirements was gained through numerous planning and design exercises. Plans for a new museum in downtown Edmonton were announced in April 2011. The existing Royal Alberta Museum at the Glenora site will remain open to the public until the new facility is completed.

Further infrastructure projects included the implementation of protective and interpretive strategies at the Hoodoos Site in Drumheller. This included the installation of three staircase systems, a wheelchair accessible elevated walkway, two shade structures, benches and an upper fence system.

DID YOU KNOW? Travel Alberta honoured the Royal Tyrrell Museum of Palaeontology with the distinguished Alberta Pride Alto Award, which was created to recognize organizations that offer special tourism experiences.

In support of the *Land-use Framework*, an agreement was established between the Royal Alberta Museum and the Alberta Biodiversity Monitoring Institute for the sorting, identification and storage of specimens from approximately 1,117 terrestrial and 72 aquatic sites across Alberta, using a combination of museum and contracted services. This information will be used to monitor and provide scientific data on biodiversity and land use.

DID YOU KNOW? The Royal Alberta Museum's Natural Selections exhibition was nominated for two Rosie Awards at an annual event celebrating production excellence, which was hosted by the Alberta Media Picture Industries Association.

Online ministry collections were enhanced by the digitization of approximately 800 new specimen images from the Royal Tyrrell Museum of Palaeontology, and supplemented the 2,000 existing images that are available worldwide through the ministry's online Heritage Resources Management Information System.

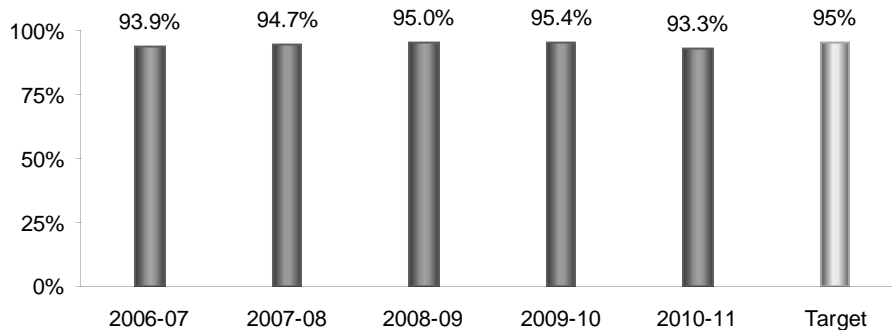
In 2010-11, the ministry delivered almost 5,000 K-12 programs to approximately 108,000 students. Content ranged from dinosaurs to aerodynamics, magnets to musical instruments, and homesteading to bugs to bogs. All programs are aligned with the Alberta Education curriculum and some have been formally accredited. The Royal Tyrrell Museum of Palaeontology saw a 25 per cent increase in the number of video conference programs delivered to schools in Alberta, Canada and around the world. Additionally, new video conferencing school programs were developed by the Royal Alberta Museum, Royal Tyrrell Museum of Palaeontology and Provincial Archives of Alberta. These programs increase students' knowledge of the province's natural history.

DID YOU KNOW? The Royal Tyrrell Museum of Palaeontology celebrated its 25th anniversary with a special new exhibit, *Alberta Unearthed*, and reached a new attendance milestone of 10 million visitors.

Performance Measures

4.a Importance of historical resources to quality of life:

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 on Culture

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

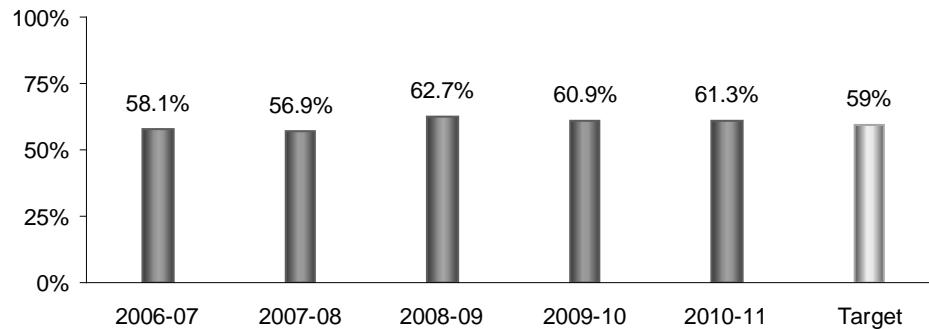
In 2010-11, 93.3 per cent of adult Albertans felt that Alberta's historical resources are important in contributing to their overall quality of life. This was 1.7 per cent lower than the target but remains exceptionally high.

Analysis

Media coverage of heritage events and activities may influence Albertans' perception of the importance of historical resources to their overall quality of life. The ministry helped to raise awareness of Alberta's historical resources by offering free admission and activities at provincial museums and historic sites during Family Day and Alberta Arts Days events, where Albertans could meet museum curators and scientists. Education programs and online access to Alberta museums and historic sites could also have contributed to the result.

4.b Visitation to heritage facilities:

Percentage of adult Albertans who visited a heritage facility in Alberta



Source: Culture and Community Spirit Survey of Albertans on Culture

Description

This measure provides an indication of 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

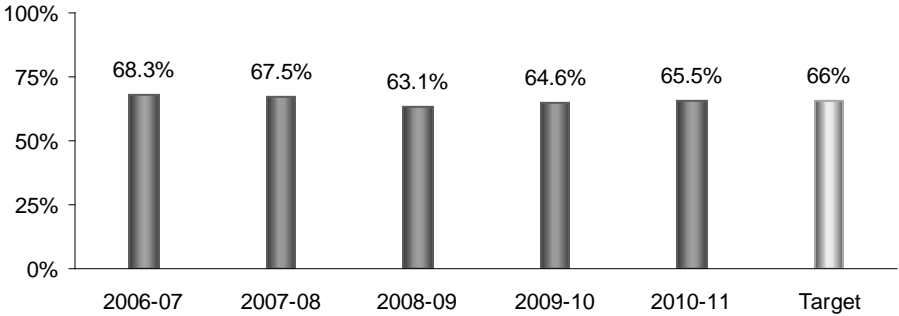
In 2010-11, 61.3 per cent of adult Albertans visited a heritage facility in Alberta. The result exceeded the target by 2.3 per cent.

Analysis

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 current economic climate, there were almost 900,000 visits to provincially operated heritage facilities in 2010-11. Successful promotional/advertising campaigns and free admissions to provincial facilities during special events contributed to the result. It may also have been influenced by the Royal Tyrrell Museum of Palaeontology celebrating its 25th anniversary and welcoming its 10 millionth visitor. Virtual exhibits of facilities, online resources and distance learning at both the Royal Tyrrell Museum of Palaeontology and the Royal Alberta Museum may also have influenced the results.

4.c Protection and preservation of historical resources:

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 on Culture

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

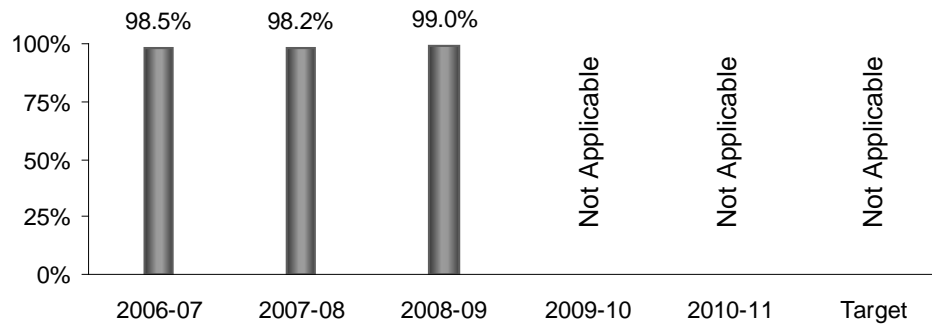
In 2010-11, 65.5 per cent adult Albertans agreed that overall historical resources are being adequately protected and preserved in Alberta communities, essentially meeting the target.

Analysis

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 Alberta communities could also influence their response. Media coverage of heritage events and activities may influence Albertans’ perception that historical resources are being adequately protected and preserved. For example, the United Merchants of Alberta general store was given as a gift from the Town of Smoky Lake to the Ukrainian Cultural Heritage Village. The store was trucked to the village, where it will be restored to its original 1930s appearance. Other preservation activities carried out by the ministry may also have contributed to the result. For example, in 2010-11, there were 14 new designations of community-based historical resources (mostly historic buildings) throughout the province.

4.d Satisfaction with provincial heritage facilities:

Percentage of visitors satisfied with experiences at provincial heritage facilities



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

Note: Starting in 2009-10, this survey was being conducted every three years. However, this measure was removed from the ministry's 2011-14 business plan due to the consistency in results and the high cost associated with the survey.

Description

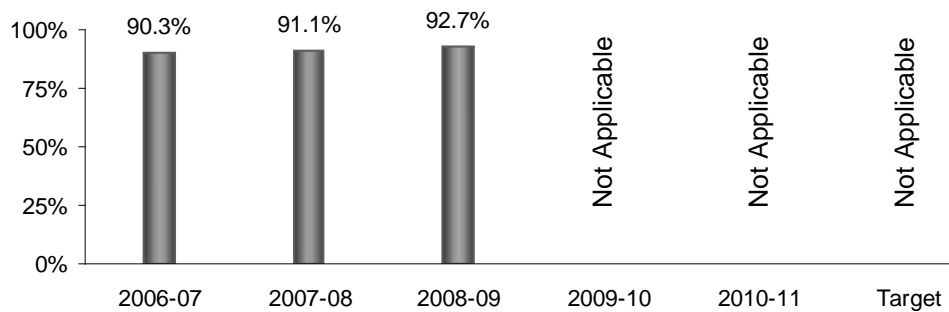
This measure assesses visitors' level of overall satisfaction with their experiences at provincial historic sites, museums and interpretive centres.

Results

The measure was removed from the ministry's 2011-14 business plan due to the consistency in results and the high cost associated with the survey. However, sites continue to measure satisfaction in ways that best meet their individual operating needs and ultimately allow them to deliver better visitor experiences.

4.e Knowledge gained of Alberta history:

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

Note: Starting in 2009-10, this survey was being conducted every three years. However, this measure was removed from the ministry's 2011-14 business plan due to the consistency in results and the high cost associated with the survey.

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

The measure was removed from the ministry's 2011-14 business plan due to the consistency in results and the high cost associated with the survey. However, sites continue to measure satisfaction indicators in ways that best meet their individual operating needs and ultimately allow them to deliver better visitor experiences.

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

Culture and Community Spirit supports this goal by promoting the awareness and understanding of Alberta's human rights legislation and by offering support to resolve and adjudicate human rights complaints through the Alberta Human Rights Commission. The ministry provides education, information and consultative services to support human rights, equity, diversity and multiculturalism in the province. The ministry also represents Alberta with respect to the province's international human rights responsibilities. The Human Rights Education and Multiculturalism Fund provides financial support to community organizations and public institutions (e.g., schools, post-secondary institutions) for initiatives that foster equality, reduce discrimination and racism, remove organizational barriers and increase community capacity to build inclusive organizations and communities.

Results

The ministry was actively engaged in supporting nonprofit organizations in their efforts to create a greater sense of belonging in communities by providing consultative support to organizations across Alberta. Through the Human Rights Education and Multiculturalism Fund, the ministry also provided 25 grants to qualified organizations totalling more than \$1 million for projects that helped build welcoming and inclusive communities, and reduced racism and discrimination. Many of these projects focused on youth, Aboriginal and ethno-cultural issues.

Additionally, a grant from the Human Rights Education and Multiculturalism Fund to the Alberta Recreation and Parks Association will support the Diversity Friendly Communities project. This project will use the association's Active, Creative and Engaged Communities framework, extensive provincial network, resources and community building tools to help communities prepare for increased diversity. It will help develop leaders who are capable of managing the process for change.

Organizations, associations and conference participants heard presentations from ministry staff on strategies and initiatives to increase access and reduce barriers to participation. More than 9,100 Albertans were exposed to human rights-related displays and materials at 36 events across the province. In addition, communication initiatives were launched to promote awareness of days significant to human rights and diversity, including Holocaust Memorial Day (Yom ha-Shoah), International Day for the Elimination of Racial Discrimination, Black History Month, Ukrainian Famine and Genocide Memorial Day (Holodomor), International Human Rights Day and Multiculturalism Day.

The ministry continued to champion the Coalition of Municipalities Against Racism and Discrimination in Alberta. A total of 10 Alberta municipalities have committed to this United Nations Educational, Scientific and Cultural Organization initiative, the largest number of any jurisdiction in Western Canada. The Alberta Urban Municipalities Association passed a resolution at its annual convention that speaks to the importance and benefits of the coalition and urged municipalities to join. Several of the municipalities that are members of the coalition have completed action plans that identify how their communities will combat racism and discrimination.

The Welcoming and Inclusive Communities partnership with the Alberta Urban Municipalities Association began its third year. The partnership was developed to assist communities to build welcoming and inclusive communities and to support municipalities that had joined the Coalition of Municipalities Against Racism and Discrimination. Partnership work continued in a number of different areas, including a literature and best practices review, the collection of community profiles, a webinar for municipal leaders and the launch of a Welcoming and Inclusive Communities website.

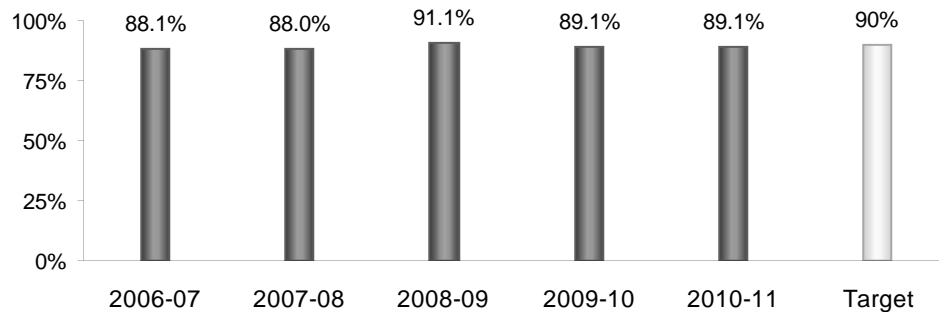
The ministry collaborated with partners to increase capacity and understanding of hate crimes and incidents through involvement in initiatives such as Hate Crime Awareness Day, the Hate Crime website, meetings with stakeholder groups and participation in the Alberta Hate Crimes Committee. A grant to support the committee's work of addressing hate in communities will help it build community capacity to respond to hate crimes in Alberta. A strategic plan will be developed to set the direction and priorities for the committee and resources and tools will be created to support these priorities as well as the needs identified by the communities.

The process for the resolution and settlement of complaints of discrimination to the Alberta Human Rights Commission has been strengthened with the appointment of a new director, one full-time and four part-time commissioners. The new director brings expert knowledge of labour and administrative law to the commission, having served on various tribunals in Canada, most recently as Commissioner of the Canada Pension Plan/Old Age Security Act Review Tribunals. The new members of the commission are members of the Alberta legal community who bring expertise in relevant areas of the law, including human rights law, labour law, mediation and arbitration.

Performance Measures

5.a Human rights protection:

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



Source: Culture and Community Spirit Survey of Albertans on Human Rights and Diversity

Description

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

Results

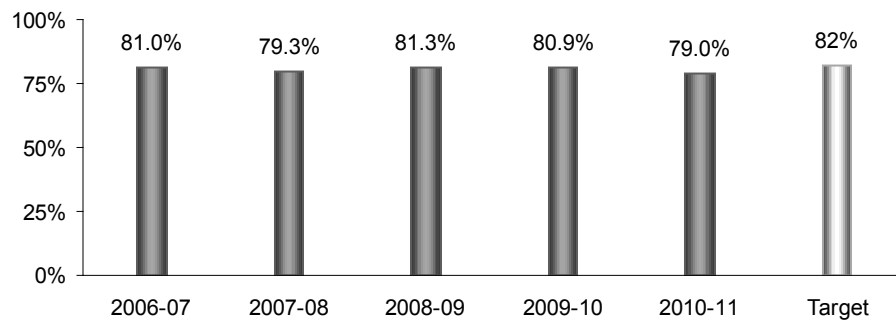
In 2010-11, 89.1 per cent of adult Albertans felt that human rights were well protected in Alberta, less than the target but consistent with previous years' results.

Analysis

Media coverage on human rights issues or events (both within and outside of Alberta), legislative matters or complaints involving human rights and respondent's knowledge of Alberta human rights legislation have an impact on results. Between the 2001 and 2006 Census of Population, Alberta's immigrant population increased by 20.2 per cent. This was more than double the increase in the non-immigrant population. Over this same period, the number of visible minority Albertans increased by 37.7 per cent. A growing and increasingly diverse population in Alberta is expected to continue and while the proportion and number of immigrants and visible minorities in Alberta has increased, the percentage of Albertans who believe that human rights are well protected has remained largely consistent. To help educate Albertans last year, human rights displays were set up at 36 events targeting an estimated audience of more than 9,100 people. 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 to combat discrimination.

5.b Freedom from workplace discrimination:

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 on Human Rights and Diversity

Description

This measure indicates adult Albertans' perceptions of whether their place of work is free from discrimination.

Results

In 2010-11, 79 per cent of Albertans believed their current or last place of work in Alberta is free of discrimination, less than the target but largely consistent with previous years' results.

Analysis

Key factors influencing the results are company practices, workplace policies and interaction with co-workers. Knowledge of human rights legislation and what constitutes discrimination, including media coverage of these issues, are also factors. The proportion and number of immigrants and visible minorities in Alberta has increased. Between the 2001 and 2006 Census of Population, Alberta's immigrant population increased by 20.2 per cent. This was more than double the increase in the non-immigrant population. Over this same period, the number of visible minority Albertans increased 37.7 per cent, directly influencing the diversity of Alberta's workforce. While the diversity of Alberta's workforce has increased, the percentage of workers who agree their current or last place of work in Alberta is free of discrimination has remained largely consistent. To educate both employers and employees, 81 workshops on building respectful and inclusive workplaces were held by the Alberta Human Rights Commission for more than 2,100 participants. Workshop modules offered included The Duty to Accommodate; Discrimination and Harassment in the Workplace; along with workshops on complaint resolution and investigation.

Financial Summary

Revenue Highlights (millions of dollars)

	2011		2010
	Budget	Actual	Actual
Internal Government Transfers	\$ 180.1	\$ 179.6	\$ 190.6
Transfers from the Government of Canada	30.7	20.9	2.1
Investment Income	0.6	0.4	0.4
Premiums, Fees and Licences	5.0	4.8	5.3
Other Revenue	13.6	10.8	13.2
Total Revenues	\$ 230.0	\$ 216.5	\$ 211.6

Revenues increased by \$4.9 million from the prior year and totalled \$216.5 million in 2010-11. The primary source of revenue consists of \$179.6 million in internal government transfers, of which there was a net decrease of \$11 million from the prior year. There was an overall decrease of \$21 million in lottery funding provided for various initiatives including the Community Spirit Program donation grant, the Community Initiatives Program, Major Fairs and Exhibitions, the Alberta Multimedia Development Fund and the Other Initiatives Program. This decrease also included less lottery funding to the Alberta Foundation for the Arts, The Alberta Historical Resources Foundation and the Human Rights Education and Multiculturalism Fund. This decrease was offset by \$10 million in additional lottery funding provided for the first payment of a two-year \$20 million one-time commitment to support the Mount Royal Conservatory of Music.

Transfers from the Government of Canada were \$20.9 million, representing an increase of \$18.8 million from the prior year. This increase is primarily related to funding provided from the Government of Canada's Infrastructure Stimulus Fund for the Canada Sports Hall of Fame, Citadel Theatre and GO Community Centre. Actuals were less than budget due to the fact that these projects have not been completed and as such, eligible expenses have not been incurred or reimbursed. This federal program has been extended to October 31, 2011.

The ministry's funds and agencies generated \$0.4 million in investment income, which represents no change in interest earnings from the prior year. Premiums, fees and licences generated \$4.8 million and include admission fees to heritage facilities and film classification fees. Other revenue totalled \$10.8 million and includes revenue from donations, contributions in-kind, sales, rental revenue generated at the Northern and Southern Alberta Jubilee Auditoria, refunds of expenses and other miscellaneous revenues.

Expense Highlights (millions of dollars)

	2011		2010
	Budget	Actual	Actual
Arts and Cultural Industries	\$ 56.0	\$ 52.6	\$ 65.2
Community and Voluntary Support Services	164.6	172.7	144.4
Heritage	47.4	45.2	50.6
Human Rights and Citizenship	7.8	7.6	7.7
Ministry Support Services	7.8	7.6	7.5
Valuation Adjustments	0.1	0.5	9.1
Total Expenses	\$ 283.7	\$ 286.2	\$ 284.5

Expenses increased by \$1.7 million from the prior year and totalled \$286.2 million in 2010-11.

Funding of more than \$52 million was provided for arts and cultural industries, including over \$15 million for the Alberta Multimedia Development Fund, \$29 million for the Alberta Foundation for the Arts and \$4.8 million to support the Northern and Southern Alberta Jubilee Auditoria.

Nearly 60 per cent or \$172.7 million of total spending was used in support of the nonprofit/voluntary sector through various community grants and voluntary services programs, including: almost \$41 million for the Community Facility Enhancement Program to build, purchase, repair and improve community-use facilities; more than \$24 million through the Community Initiatives Program to enhance and enrich project-based community initiatives; more than \$15 million in grant funding for the Community Spirit Program donation grant to assist nonprofit and charitable organizations in their operations, programs or capital projects; and nearly \$25 million was for worthy projects, including \$5 million provided in International Disaster Relief assistance to the Canadian Red Cross in support of relief efforts in Japan. In addition, almost \$31 million was provided towards one-time capital projects in collaboration with the Government of Canada, including the Canada Sports Hall of Fame, Citadel Theatre, GO Community Centre and Mount Royal Conservatory of Music.

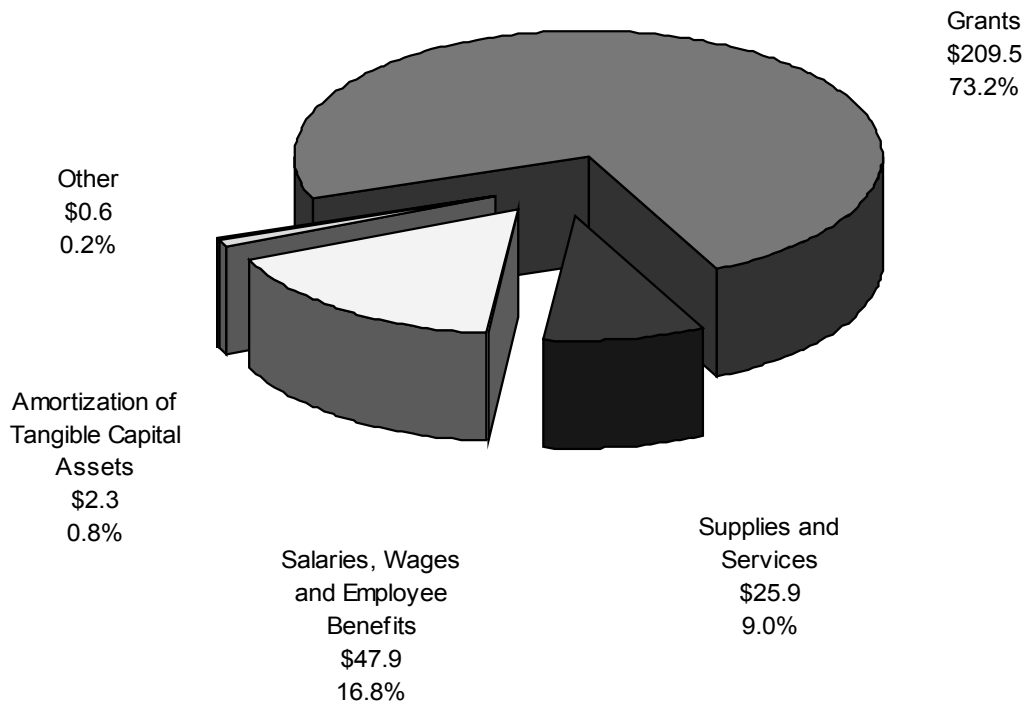
Funding of \$45.2 million was utilized to support Alberta's network of historic sites and museums, including the Royal Alberta Museum and the Royal Tyrrell Museum of Palaeontology. This funding also supported heritage preservation and conservation programs, including \$8.2 million provided through the Alberta Historical Resources Foundation.

Funding of \$7.6 million was used to protect human rights and create healthier and more inclusive communities in Alberta. This included over \$1.9 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 \$8.1 million, or 2.8 per cent of total expenses, was used to address general support and other services to manage overall ministry operations.

Ministry Operating Expense by Object (millions of dollars)

Operating expense by object - \$286.2



The ministry's greatest operating expense was grants, where 73.2 per cent of the budget is directed. In 2010-11, approximately \$209.5 million was awarded to support individuals, organizations and communities. Expenditures for salaries, wages and employee benefits primarily to manage heritage facilities, support community groups, administer grant programs and adjudicate human rights cases totalled \$47.9 million. The remainder of the ministry's expenses were for supplies and services (\$25.9 million), amortization of tangible capital assets (\$2.3 million) and other expenses (\$0.6 million).

Ministry Expense by Function (millions of dollars)

	2011		2010
	Budget	Actual	Actual
Agriculture, Resource Management and Economic Development	\$ 42.3	\$ 38.0	\$ 45.2
Protection of Persons and Property	8.7	8.4	8.4
Recreation and Culture	232.7	239.8	230.9
Total Expense by Function	\$ 283.7	\$ 286.2	\$ 284.5

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 titled Agriculture, Resource Management and Economic Development includes expenses related to the development and promotion of agriculture and other sectors of the economy, such as cultural industries. 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, 2011

**Ministry of Culture and Community Spirit
Consolidated Financial Statements
March 31, 2011**

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Independent Auditor's Report



To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Culture and Community Spirit, which comprise the consolidated statement of financial position as at March 31, 2011, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

Ministry of Culture and Community Spirit
Consolidated Statement of Operations
Year ended March 31, 2011

	2011		2010
	Budget (Schedule 4)	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Revenues (Schedule 1)			
Internal Government Transfers	\$ 180,105	\$ 179,630	\$ 190,518
Transfers from the Government of Canada	30,710	20,890	2,137
Investment Income	647	453	393
Premiums, Fees and Licences	4,963	4,751	5,315
Other Revenue	13,595	10,751	13,207
	<u>230,020</u>	<u>216,475</u>	<u>211,570</u>
Expenses – Directly Incurred (Note 2(c) and Schedules 3 and 6)			
Arts and Cultural Industries	55,979	52,606	65,150
Community and Voluntary Support Services	164,623	172,657	144,362
Heritage	47,436	45,157	50,626
Human Rights and Citizenship	7,813	7,558	7,723
Ministry Support Services	7,750	7,634	7,553
	<u>283,601</u>	<u>285,612</u>	<u>275,414</u>
Valuation Adjustments			
Provision for Environmental Obligations	-	861	8,518
Provision for Doubtful Accounts and Inventory Write-off	-	25	61
Provision for (Decrease in) Vacation Pay and Banked Overtime	90	(338)	548
	<u>90</u>	<u>548</u>	<u>9,127</u>
	<u>283,691</u>	<u>286,160</u>	<u>284,541</u>
(Loss) on Disposal of Tangible Capital Assets	<u>-</u>	<u>(203)</u>	<u>(287)</u>
Net Operating Results	<u>\$ (53,671)</u>	<u>\$ (69,888)</u>	<u>\$ (73,258)</u>

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

**Ministry of Culture and Community Spirit
Consolidated Statement of Financial Position
As at March 31, 2011**

	2011	2010
		(Restated) (Note 3)
	(in thousands)	
Assets		
Cash (Note 4)	\$ 19,406	\$ 20,882
Accounts Receivable, Prepaid Expenses and Inventories (Note 5)	11,233	2,797
Cash Appropriated for Non-Current Use (Note 4)	8,467	8,467
Tangible Capital Assets (Schedule 7)	17,005	17,983
	\$ 56,111	\$ 50,129
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 78,555	\$ 84,496
Unearned Revenue	373	1,182
	78,928	85,678
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(35,549)	(117,699)
Net Operating Results	(69,888)	(73,258)
Net Financing Provided from General Revenues	82,620	155,408
Net Assets (Liabilities) at End of Year	(22,817)	(35,549)
	\$ 56,111	\$ 50,129

Contractual obligations and contingent liabilities (Notes 8 and 9)

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

Ministry of Culture and Community Spirit
Consolidated Statement of Cash Flows
Year ended March 31, 2011

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (69,888)	\$ (73,258)
Non-cash Items included in Net Operating Results		
Amortization	2,273	2,014
Valuation Adjustments	548	9,127
Loss on Disposal of Tangible Capital Assets	203	287
	(66,864)	(61,830)
(Increase) Decrease in Accounts Receivable, Prepaid Expenses and Inventories	(8,461)	1,442
(Decrease) in Accounts Payable and Accrued Liabilities	(6,464)	(91,563)
(Decrease) Increase in Unearned Revenue	(809)	940
	(82,598)	(151,011)
Cash (Applied to) Operating Transactions		
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedule 7)	(2,055)	(2,795)
Disposal of Capital Assets	4	-
Transfers of Tangible Capital Assets to Others (Schedule 7)	553	237
	(1,498)	(2,558)
Cash (Applied to) Capital Transactions		
Financing Transactions		
Net Financing Provided from General Revenues	82,620	155,408
	(1,476)	1,839
Increase (Decrease) in Cash		
Cash at Beginning of Year	20,882	19,043
Cash at End of Year	\$ 19,406	\$ 20,882

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, 2011

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 nonprofit/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 in accordance with Canadian public sector accounting standards.

(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 organizations 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>Alberta Human Rights 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, 2011

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. Internal government transfers are recognized as revenue when received.

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, 2011

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 Committee, 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, eligibility criteria are met and a reasonable estimate of the amounts can be made.

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

- Amortization of tangible capital assets;
- Pension costs, which are the cost of employer contributions for current service of employees 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 not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

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 consumed in the normal course of operations. Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals, as well as inventories held for resale.

Inventory for resale is valued at the lower of cost or 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. Amortization is only charged if the asset is in use.

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 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 the 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, 2011

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.

Internally restricted funds are to be used for identified purposes or for retaining an ongoing funding capability.

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

(in thousands)

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 \$9,594 (2010 – \$9,700) 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 Program Transfer

(in thousands)

The Horse Racing and Breeding Renewal Program was transferred from the Ministry of Culture and Community Spirit to the Ministry of Solicitor General and Public Security effective April 1, 2010. Comparatives for 2009-10 have been restated for this transfer. The effect was a decrease in revenues by \$24,513 from \$236,083 to \$211,570 and to decrease expenses by \$24,513 from \$309,054 to \$284,541. The effect on the Consolidated Statement of Financial Position was a decrease in Accounts Receivable, Prepaid Expenses and Inventories, by \$2,020 from \$4,817 to \$2,797 and a decrease in Accounts Payable and Accrued Liabilities by \$2,020 from \$86,516 to \$84,496.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 4 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, 2011, securities held by CCITF have a time-weighted return of 1.1% (2010 - 1%) per annum.

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

Note 5 Accounts Receivable, Prepaid Expenses and Inventories
(in thousands)

	2011		2010	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value (Restated) (Note 3)
Accounts Receivable	\$ 10,404	\$ -	\$ 10,404	\$ 1,956
Inventory for Resale	632	-	632	597
Prepaid Expenses	46	-	46	42
Refunds from Suppliers	151	-	151	202
	\$ 11,233	\$ -	\$ 11,233	\$ 2,797

Accounts receivable are unsecured and non-interest bearing.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 6 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 collection is insured. 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 three museums, three interpretive centres and nine historic sites that contain 51 restored historic buildings/structures and three stabilized ruins. As well, it administers three additional historic sites which contain 58 undeveloped historic buildings/structures and 10 newly acquired but unrestored buildings. In addition, the Branch owns one developed historic resource (leased to a society), 13 cairns, four archaeological sites and one palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.
- (b) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They include 1,686,000 natural history specimens (e.g., animals, plants and minerals), 141,000 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections 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 collection has over 122,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum is responsible for 6,430 agricultural, industrial and transportation artifacts. This includes 455 cars, trucks and motorcycles; 361 tractors and engines; 393 agricultural machines; and 365 artifacts. Also included in this number are 90 vintage aircraft, the second largest collection in Canada. The museum houses 849 linear meters of documents relating 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 333 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 6 Collections (continued)

- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 76,228 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 43,890 linear metres of government textual records, 5,792 linear metres of private textual records, 67,219 maps, 30,060 architectural drawings, 2,241,779 photographic images, 56,581 hours of sound recordings, 68,771 hours of film and video materials and 13,970 volumes of library holdings.
- (h) 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, 2011, the collection consisted of approximately 440 (2010 – 405) pieces of artworks and other items, with an approximate value of \$1,019,000 (2010 – \$986,500). During the year, the Foundation made one artwork purchase \$4,000 (2010 – Nil) Contributions to the collection included 34 (2010 – seven) artifacts with an appraised value of \$24,600 (2010 – \$700) and there were no dispositions during the year (2010 – Nil).

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 6 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 March 31, 2011, the collection consisted of approximately 8,296 (2010 – 8,108) artworks with an approximate value of \$12,081,911 (2010 – 11,477,909). Contributions to the collection included 54 (2010 – 36) artworks with an appraised value of \$97,725 (2010 – \$193,080). There were three artwork dispositions during the year (2010 – two).
- (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 (2010 – 376) artworks with an estimated value of \$16,060 (2010 – \$16,060) and 30 (2010 – 30) antique furnishings estimated at \$12,700 (2010 – \$12,700). During the year, the Foundation did not acquire any historical assets (2010 – Nil). There were no artwork dispositions during the year (2010 – Nil).

Note 7 Net Assets (Liabilities)
(in thousands)

Net Assets (Liabilities) includes the following internally restricted fund balances:

- (a) \$467 (2010 - \$467) in the Alberta Foundation for the Arts restricted in use to earn income and to retain an ongoing funding capability.
- (b) \$50 (2010 - \$50) in The Alberta Historical Resources Foundation restricted in use to earn income and to retain ongoing funding capability.
- (c) \$381 (2010 - \$456) in the Historic Resources Fund restricted in use to acquire new provincial historical artifacts from the proceeds of the disposition of deaccessioned provincial collections managed by the Glenbow-Alberta Institute.
- (d) \$9,910 (2010 - \$9,079) in the Historic Resources Fund restricted in use for the payment of expenses related to the Jubilee Auditoria.
- (e) \$1,450 (2010 - \$1,450) in the Human Rights Education and Multiculturalism Fund restricted in use to earn income and to retain an ongoing funding capacity.
- (f) \$6,500 (2010 - \$6,500) in The Wild Rose Foundation restricted in use to earn income and to retain an ongoing funding capability.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 8 Contractual Obligations
(in thousands)

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

	2011	2010
Programs - Grant Agreements	\$ 53,431	\$ 78,033
Contracts - Service and Operating Leases	11,697	16,182
Contracts - Capital Construction	28	-
	<u>\$ 65,156</u>	<u>\$ 94,215</u>

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

	Grants	Contracts - Service and Operating Leases	Contracts - Capital Construction	Total
2011-12	\$ 40,738	\$ 8,464	\$ 28	\$ 49,230
2012-13	10,833	1,475	-	12,308
2013-14	1,418	251	-	1,669
2014-15	296	751	-	1,047
2015-16	73	751	-	824
Thereafter	73	5	-	78
	<u>\$ 53,431</u>	<u>\$ 11,697</u>	<u>\$ 28</u>	<u>\$ 65,156</u>

Note 9 Contingent Liabilities
(in thousands)

At March 31, 2011, the Ministry is a defendant in two legal claims (2010 – one legal claim). The claims have a specified amount totalling \$456 (2010 - \$80). These claims, if successful (2010 – one claim amounting to \$80), would be covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

Certain contingent liabilities may exist for site remediation and reclamation in addition to the environmental obligations recorded in the financial statements, which are described in Note 2(c). 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, 2011

Note 10 Trust Fund Under Administration
(in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose of various trusts, it is not included in the Ministry's financial statements.

As at March 31, 2011, a trust fund under administration was as follows:

	2011	2010
Fort Dunvegan Historical Society Trust Fund	\$ <u>3</u>	\$ <u>3</u>

Note 11 Benefit Plans
(in thousands)

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 \$4,694 for the year ended March 31, 2011 (2010 – \$4,179).

At December 31, 2010, the Management Employees Pension Plan reported a deficiency of \$397,087 (2009 – deficiency of \$483,199) and the Public Service Pension Plan reported a deficiency of \$2,067,151 (2009 – deficiency of \$1,729,196). At December 31, 2010, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$39,559 (2009 – deficiency of \$39,516).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of \$4,141 (2010 – deficiency \$8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$7,020 (2010 – surplus \$7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 12 Subsequent Events

Effective April 1, 2011, responsibility for the Bingo Associations program will be transferred to the Ministry of Solicitor General and Public Security and responsibility for the Major Fairs and Exhibitions program will be transferred to the Ministry of Agriculture and Rural Development.

Note 13 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Ministry of Culture and Community Spirit
Notes to the Consolidated Financial Statements
Year ended March 31, 2011

Note 14 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
Schedule to the Consolidated Financial Statements
Revenues
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Internal Government Transfers			
Transfer from the Lottery Fund	\$ 180,025	\$ 179,570	\$ 190,459
Transfer from the Alberta Heritage Scholarship Fund	80	60	59
	<u>180,105</u>	<u>179,630</u>	<u>190,518</u>
Transfers from the Government of Canada			
Infrastructure Stimulus Fund	30,627	20,569	2,016
Other	83	321	121
	<u>30,710</u>	<u>20,890</u>	<u>2,137</u>
Investment Income			
Interest	647	453	393
Premiums, Fees and Licences			
Admission Fees	4,053	3,915	4,351
Film Classification	750	617	761
Lands and Grazing	-	16	20
Other	160	203	183
	<u>4,963</u>	<u>4,751</u>	<u>5,315</u>
Other Revenue			
Sales	3,711	4,008	4,632
Rental Revenue	2,323	3,101	3,098
Recoveries	3,733	1,640	2,042
Donations and Contributions in Kind	1,621	827	1,777
Prior Year Refunds of Expenses	525	509	1,047
Other	1,682	666	611
	<u>13,595</u>	<u>10,751</u>	<u>13,207</u>
Total Revenues	<u>\$ 230,020</u>	<u>\$ 216,475</u>	<u>\$ 211,570</u>

Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Credit or Recovery Initiatives
Year ended March 31, 2011

	2011		
	Authorized	Actual ^(a)	(Shortfall) / Excess ^(d)
	(in thousands)		
Acquisition of Historical Collections ^(b)	\$ 1,000	\$ 550	\$ (450)
Royal Alberta Museum ^(c)	500	411	(89)
	\$ 1,500	\$ 961	\$ (539)

- (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) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.
- (d) Shortfall is deducted from current year's authorized budget, as disclosed in Schedule 4 to the financial statements.

Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Expenses – Directly Incurred Detailed By Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Grants	\$ 202,396	\$ 209,481	\$ 193,415
Salaries, Wages and Employee Benefits	50,280	47,893	46,967
Supplies and Services	28,037	25,867	32,633
Amortization of Tangible Capital Assets	2,751	2,273	2,014
Supplies and Services from Support Service Arrangements with Related Parties (a)	1,581	1,498	1,906
Financial Transactions and Other	149	159	160
Total Expenses before Recoveries	285,194	287,171	277,095
Less: Recovery from Support Service Arrangements with Related Parties (b)	(1,593)	(1,559)	(1,681)
	<u>\$ 283,601</u>	<u>\$ 285,612</u>	<u>\$ 275,414</u>
Valuation Adjustments			
Provision for Environmental Obligations	\$ -	\$ 861	\$ 8,518
Provision for Doubtful Accounts and Inventory Write-off	-	25	61
Provision for Vacation Pay and Banked Overtime	90	(338)	548
	<u>\$ 90</u>	<u>\$ 548</u>	<u>\$ 9,127</u>

(a) The Ministry received Freedom of Information and Privacy 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
Schedule to the Consolidated Financial Statements
Budget
Year ended March 31, 2011

	Estimates	Adjustment ^(a)	2010-2011 Budget (in thousands)	Authorized ^{(b)(c)} Supplementary	Authorized Budget
Revenues					
Internal Government Transfers	\$ 180,105	\$ -	\$ 180,105	\$ -	\$ 180,105
Transfers from the Government of Canada	30,710	-	30,710	-	30,710
Investment Income	647	-	647	-	647
Premiums, Fees and Licences	4,963	-	4,963	-	4,963
Other Revenue	13,595	-	13,595	-	13,595
	<u>230,020</u>	<u>-</u>	<u>230,020</u>	<u>-</u>	<u>230,020</u>
Expenses – Directly Incurred					
Ministry Support Services	7,750	-	7,750	-	7,750
Arts and Cultural Industries Community and Voluntary Support Services	55,979	-	55,979	-	55,979
Heritage	164,623	-	164,623	5,599	170,222
Human Rights and Citizenship Credit or Recovery Shortfall (Schedule 2)	47,436	-	47,436	-	47,436
	7,813	-	7,813	-	7,813
	<u>-</u>	<u>(539)</u>	<u>(539)</u>	<u>-</u>	<u>(539)</u>
	<u>283,601</u>	<u>(539)</u>	<u>283,062</u>	<u>5,599</u>	<u>288,661</u>
Statutory Expenses					
Valuation Adjustments					
Provision for Environmental Obligations	-	-	-	-	-
Provision for Doubtful Accounts and Inventory Write-off	-	-	-	-	-
Provision for Vacation Pay and Banked Overtime	90	-	90	-	90
	<u>90</u>	<u>-</u>	<u>90</u>	<u>-</u>	<u>90</u>
Gain (Loss) on Disposal of Tangible Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Operating Results	<u>\$ (53,671)</u>	<u>\$ 539</u>	<u>\$ (53,132)</u>	<u>\$ (5,599)</u>	<u>\$ (58,731)</u>
Equipment/Inventory Purchases	<u>\$ 3,165</u>	<u>\$ -</u>	<u>\$ 3,165</u>	<u>\$ (371)</u>	<u>\$ 2,794</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 371</u>	<u>\$ 371</u>
Non-Budgetary Disbursements	<u>\$ 2,340</u>	<u>\$ -</u>	<u>\$ 2,340</u>	<u>\$ -</u>	<u>\$ 2,340</u>

(a) Adjustments include credit or recovery shortfalls.

(b) Supplementary Estimates of \$2,629 in Expense and Equipment/Inventory purchases and \$371 in Capital Investment were approved on March 14, 2011.

(c) Treasury Board approved transfers of \$2,599 for emerging capital purposes from Alberta Infrastructure pursuant to section 5 of the *Appropriation Act, 2010*.

Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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 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 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>2011</u>	<u>2010</u> (Restated) (Note 3)
Revenues		
Lottery Fund	\$ 179,570	\$ 190,459
Alberta Heritage Scholarship Fund	60	59
	<u>\$ 179,630</u>	<u>\$ 190,518</u>
Expenses – Directly Incurred		
Grants	\$ 14,183	\$ 4,741
Other Services	2,058	2,093
	<u>\$ 16,241</u>	<u>\$ 6,834</u>
Transfers of Tangible Capital Assets (Out)	<u>\$ (553)</u>	<u>\$ (237)</u>
Payable to	<u>\$ 248</u>	<u>\$ 217</u>
Receivable from	<u>\$ 1,300</u>	<u>\$ 1,047</u>

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

Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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>2011</u>	<u>2010</u>
Expenses – Incurred by Others		
Accommodation	\$ 36,099	\$ 36,789
GOA Learning Centre	38	27
Legal Services	175	268
Internal Audit	176	238
Financial Services	533	887
Transportation Services	61	172
Information Technology Services	<u>1,601</u>	<u>1,773</u>
	<u>\$ 38,683</u>	<u>\$ 40,154</u>

**Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)**

Program	2011										2010		
	Expenses – Incurred by Others										Valuation Adjustments ⁽ⁱ⁾		(Restated) (Note 3)
	Expenses ^(a)	Accommodation ^(b)	GOA Learning Centre ^(c)	Legal Services ^(d)	Internal Audit ^(e)	Financial Services ^(f)	Transportation Services ^(g)	Information Technology Services ^(h)	Provisions	Total Expenses	Total Expenses		
Arts and Cultural Industries	\$ 52,606	\$ 9,271	\$ 4	\$ 5	\$ 25	\$ 55	\$ 6	\$ 166	\$ 12	\$ 62,150	\$ 74,810		
Community and Voluntary Support Services	172,657	788	6	17	-	84	10	251	(176)	173,637	145,877		
Heritage	45,157	25,047	20	15	126	282	32	847	751	72,277	86,905		
Human Rights and Citizenship	7,558	722	4	4	-	55	6	166	(51)	8,464	8,727		
Ministry Support Services	7,634	271	4	134	25	57	7	171	12	8,315	8,390		
	<u>\$ 285,612</u>	<u>\$ 36,099</u>	<u>\$ 38</u>	<u>\$ 175</u>	<u>\$ 176</u>	<u>\$ 533</u>	<u>\$ 61</u>	<u>\$ 1,601</u>	<u>\$ 548</u>	<u>\$ 324,843</u>	<u>\$ 324,709</u>		

^(a) Expenses – Directly Incurred as per 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. Costs shown for Government of Alberta Learning Centre on Schedule 5, allocated by full time equivalent.

^(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. Costs shown for Internal Audit on Schedule 5, allocated by estimated costs incurred by each program.

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

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

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

⁽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; and Environmental Obligations – allocated to the program.

Ministry of Culture and Community Spirit
Schedule to the Consolidated Financial Statements
Tangible Capital Assets
Year ended March 31, 2011
(in thousands)

	2011						2010
	General Capital Assets			Infrastructure Assets			Total
	Equipment ^(a) 3-10 years	Computer Hardware and Software 5-8 years	Land Indefinite	Buildings 20-40 years	Land Improvements 40 years	Total	
Estimated Useful Life Historical Cost ^(b)							
Beginning of Year	\$ 18,902	\$ 4,392	\$ 2,453	\$ 311	\$ 1,504	\$ 27,562	\$ 25,386
Additions	1,051	622	-	-	382	2,055	2,795
Disposals, Including Write-Downs	(72)	(217)	-	-	-	(289)	(382)
Transfers to Others ^(c)	(35)	(58)	-	(180)	(290)	(563)	(237)
	<u>\$ 19,846</u>	<u>\$ 4,739</u>	<u>\$ 2,453</u>	<u>\$ 131</u>	<u>\$ 1,596</u>	<u>\$ 28,765</u>	<u>\$ 27,562</u>
Accumulated Amortization							
Beginning of Year	\$ 8,152	\$ 1,269	\$ -	\$ 58	\$ 100	\$ 9,579	\$ 7,660
Amortization Expense	1,729	496	-	4	44	2,273	2,014
Effect of Disposal	(58)	(24)	-	-	-	(82)	(95)
Transfers to Others ^(c)	(2)	-	-	(8)	-	(10)	-
	<u>\$ 9,821</u>	<u>\$ 1,741</u>	<u>\$ -</u>	<u>\$ 54</u>	<u>\$ 144</u>	<u>\$ 11,760</u>	<u>\$ 9,579</u>
Net Book Value at March 31, 2011	<u>\$ 10,025</u>	<u>\$ 2,998</u>	<u>\$ 2,453</u>	<u>\$ 77</u>	<u>\$ 1,452</u>	<u>\$ 17,005</u>	<u>\$ 17,005</u>
Net Book Value at March 31, 2010	<u>\$ 10,694</u>	<u>\$ 3,161</u>	<u>\$ 2,453</u>	<u>\$ 253</u>	<u>\$ 1,422</u>	<u>\$ 17,983</u>	<u>\$ 17,983</u>

^(a) Equipment includes heritage markers, network switches and routers, vehicles, office equipment and furniture, and other equipment.

^(b) Historical cost includes work-in-progress at March 31, 2011 totalling \$1,643 (2010 - \$1,581) comprised of: equipment \$575 (2010 - \$756); computer hardware and software \$604 (2010 - \$394); buildings \$60 (2010 - \$67); and land improvements \$405 (2010 - \$364).

^(c) Transfers of equipment and computer hardware and software were made to Alberta Tourism, Parks and Recreation at a net book value of \$91 and transfers of buildings and land improvements were made to Alberta Infrastructure at a net book value of \$462.

Department of Culture and Community Spirit

Financial Statements

March 31, 2011

**Department of Culture and Community Spirit
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement 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

To the Minister of Culture and Community Spirit

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Culture and Community Spirit, which comprise the statement of financial position as at March 31, 2011, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

Department of Culture and Community Spirit
Statement of Operations
Year ended March 31, 2011

	2011		2010
	Budget (Schedule 4)	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Revenues (Schedule 1)			
Internal Government Transfers	\$ 180,035	\$ 179,580	\$ 190,469
Transfers from the Government of Canada	30,627	20,869	2,125
Premiums, Fees and Licences	750	618	761
Other Revenue	1,920	1,361	2,804
	<u>213,332</u>	<u>202,428</u>	<u>196,159</u>
Expenses – Directly Incurred (Note 2(b) and Schedule 8)			
Voted (Schedules 3 and 5)			
Ministry Support Services	7,750	7,634	7,553
Arts and Cultural Industries	49,160	47,435	60,291
Community and Voluntary Support Services	164,317	172,120	143,629
Heritage	37,756	36,903	41,190
Human Rights and Citizenship	7,620	7,374	7,555
	<u>266,603</u>	<u>271,466</u>	<u>260,218</u>
Statutory (Schedules 3 and 5)			
Queen’s Golden Jubilee Scholarships	10	10	10
Valuation Adjustments			
Provision for Environmental Obligations	-	861	8,518
Provision for (Decrease in) Vacation Pay and Banked Overtime	90	(338)	548
Provision for Doubtful Accounts	-	-	2
	<u>100</u>	<u>533</u>	<u>9,078</u>
	<u>266,703</u>	<u>271,999</u>	<u>269,296</u>
(Loss) on Disposal of Tangible Capital Assets	-	(195)	(287)
Net Operating Results	<u>\$ (53,371)</u>	<u>\$ (69,766)</u>	<u>\$ (73,424)</u>

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

Department of Culture and Community Spirit
Statement of Financial Position
As at March 31, 2011

	2011	2010 (Restated) (Note 3)
	(in thousands)	
Assets		
Cash	\$ 29	\$ 22
Accounts Receivable (Note 4)	9,878	1,711
Tangible Capital Assets (Schedule 9)	12,952	13,368
	\$ 22,859	\$ 15,101
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 77,819	\$ 82,035
Unearned Revenue	-	880
	77,819	82,915
Net Assets (Liabilities)		
Net Assets (Liabilities) at Beginning of Year	(67,814)	(149,798)
Net Operating Results	(69,766)	(73,424)
Net Financing Provided from General Revenues	82,620	155,408
	(54,960)	(67,814)
	\$ 22,859	\$ 15,101

Contractual obligations and contingent liabilities (Notes 6 and 7)

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

Department of Culture and Community Spirit
Statement of Cash Flows
Year ended March 31, 2011

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (69,766)	\$ (73,424)
Non-cash Items included in Net Operating Results		
Amortization	1,350	1,133
Valuation Adjustments	523	9,068
Loss on Disposal of Tangible Capital Assets	195	287
	(67,698)	(62,936)
(Increase) Decrease in Accounts Receivable	(8,167)	1,428
(Decrease) in Accounts Payable and Accrued Liabilities	(4,739)	(92,935)
(Decrease) Increase in Unearned Revenue	(880)	880
	(81,484)	(153,563)
Cash (Applied to) Operating Transactions		
Capital Transactions		
Acquisition of Tangible Capital Assets (Schedules 5 and 9)	(1,686)	(2,075)
Disposal of Tangible Capital Assets	4	-
Transfers of Tangible Capital Assets to Others (Schedule 9)	553	237
	(1,129)	(1,838)
Cash (Applied to) Capital Transactions		
Financing Transactions		
Net Financing Provided from General Revenues	82,620	155,408
Increase in Cash	7	7
Cash at Beginning of Year	22	15
Cash at End of Year	\$ 29	\$ 22

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, 2011

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 culture industries and the arts;
- Supporting Alberta's communities and the nonprofit/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 in accordance with Canadian public sector accounting standards.

(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, 2011

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. Internal government transfers are recognized as revenue when received.

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 Committee, 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 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, 2011

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 such as salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets;
- Pension costs which are the cost of employer contributions for current service of employees 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 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 consumed 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, as well as inventories held for resale.

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. Amortization is only charged if the asset is in use.

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 as nominal value.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

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 asset/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

(in thousands)

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 \$9,594 (2010 – \$9,700) 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.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

Note 3 Program Transfer
(in thousands)

The Horse Racing and Breeding Renewal Program was transferred from the Department of Culture and Community Spirit to the Department of Solicitor General and Public Security effective April 1, 2010. Comparatives for 2009-10 have been restated for this transfer. The effect was a decrease in revenues by \$24,513 from \$220,672 to \$196,159 and to decrease expenses by \$24,513 from \$293,809 to \$269,296. The effect on the Statement of Financial Position was a decrease in Accounts Receivable by \$2,020 from \$3,731 to \$1,711 and a decrease in Accounts Payable and Accrued Liabilities by \$2,020 from \$84,055 to \$82,035.

Note 4 Accounts Receivable
(in thousands)

	2011			2010
		Allowance for Doubtful Accounts	Net Realizable Value	(Restated) (Note 3) Net Realizable Value
	Gross Amount			
Accounts Receivable	\$ 9,878	\$ -	\$ 9,878	\$ 1,674
Refunds from Suppliers	-	-	-	37
	<u>\$ 9,878</u>	<u>\$ -</u>	<u>\$ 9,878</u>	<u>\$ 1,711</u>

Accounts receivable are unsecured and non-interest bearing.

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 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 collection is insured. 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 three museums, three interpretive centres and nine historic sites that contain 51 restored historic buildings/structures and three stabilized ruins. As well, it administers an additional three historic sites which contain 58 undeveloped historic buildings/structures and 10 newly acquired but unrestored buildings. In addition, the Branch owns one developed historic resource (leased to a society), 13 cairns, four archaeological sites and one palaeontological site. In total, the Department owns 1,904 hectares of land deemed to be of historic significance.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

Note 5 Collections (continued)

- (b) The collections of the Royal Alberta Museum represent Alberta's highly diverse cultural and natural heritage. They include 1,686,000 natural history specimens (e.g., animals, plants and minerals), 141,000 ethnological and historical artifacts, and millions of archaeological objects spanning 10,000 years of Alberta history. The collections 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 collection has over 122,000 catalogued items including original and replica fossils. Annually, approximately 2,000 specimens are accessioned into the collection.
- (d) Reynolds-Alberta Museum is responsible for 6,430 agricultural, industrial and transportation artifacts. This includes 455 cars, trucks and motorcycles; 361 tractors and engines; 393 agricultural machines; and 365 artifacts. Also included in this number are 90 vintage aircraft, the second largest collection in Canada. The museum houses 849 linear meters of documents relating 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 333 carriages, buggies, wagons and sleighs, and approximately 760 associated small artifacts.
- (f) The Ukrainian Cultural Heritage Village is responsible for the management of Historic Sites' collection of approximately 76,228 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 43,890 linear metres of government textual records, 5,792 linear metres of private textual records, 67,219 maps, 30,060 architectural drawings, 2,241,779 photographic images, 56,581 hours of sound recordings, 68,771 hours of film and video materials and 13,970 volumes of library holdings.
- (h) 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.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

Note 6 Contractual Obligations
(in thousands)

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.

	2011	2010
Programs - Grant Agreements	\$ 48,725	\$ 73,316
Contracts - Service	4,161	5,426
Contracts - Capital Construction	28	-
Operating Leases	-	23
	\$ 52,914	\$ 78,765

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

	Grants	Contracts - Service	Contracts - Capital Construction	Total
2011-12	\$ 37,504	\$ 2,128	\$ 28	\$ 39,660
2012-13	9,996	733	-	10,729
2013-14	1,125	100	-	1,225
2014-15	100	600	-	700
2015-16	-	600	-	600
Thereafter	-	-	-	-
	\$ 48,725	\$ 4,161	\$ 28	\$ 52,914

Note 7 Contingent Liabilities
(in thousands)

At March 31, 2011, the Department is a defendant in two legal claims (2010 – one legal claim). The claims have a specified amount totalling \$456 (2010 – \$80). These claims, if successful (2010 – one claim amounting to \$80), would be covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims 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(b). Due to uncertainty surrounding these circumstances it is not possible to determine the likelihood or amount of these contingent liabilities.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

Note 8 Trust Fund Under Administration
(in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purposes of a trust, it is not included in the Department's financial statements.

As at March 31, 2011, a trust fund under administration was as follows:

	2011	2010
Fort Dunvegan Historical Society Trust Fund	\$ 3	\$ 3

Note 9 Benefit Plans
(in thousands)

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 \$4,694 for the year ended March 31, 2011 (2010 – \$4,179).

At December 31, 2010, the Management Employees Pension Plan reported a deficiency of \$397,087 (2009 – deficiency of \$483,199) and the Public Service Pension Plan reported a deficiency of \$2,067,151 (2009 – deficiency of \$1,729,196). At December 31, 2010, the Supplementary Retirement Plan for Public Service Managers had a deficiency of \$39,559 (2009 – deficiency of \$39,516).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2011, the Bargaining Unit Plan reported an actuarial deficiency of \$4,141 (2010 – deficiency \$8,335) and the Management, Opted Out and Excluded Plan an actuarial surplus of \$7,020 (2010 – surplus \$7,431). The expense for these two plans is limited to the employer's annual contributions for the year.

Note 10 Subsequent Events

Effective April 1, 2011 responsibility for the Bingo Associations program will be transferred to the Ministry of Solicitor General and Public Security and responsibility for the Major Fairs and Exhibitions program will be transferred to the Ministry of Agriculture and Rural Development.

Effective April 1, 2011, responsibility for Cultural Industries will be transferred to the Department of Culture and Community Spirit.

Department of Culture and Community Spirit
Notes to the Financial Statements
Year ended March 31, 2011

Note 11 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 12 Approval of Financial Statements

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

Department of Culture and Community Spirit
Schedule to Financial Statements
Revenues
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Internal Government Transfers			
Transfers from the Lottery Fund	\$ 180,025	\$ 179,570	\$ 190,459
Transfers from the Alberta Heritage Scholarship Fund	10	10	10
	<u>180,035</u>	<u>179,580</u>	<u>190,469</u>
Transfers from the Government of Canada			
Infrastructure Stimulus Fund	30,627	20,569	2,016
Other	-	300	109
	<u>30,627</u>	<u>20,869</u>	<u>2,125</u>
Premiums, Fees and Licences			
Film Classification	750	618	761
	<u>750</u>	<u>618</u>	<u>761</u>
Other Revenue			
Contributions in Kind	1,000	550	1,533
Prior Years Refunds of Expenses	420	385	948
Other	500	426	323
	<u>1,920</u>	<u>1,361</u>	<u>2,804</u>
Total Revenues	<u>\$ 213,332</u>	<u>\$ 202,428</u>	<u>\$ 196,159</u>

Department of Culture and Community Spirit
Schedule to Financial Statements
Credit or Recovery
Year ended March 31, 2011

	2011		
	Authorized	Actual ^(a)	(Shortfall) / Excess ^(d)
	(in thousands)		
Acquisition of Historical Collections ^(b)	\$ 1,000	\$ 550	\$ (450)
Royal Alberta Museum ^(c)	500	411	(89)
	\$ 1,500	\$ 961	\$ (539)

- ^(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) Funding to the Royal Alberta Museum is provided for the Alberta Biodiversity Monitoring Program.
- ^(d) 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
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual (Restated) (Note 3)
	(in thousands)		
Voted			
Grants	\$ 210,590	\$ 217,855	\$ 202,749
Salaries, Wages and Employee Benefits	50,280	47,893	46,967
Supplies and Services	10,016	10,494	14,047
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	1,581	1,466	1,874
Amortization of Tangible Capital Assets	1,786	1,350	1,133
Financial Transactions and Other	149	101	105
Total Voted Expenses before Recoveries	274,402	279,159	266,875
Less: Recovery from Support Service Arrangements with Related Parties ^(b)	(7,799)	(7,693)	(6,657)
	\$ 266,603	\$ 271,466	\$ 260,218
Statutory			
Grants	\$ 10	\$ 10	\$ 10
Valuation Adjustments			
Provision for Environmental Obligations	-	861	8,518
Provision for Vacation Pay and Banked Overtime	90	(338)	548
Provision for Doubtful Accounts	-	-	2
	\$ 100	\$ 533	\$ 9,078

^(a) The Department received Freedom of Information and Privacy 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 provided Human Resource Services and Policy, Planning and Legislative Services to the Department of Tourism, Parks and Recreation. Costs incurred by the Department were recovered.

Department of Culture and Community Spirit
Schedule to Financial Statements
Budget
Year ended March 31, 2011

	2010-2011				
	Estimates	Adjustment ^(a)	Budget	Authorized ^{(b)(c)} Supplementary	Authorized Budget
	(in thousands)				
Revenues					
Internal Government Transfers	\$ 180,035	\$ -	\$ 180,035	\$ -	\$ 180,035
Transfers from the Government of Canada	30,627	-	30,627	-	30,627
Premiums, Fees and Licences	750	-	750	-	750
Other Revenue	1,920	-	1,920	-	1,920
	<u>213,332</u>	<u>-</u>	<u>213,332</u>	<u>-</u>	<u>213,332</u>
Expenses – Directly Incurred					
Voted Expenses					
Ministry Support Services	7,750	-	7,750	-	7,750
Arts and Cultural Industries	49,160	-	49,160	-	49,160
Community and Voluntary Support Services	164,317	-	164,317	5,599	169,916
Heritage	37,756	-	37,756	-	37,756
Human Rights and Citizenship	7,620	-	7,620	-	7,620
Credit or Recovery Shortfall (Schedule 2)	-	(539)	(539)	-	(539)
	<u>266,603</u>	<u>(539)</u>	<u>266,064</u>	<u>5,599</u>	<u>271,663</u>
Statutory Expenses					
Queen's Golden Jubilee Scholarships	10	-	10	-	10
Valuation adjustments					
Provision for Environmental Liability	-	-	-	-	-
Provision for Vacation Pay and Banked Overtime	90	-	90	-	90
Provision for Doubtful Accounts	-	-	-	-	-
	<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>\$ (53,371)</u>	<u>\$ 539</u>	<u>\$ (52,832)</u>	<u>\$ (5,599)</u>	<u>\$ (58,431)</u>
Equipment/Inventory Purchases	<u>\$ 2,500</u>	<u>\$ -</u>	<u>\$ 2,500</u>	<u>\$ (371)</u>	<u>\$ 2,129</u>
Capital Investment	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 371</u>	<u>\$ 371</u>
Non-Budgetary Disbursements	<u>\$ 2,340</u>	<u>\$ -</u>	<u>\$ 2,340</u>	<u>\$ -</u>	<u>\$ 2,340</u>

(a) Adjustments include credit or recovery shortfalls.

(b) Supplementary Estimates of \$2,629 in Expense and Equipment/Inventory purchases and \$371 in Capital Investment were approved on March 14, 2011.

(c) Treasury Board approved transfers of \$2,599 for emerging capital purposes from Alberta Infrastructure pursuant to section 5 of the *Appropriation Act, 2010*.

**Department of Culture and Community Spirit
Schedule to Financial Statements
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, 2011**

	2010-11 Estimates	Adjustments ⁽⁶⁾	2010-11 Budget	2010-11 Authorized Supplementary	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
(in thousands)							
Voted Expense, Equipment/Inventory Purchases and Capital Investments							
1 Ministry Support Services							
1.0.1 Minister's Office	\$ 575	\$ -	\$ 575	\$ -	\$ 575	\$ 547	\$ 28
1.0.2 Deputy Minister's Office	630	-	630	-	630	628	2
1.0.3 Financial Services	1,455	-	1,455	-	1,455	1,323	132
1.0.4 Information Management and Technology Services	1,765	-	1,765	-	1,765	1,857	(92)
1.0.5 Policy, Planning and Legislative Services	650	-	650	-	650	492	158
1.0.6 Communications	535	-	535	-	535	532	3
1.0.7 Human Resources	655	-	655	-	655	513	142
1.0.8 Corporate Initiatives Expense	1,485	-	1,485	-	1,485	1,742	(257)
Equipment / Inventory Purchases	500	-	500	-	500	441	59
	8,250	-	8,250	-	8,250	8,075	175
2 Arts and Cultural Industries							
2.0.1 Program Support	770	-	770	-	770	639	131
2.0.2 Arts	2,215	-	2,215	-	2,215	1,807	408
2.0.3 Film and Television Production Expense	475	-	475	-	475	577	(102)
Expense Funded by Lotteries	16,500	-	16,500	-	16,500	15,312	1,188
2.0.4 Assistance to the Alberta Foundation for the Arts							
Expense Funded by Lotteries	29,200	-	29,200	-	29,200	29,100	100
	49,160	-	49,160	-	49,160	47,435	1,725

**Department of Culture and Community Spirit
Schedule to Financial Statements
Comparison of Expenses – Directly Incurred, Equipment/Inventory Purchases and Capital Investment,
Statutory Expenses and Non-Budgetary Disbursement by Element to Authorized Budget (continued)
Year ended March 31, 2011**

	2010-11 Estimates	Adjustments ^(b)	2010-11 Budget	2010-11 Authorized Supplementary	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
	(in thousands)						
3 Community and Voluntary Support Services							
3.0.1 Program Support	\$ 2,490	\$ -	\$ 2,490	\$ -	\$ 2,490	\$ 2,312	\$ 178
3.0.2 Community Development	3,975	-	3,975	-	3,975	4,078	(103)
3.0.3 Voluntary Sector Services	2,625	-	2,625	-	2,625	2,176	449
3.0.4 Community Spirit Donation Grant Program Expense Funded by Lotteries	16,000	-	16,000	-	16,000	15,391	609
3.0.5 Community Facility Enhancement Program Expense Funded by Lotteries	38,000	-	38,000	-	38,000	40,519	(2,519)
3.0.6 Community Initiatives Program Expense Funded by Lotteries	25,500	-	25,500	-	25,500	24,217	1,283
3.0.7 Major Fairs and Exhibitions Expense Funded by Lotteries	22,000	-	22,000	-	22,000	22,000	-
3.0.8 Other Initiatives Expense	-	-	-	5,599	5,599	17,588	(11,989)
3.0.9 Bingo Associations Expense Funded by Lotteries	6,500	-	6,500	-	6,500	7,125	(625)
3.0.10 Support for Canada Sports Hall of Fame Expense Funded by Lotteries	6,600	-	6,600	-	6,600	6,145	455
3.0.11 Support for Mount Royal Conservatory of Music Expense Funded by Lotteries	13,175	-	13,175	-	13,175	6,930	6,245
3.0.12 Support for The Citadel Theatre Expense Funded by Lotteries	10,000	-	10,000	-	10,000	10,000	-
3.0.13 Support for GO Community Centre Expense Funded by Lotteries	2,652	-	2,652	-	2,652	2,134	518
	14,800	-	14,800	-	14,800	11,505	3,295
	164,317	-	164,317	5,599	169,916	172,120	(2,204)
4 Heritage							
4.0.1 Program Support	870	-	870	-	870	960	(90)
4.0.2 Royal Alberta Museum	6,320	-	6,320	-	6,320	6,578	(258)
4.0.3 Royal Tyrrell Museum of Palaeontology	2,895	-	2,895	-	2,895	2,408	487

**Department of Culture and Community Spirit
Schedule to Financial Statements
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, 2011**

	2010-11 Estimates	Adjustments ⁽⁶⁾	2010-11 Budget	2010-11 Authorized Supplementary ^{(6)(c)}	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
	(in thousands)						
4.0.4	9,980	-	9,980	-	9,980	9,549	431
4.0.5	2,620	-	2,620	-	2,620	2,623	(3)
4.0.6	1,000	-	1,000	-	1,000	550	450
4.0.7	4,725	-	4,725	-	4,725	4,553	172
4.0.8							
Foundation							
Expense Funded by Lotteries	8,000	-	8,000	-	8,000	8,000	-
4.0.9	1,346	-	1,346	-	1,346	975	371
4.0.10							
Heritage Infrastructure							
Expense	-	-	-	-	-	707	(707)
Equipment / Inventory Purchases	2,000	-	2,000	(371)	1,629	893	736
Capital Investment	-	-	-	371	371	352	19
	39,756	-	39,756	-	39,756	38,148	1,608
5							
Human Rights and Citizenship							
5.0.1	1,320	-	1,320	-	1,320	555	765
5.0.2	4,575	-	4,575	-	4,575	5,094	(519)
5.0.3							
Assistance to the Human Rights Education and Multiculturalism Fund	1,725	-	1,725	-	1,725	1,725	-
Expense Funded by Lotteries							
	7,620	-	7,620	-	7,620	7,374	246
	-	(539)	(539)	-	(539)	-	(539)
Credit or Recovery Shortfall (Schedule 2)							
Total Voted Expenses	\$ 269,103	\$ (539)	\$ 268,564	\$ 5,599	\$ 274,163	\$ 273,152	\$ 1,011

**Department of Culture and Community Spirit
Schedule to Financial Statements
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, 2011**

	2010-11 Estimates	Adjustments ^(a)	2010-11 Budget	2010-11 Authorized ^{(b)(c)} Supplementary	2010-11 Authorized Budget	2010-11 Actual	Unexpended (Over Expended)
(in thousands)							
Non-Budgetary Disbursements							
4 Heritage	\$ 2,340	\$ -	\$ 2,340	\$ -	\$ 2,340	\$ 967	\$ 1,373
4.0.10 Heritage Infrastructure	\$ 2,340	\$ -	\$ 2,340	\$ -	\$ 2,340	\$ 967	\$ 1,373

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

^(b) Supplementary Estimates of \$2,629 in Expense and Equipment/Inventory purchases and \$371 in Capital Investment were approved on March 14, 2011.

^(c) Treasury Board approved transfers of \$2,599 for emerging capital purposes from Alberta Infrastructure pursuant to section 5 of the *Appropriation Act, 2010*.

Department of Culture and Community Spirit
Schedule to Financial Statements
Salary and Benefits Disclosure
Year ended March 31, 2011

	2011			2010	
	Base Salary ^(a)	Other Cash Benefits ^(b)	Other Non-cash Benefits ^(c)	Total	Total
	(in thousands)				
Senior Officials					
Deputy Minister ^(d)	\$ 265	\$ 2	\$ 63	\$ 330	\$ 327
Chief of the Commission and Tribunals, Alberta Human Rights Commission	221	10	6	237	231
Full-Time Member, Alberta Human Rights Commission ^(e)	62	12	4	78	-
Executives					
Assistant Deputy Minister, Culture, Community and Voluntary Services Division	185	2	9	196	194
Assistant Deputy Minister, Heritage Division	146	2	35	183	184
Executive Director, Human Resource Services ^(f)	152	2	37	191	188
Executive Director, Policy, Planning and Legislative Services ^(f)	147	1	37	185	188
Executive Director, Information Management and Technology Services ^{(f)(g)}	108	1	26	135	189
Executive Director, Financial Services	152	2	37	191	189
Executive Director, Strategic Technology Coordination ^(h)	64	-	14	78	184

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

- (a) Base salary includes pensionable base pay.
- (b) Other cash benefits include vacation payout, overtime, modifier in lieu of automobile and lump sum payments. There were no bonuses paid in 2011.
- (c) 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.
- (d) Automobile provided, no dollar amount included in other non-cash benefits.
- (e) This position was appointed as a Senior Official on November 4, 2010.
- (f) 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.
- (g) This position was occupied by two individuals through the year.
- (h) This position ended September 4, 2010.

Department of Culture and Community Spirit
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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 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 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	
	2011	2010	2011	2010 (Restated) (Note 3)
Revenues				
Grants	\$ -	\$ -	\$ 179,580	\$ 190,469
Expenses – Directly Incurred				
Grants	\$ 38,825	\$ 46,366	\$ 11,929	\$ 2,167
Other services	-	-	1,574	1,477
	<u>\$ 38,825</u>	<u>\$ 46,366</u>	<u>\$ 13,503</u>	<u>\$ 3,644</u>
Transfer of Tangible Capital Assets				
In (Out)	\$ -	\$ -	\$ (553)	\$ (237)
Payable to	<u>\$ 8</u>	<u>\$ 1</u>	<u>\$ 178</u>	<u>\$ 137</u>
Receivable from	<u>\$ 42</u>	<u>\$ 452</u>	<u>\$ 982</u>	<u>\$ 1,047</u>

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

Department of Culture and Community Spirit
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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	
	2011	2010	2011	2010
Recoveries				
Services Provided	\$ 1,010	\$ 1,172	\$ -	\$ -
Expenses – Incurred by Others				
Accommodation	\$ -	\$ -	\$ 35,357	\$ 36,047
GOA Learning Centre	-	-	38	27
Legal Services	-	-	172	261
Internal Audit	-	-	25	78
Financial Services	-	-	533	887
Transportation Services	-	-	61	172
Information Technology Services	-	-	1,601	1,773
	\$ -	\$ -	\$ 37,787	\$ 39,245

**Department of Culture and Community Spirit
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)**

Program	2011											2010		
	Expenses – Incurred by Others											Valuation Adjustments ^(f)		(Restated) (Note 3)
	Expenses ^(a)	Services Provided ^(b)	Accommodation ^(c)	GOA Learning Centre ^(d)	Legal Services ^(e)	Internal Audit ^(f)	Financial Services ^(g)	Transportation Services ^(h)	Information Technology Services ⁽ⁱ⁾	Provisions	Total Expenses	Total Expenses		
Ministry Support Services	\$ 7,634	\$ -	\$ 271	\$ 4	\$ 134	\$ 25	\$ 57	\$ 7	\$ 171	\$ 12	\$ 8,315	\$ 8,369		
Arts and Cultural Industries	47,435	(183)	8,812	4	5	-	55	6	166	12	56,312	69,066		
Community and Voluntary Support Services	172,120	(92)	788	6	17	-	84	10	251	(176)	173,008	145,071		
Heritage	36,903	(532)	24,829	20	15	-	282	32	847	726	63,122	76,564		
Human Rights and Citizenship	7,374	(203)	657	4	1	-	55	6	166	(51)	8,009	8,289		
Queen's Golden Jubilee Scholarships	10	-	-	-	-	-	-	-	-	-	10	10		
	<u>\$ 271,476</u>	<u>\$ (1,010)</u>	<u>\$ 35,357</u>	<u>\$ 38</u>	<u>\$ 172</u>	<u>\$ 25</u>	<u>\$ 533</u>	<u>\$ 61</u>	<u>\$ 1,601</u>	<u>\$ 523</u>	<u>\$ 308,776</u>	<u>\$ 307,369</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 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 full time equivalent.
 (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 by full time equivalent.
 (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 by full time equivalent.
 (i) The Department of Service Alberta provided information technology services. Costs shown for Information Technology Services on Schedule 7, allocated to the program by full time equivalent.
 (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; and Environmental Obligations – allocated to the program.

Department of Culture and Community Spirit
Schedule to Financial Statements
Tangible Capital Assets
Year ended March 31, 2011
(in thousands)

	2011						2010
	General Capital Assets			Infrastructure Assets			Total
	Equipment ^(a) 3-10 years	Computer Hardware and Software 5-8 years	Land Indefinite	Buildings 20-40 years	Land Improvements 40 years	Total	
Estimated Useful Life Historical Cost ^(b)	\$ 10,042	\$ 4,009	\$ 2,453	\$ 311	\$ 1,504	\$ 18,319	\$ 16,843
Beginning of Year Additions	682	622	-	-	382	1,686	2,075
Disposals, Including Write-Downs Transfers to Others ^(c)	(57) (35)	(193) (58)	- -	- (180)	- (290)	(250) (563)	(362) (237)
Accumulated Amortization	\$ 10,632	\$ 4,380	\$ 2,453	\$ 131	\$ 1,596	\$ 19,192	\$ 18,319
Beginning of Year	\$ 3,709	\$ 1,084	\$ -	\$ 58	\$ 100	\$ 4,951	\$ 3,893
Amortization Expense	840	462	-	4	44	1,350	1,133
Effect of Disposal	(51)	-	-	-	-	(51)	(75)
Transfers to Others ^(c)	(2)	-	-	(8)	-	(10)	-
Net Book Value at March 31, 2011	\$ 4,496	\$ 1,546	\$ -	\$ 54	\$ 144	\$ 6,240	\$ 4,951
Net Book Value at March 31, 2010	\$ 6,136	\$ 2,834	\$ 2,453	\$ 77	\$ 1,452	\$ 12,952	\$ 13,368

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

^(b) Historical cost includes work-in-progress at March 31, 2011 totalling \$1,506 (2010 - \$1,250) comprised of: equipment \$437 (2010 - \$425); computer hardware and software \$604 (2010 - \$394); buildings \$60 (2010 - \$67); and land improvements \$405 (2010 - \$364).

^(c) Transfers of equipment and computer hardware and software were made to Alberta Tourism, Parks and Recreation at a net book value of \$91 and transfers of buildings and land improvements were made to Alberta Infrastructure at a net book value of \$462.

Alberta Foundation for the Arts

Financial Statements

March 31, 2011

**Alberta Foundation for the Arts
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

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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

Independent Auditor's Report



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

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Foundation for the Arts, which comprise the statement of financial position as at March 31, 2011, and the statement of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Foundation for the Arts as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

**Alberta Foundation for the Arts
Statement of Operations
Year ended March 31, 2011**

	2011		2010
	Budget	Actual (in thousands)	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 29,200	\$ 29,100	\$ 34,834
Investment Income	213	135	119
Other Revenue			
Prior Years Refunds of Expenses	75	69	67
Donations of Artworks	300	98	193
	<u>29,788</u>	<u>29,402</u>	<u>35,213</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Arts Organizations	22,241	22,470	26,826
Support to Individual Artists	4,996	4,336	5,369
Support to Cultural Industries	1,675	1,494	1,693
Administration	903	1,104	859
	<u>29,815</u>	<u>29,404</u>	<u>34,747</u>
Net Operating Results	<u>\$ (27)</u>	(2)	466
Operating Fund Balance at Beginning of Year		<u>1,828</u>	<u>1,362</u>
Operating Fund Balance at End of Year		<u>\$ 1,826</u>	<u>\$ 1,828</u>

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

**Alberta Foundation for the Arts
Statement of Financial Position
As at March 31, 2011**

	2011	2010
	(in thousands)	
Financial Assets		
Cash (Note 3)	\$ 1,705	\$ 2,431
Accounts Receivable (Note 4)	12	25
	1,717	2,456
Cash Appropriated for Non-Current Use (Note 3)	467	467
Tangible Capital Assets (Note 5)	125	152
	\$ 2,309	\$ 3,075
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 16	\$ 780
Fund Balances		
Operating	1,826	1,828
General Reserve – Restricted (Note 7)	467	467
	2,293	2,295
	\$ 2,309	\$ 3,075
Contractual obligations (Note 8)		

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

**Alberta Foundation for the Arts
Statement of Cash Flows
Year ended March 31, 2011**

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (2)	\$ 466
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	27	27
	25	493
Decrease (Increase) in Accounts Receivable	13	(20)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(764)	586
Cash (Applied to) Provided by Operating Transactions	(726)	1,059
Capital Transactions		
Acquisition of Tangible Capital Assets	-	(5)
Cash (Applied to) Capital Transactions	-	(5)
(Decrease) Increase in Cash	(726)	1,054
Cash at Beginning of Year	2,431	1,377
Cash at End of Year	\$ 1,705	\$ 2,431

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, 2011**

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 in accordance with Canadian public sector accounting standards.

(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, 2011**

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, 2011**

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 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.

**Note 3 Cash and Cash Appropriated for Non-Current Use
(in thousands)**

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, 2011, securities held by CCITF have a time-weighted return of 1.1 % (2010 – 1.0%) per annum.

Cash appropriated for non-current use in the amount of \$467 (2010 – \$467) has been internally restricted and is therefore not available to pay for operating expenses of the Foundation (Note 7).

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

**Note 4 Accounts Receivable
(in thousands)**

	2011		2010	
Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value	
Accounts Receivable	\$ 12	\$ -	\$ 12	\$ 25

Accounts receivable are unsecured and non-interest bearing.

Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2011

Note 5 Tangible Capital Assets
(in thousands)

	Equipment	Computer Hardware and Software	2011 Total	2010 Total
Estimated Useful Life	10 years	4 years		
Historical Costs				
Beginning of Year	\$ 273	\$ 20	\$ 293	\$ 288
Additions	-	-	-	5
Disposals	-	-	-	-
	<u>273</u>	<u>20</u>	<u>293</u>	<u>293</u>
Accumulated Amortization				
Beginning of Year	121	20	141	114
Amortization Expense	27	-	27	27
Effect of Disposals	-	-	-	-
	<u>148</u>	<u>20</u>	<u>168</u>	<u>141</u>
Net Book Value at March 31, 2011	<u>\$ 125</u>	<u>\$ -</u>	<u>\$ 125</u>	
Net Book Value at March 31, 2010				<u>\$ 152</u>

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

Note 6 Artworks and Collections

The Foundation 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 March 31, 2011, the collection consisted of approximately 8,296 (2010 – 8,108) pieces of artworks with an approximate value of \$12,081,911 (2010 – \$11,477,909). Contributions to the collection included 54 (2010 – 36) artworks with an appraised value of \$97,725 (2010 – \$193,080). There were three artwork dispositions during the year (2010 – two). The collection is insured.

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2011**

Note 7 General Reserve
(in thousands)

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 8 Contractual Obligations
(in thousands)

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.

	2011	2010
Grant Agreements	\$ -	\$ 420
Service Contracts	1,092	988
	\$ 1,092	\$ 1,408

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

	Grant Agreements	Service Contracts	Total
2012	\$ -	\$ 546	\$ 546
2013	-	546	546
	\$ -	\$ 1,092	\$ 1,092

**Alberta Foundation for the Arts
Notes to the Financial Statements
Year ended March 31, 2011**

Note 9 Honoraria
(in thousands)

	2011			2010	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total	
Board ^(c)					
Chair	\$ 1	\$ -	\$ 1	\$	13
Vice Chair	4	-	4		1
Other Members (8)	18	-	18		36
	\$ 23	\$ -	\$ 23	\$	50

^(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 Board Directive 12/98 as amended, 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 10 Subsequent Events

Effective April 1, 2011, responsibility for Cultural Industries will be transferred to the Department of Culture and Community Spirit.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

Alberta Foundation for the Arts
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual
	(in thousands)		
Grants	\$ 25,206	\$ 25,011	\$ 30,141
Supplies and Services from Support Service			
Arrangements with Related Parties ^(a)	2,566	2,566	1,851
Supplies and Services	813	970	1,697
Acquisition of Artworks	860	709	788
Donations of Artworks	300	98	193
Amortization of Tangible Capital Assets	27	27	27
Honoraria (Note 9)	43	23	50
	\$ 29,815	\$ 29,404	\$ 34,747

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

Alberta Foundation for the Arts
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 29,100	\$ 34,834	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ -	\$ -	\$ 2,221	\$ 2,627
Other Services	-	-	11	50
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,232</u>	<u>\$ 2,677</u>
Receivable from	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12</u>
Payable to	<u>\$ 1</u>	<u>\$ 7</u>	<u>\$ -</u>	<u>\$ 3</u>

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

Alberta Foundation for the Arts
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Accommodation	\$ -	\$ -	\$ 459	\$ 459
Other Services	183	340	-	-
Legal Services	-	-	3	2
Internal Audit	-	-	25	10
	\$ 183	\$ 340	\$ 487	\$ 471

Alberta Foundation for the Arts
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)

Program	2011					2010	
	Expenses ^(a)	Accommodation ^(b)	Other Services ^(c)	Legal Services ^(d)	Internal Audit ^(e)	Total Expenses	Total Expenses
Support to Arts Organizations	\$ 22,470	\$ 139	\$ 36	\$ 3	\$ 25	\$ 22,673	\$ 27,020
Support to Individual Artists	4,336	203	36	-	-	4,575	5,644
Support to Cultural Industries	1,494	34	70	-	-	1,598	1,854
Administration	1,104	83	41	-	-	1,228	1,040
	<u>\$ 29,404</u>	<u>\$ 459</u>	<u>\$ 183</u>	<u>\$ 3</u>	<u>\$ 25</u>	<u>\$ 30,074</u>	<u>\$ 35,558</u>

^(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, 2011

**The Alberta Historical Resources Foundation
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

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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

Independent Auditor's Report



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

Report on the Financial Statements

I have audited the accompanying financial statements of the Alberta Historical Resources Foundation, which comprise the statement of financial position as at March 31, 2011, and the statement of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Alberta Historical Resources Foundation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

The Alberta Historical Resources Foundation
Statement of Operations
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual
	(in thousands)		
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 8,000	\$ 8,000	\$ 9,507
Investment Income	106	63	64
Other Revenue	6	10	16
	<u>8,112</u>	<u>8,073</u>	<u>9,587</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Glenbow Museum	2,966	2,966	3,489
Heritage Preservation Partnership Programs	2,243	2,397	3,353
Support for Provincial Heritage Organizations	2,149	2,145	2,740
Municipal Heritage Programs	554	407	300
Heritage Markers Program	106	104	137
Administration	150	230	162
	<u>8,168</u>	<u>8,249</u>	<u>10,181</u>
Net Operating Results	<u>\$ (56)</u>	(176)	(594)
Fund Balances at Beginning of Year		<u>3,716</u>	<u>4,310</u>
Fund Balances at End of Year		<u>\$ 3,540</u>	<u>\$ 3,716</u>

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

The Alberta Historical Resources Foundation
Statement of Financial Position
As at March 31, 2011

	2011	2010
	(in thousands)	
Financial Assets		
Cash (Note 3)	\$ 3,484	\$ 3,941
Cash Appropriated for Non-Current Use (Notes 3 and 7)	50	50
Tangible Capital Assets (Note 5)	140	184
	\$ 3,674	\$ 4,175
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 134	\$ 459
Fund Balances		
Operating	3,465	3,651
Restricted (Note 6)	25	15
Reserve (Note 7)	50	50
	3,540	3,716
	\$ 3,674	\$ 4,175

Contractual obligations (Note 9)

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

The Alberta Historical Resources Foundation
Statement of Cash Flows
Year ended March 31, 2011

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (176)	\$ (594)
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	44	56
	(132)	(538)
 (Decrease) Increase in Accounts Payable and Accrued Liabilities	 (325)	 436
 Cash (Applied to) Operating Transactions	 (457)	 (102)
 (Decrease) in Cash	 (457)	 (102)
 Cash at Beginning of Year	 3,941	 4,043
 Cash at End of Year	 \$ 3,484	 \$ 3,941

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, 2011

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 in accordance with Canadian public sector accounting standards.

(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.

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.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2011

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

(b) Basis of Financial Reporting (continued)

Revenues (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, 2011

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 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 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
(in thousands)

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, 2011, securities held by CCITF have a time-weighted return of 1.1% (2010 – 1.0%) 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).

Note 4 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 (2010 – 376) artworks with an estimated value of \$16,060 (2010 – \$16,060) and 30 (2010 – 30) antique furnishings estimated at \$12,700 (2010 – \$12,700). During the year, the Foundation did not acquire any historical assets (2010 – Nil). There were no artwork dispositions during the year (2010 – Nil). The collection is insured.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 5 Tangible Capital Assets
(in thousands)

	Heritage Markers	
	2011 Total	2010 Total
Estimated Useful Life – 10 years		
Historical Cost		
Beginning of Year	\$ 561	\$ 564
Additions	-	-
Disposals, Including Write-Downs	-	(3)
	561	561
Accumulated Amortization		
Beginning of Year	377	324
Amortization Expense	44	56
Effect of Disposals	-	(3)
	421	377
Net Book Value at March 31, 2011	\$ 140	\$ 184

Note 6 Restricted Fund
(in thousands)

	2011			2010	
	Bob Etherington Heritage Trades Scholarship ^(a)	Peter Goertzen Fund ^(b)	Total Restricted Funds	Total Restricted Funds	Total Restricted Funds
Opening Balance	\$ 15	\$ -	\$ 15	\$ -	-
Contributions Received	-	10	10	-	15
Expenses	-	-	-	-	-
Closing Balance	\$ 15	\$ 10	\$ 25	\$ -	15

^(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 Peter Goertzen Fund is a gift from the estate of Peter Goertzen, a former board member of The Alberta Historical Resources Foundation. These funds have been internally restricted and will support special heritage projects approved by the Board.

The Alberta Historical Resources Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 7 Reserve
(in thousands)

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
(in thousands)

	2011			2010
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Board ^(c)				
Chair	\$ 7	\$ -	\$ 7	\$ 6
Other Members (7)	17	-	17	15
	\$ 24	\$ -	\$ 24	\$ 21

(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 Board Directive 12/98 as amended, 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, 2011

Note 9 Contractual Obligations
(in thousands)

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.

	2011	2010
Grant Agreements	\$ 4,338	\$ 3,120
Service Contracts	2,887	2,966
Long-term Leases	6	2
	\$ 7,231	\$ 6,088

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

	Grant Agreements	Service Contracts	Long-term Leases	Total
2012	\$ 2,887	\$ 2,887	\$ 6	\$ 5,780
2013	816	-	-	816
2014	293	-	-	293
2015	196	-	-	196
2016	73	-	-	73
Thereafter	73	-	-	73
	\$ 4,338	\$ 2,887	\$ 6	\$ 7,231

Note 10 Current and Comparative Figures

Current and comparative figures have been reclassified to conform to the presentation in the 2011-12 Government Estimates, which were released on February 24, 2011.

Note 11 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual (in thousands)	Actual
Grants	\$ 4,566	\$ 4,401	\$ 5,527
Supplies and Services	2,777	3,041	3,622
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	739	739	955
Amortization of Tangible Capital Assets	56	44	56
Honoraria (Note 8)	30	24	21
	\$ 8,168	\$ 8,249	\$ 10,181

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

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 8,000	\$ 9,507	\$ -	\$ -
Expenses – Directly Incurred				
Grants	\$ 41	\$ 50	\$ 33	\$ 28
Other services	-	-	7	4
	<u>\$ 41</u>	<u>\$ 50</u>	<u>\$ 40</u>	<u>\$ 32</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	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Other Services	\$ 172	\$ 149	\$ -	\$ -
Accommodation	-	-	21	21
	<u>\$ 172</u>	<u>\$ 149</u>	<u>\$ 21</u>	<u>\$ 21</u>

The Alberta Historical Resources Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)

Program	Expenses – Incurred by Others				Total Expenses	Total Expenses
	Expenses (a)	Other Services (b)	Accommodation (c)			
Glenbow Museum	\$ 2,966	\$ -	\$ -	\$ -	2,966	\$ 3,489
Heritage Preservation Partnership Programs	2,397	29	4		2,430	3,410
Support for Provincial Heritage Organizations	2,145	-	-		2,145	2,740
Municipal Heritage Programs	407	109	13		529	384
Heritage Markers Program	104	-	-		104	137
Administration	230	34	4		268	191
	<u>\$ 8,249</u>	<u>\$ 172</u>	<u>\$ 21</u>	<u>\$ -</u>	<u>\$ 8,442</u>	<u>\$ 10,351</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, 2011

**The Government House Foundation
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement 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

Independent Auditor's Report



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

Report on the Financial Statements

I have audited the accompanying financial statements of the Government House Foundation, which comprise the statement of financial position as at March 31, 2011, and the statement of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government House Foundation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

**The Government House Foundation
Statement of Operations
Year ended March 31, 2011**

	2011		2010
	Budget	Actual	Actual
Revenues			
Internal Government Transfers			
Transfers from The Alberta Historical Resources Foundation	\$ 41,000	\$ 41,000	\$ 50,000
Investment Income	2,000	1,102	956
Premiums, Fees and Licences	5,000	4,630	4,025
Donations of Artworks	-	24,587	700
	<u>48,000</u>	<u>71,319</u>	<u>55,681</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Public Relations	30,000	19,974	36,809
Administration	12,000	19,502	21,190
Conservation of Collections	3,000	699	1,606
Collection Acquisitions	3,000	28,586	700
	<u>48,000</u>	<u>68,761</u>	<u>60,305</u>
Net Operating Results	<u>\$ -</u>	2,558	(4,624)
Fund Balance at Beginning of Year		<u>71,785</u>	<u>76,409</u>
Fund Balance at End of Year		<u>\$ 74,343</u>	<u>\$ 71,785</u>

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

The Government House Foundation
Statement of Financial Position
As at March 31, 2011

	2011	2010
Financial Assets		
Cash (Note 3)	\$ 77,136	\$ 75,156
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 2,793	\$ 3,371
Fund Balance	74,343	71,785
	\$ 77,136	\$ 75,156

Contractual obligations (Note 5)

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

**The Government House Foundation
Statement of Cash Flows
Year ended March 31, 2011**

	2011	2010
Operating Transactions		
Net Operating Results	\$ 2,558	\$ (4,624)
Decrease in Accounts Receivable	-	26
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(578)	1,821
Cash Provided by (Applied to) Operating Transactions	1,980	(2,777)
Cash at Beginning of Year	75,156	77,933
Cash at End of Year	\$ 77,136	\$ 75,156

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

The Government House Foundation
Notes to the Financial Statements
Year ended March 31, 2011

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 in accordance with Canadian public sector accounting standards.

(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, 2011

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.

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 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, 2011

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, 2011, securities held by CCITF have a time-weighted return of 1.1% (2010 – 1.0%) per annum.

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

Note 4 Artworks and Collections

The 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, 2011, the collection consisted of approximately 440 (2010 – 405) pieces of artworks and other items, with an approximate value of \$1,019,000 (2010 – \$986,500). During the year, the Foundation made one artwork purchase \$4,000 (2010 – Nil). Contributions to the collection included 34 (2010 – seven) artifacts with an appraised value of \$24,600 (2010 – \$700) and there were no dispositions during the year (2010 – Nil).

Note 5 Contractual Obligations

At March 31, 2011, the Foundation had no commitments (2010 – \$16,000) relating to service contracts.

Note 6 Approval of Financial Statements

The financial statements were approved by the Board of Directors.

The Government House Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual
Supplies and Services			
Materials and Supplies	\$ 6,000	\$ 29,285	\$ 1,800
General Office	27,000	20,324	36,637
Contracted Services	13,000	19,000	21,471
Hosting	2,000	152	397
	\$ 48,000	\$ 68,761	\$ 60,305

The Government House Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011

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 in 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>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Revenues				
Transfers from The Alberta Historical Resources Foundation	\$ 41,000	\$ 50,000	\$ -	\$ -
Expenses – Directly Incurred				
Other Services	\$ -	\$ -	\$ 2,373	\$ 2,515

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>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
Expenses – Incurred by Others				
Other Services	\$ 12,411	\$ 11,947	\$ -	\$ -
Accommodation	-	-	2,622	2,728
	<u>\$ 12,411</u>	<u>\$ 11,947</u>	<u>\$ 2,622</u>	<u>\$ 2,728</u>

The Government House Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011

Program	Expenses – Incurred by Others				2011		2010	
	Expenses ^(a)	Other Services ^(b)	Accommodation ^(c)	Total Expenses	Total Expenses	Total Expenses	Total Expenses	
Public Relations Administration	\$ 19,974	\$ 3,605	\$ 762	\$ 24,341	\$ 24,341	\$ 42,482	\$ 42,482	
Conservation of Collections	19,502	3,520	744	23,766	23,766	26,764	26,764	
Collection Acquisitions	699	126	26	851	851	3,872	3,872	
	28,586	5,160	1,090	34,836	34,836	1,862	1,862	
	\$ 68,761	\$ 12,411	\$ 2,622	\$ 83,794	\$ 83,794	\$ 74,980	\$ 74,980	

^(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, 2011

**Historic Resources Fund
Financial Statements
March 31, 2011**

Independent Auditor's Report

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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

Independent Auditor's Report



To the Minister of Culture and Community Spirit

Report on the Financial Statements

I have audited the accompanying financial statements of the Historic Resources Fund, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Historic Resources Fund as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

**Historic Resources Fund
Statement of Operations
Year ended March 31, 2011**

	2011		2010
	Budget	Actual (in thousands)	Actual
Revenues (Schedule 1)			
Interpretive Programs and Services	\$ 3,775	\$ 3,780	\$ 4,187
Promotion and Presentation	4,757	3,358	3,457
Jubilee Auditoria	6,353	5,708	6,501
Other Initiatives	477	216	232
Provincial Archives	120	146	169
	<u>15,482</u>	<u>13,208</u>	<u>14,546</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 2 and 4)			
Interpretive Programs and Services	3,845	4,101	4,242
Promotion and Presentation	5,060	3,231	3,940
Jubilee Auditoria	6,194	4,857	4,936
Other Initiatives	480	509	345
Provincial Archives	120	136	224
	<u>15,699</u>	<u>12,834</u>	<u>13,687</u>
Valuation Adjustments			
Provision for Doubtful Accounts	-	25	57
	<u>15,699</u>	<u>12,859</u>	<u>13,744</u>
(Loss) on Disposal of Tangible Capital Assets	-	(8)	-
Net Operating Results	<u>\$ (217)</u>	341	802
Fund Balances at Beginning of Year		<u>14,746</u>	<u>13,944</u>
Fund Balances at End of Year		<u>\$ 15,087</u>	<u>\$ 14,746</u>

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

**Historic Resources Fund
Statement of Financial Position
As at March 31, 2011**

	2011	2010
	(in thousands)	
Financial Assets		
Cash (Note 3)	\$ 10,876	\$ 10,774
Accounts Receivable (Note 4)	714	803
Prepaid Expenses	30	22
Inventory for Resale	632	597
Tangible Capital Assets (Note 5)	3,788	4,279
	\$ 16,040	\$ 16,475
 Liabilities		
Accounts Payable and Accrued Liabilities	\$ 580	\$ 1,427
Unearned Revenue	373	302
	953	1,729
 Fund Balances (Schedule 5)		
Operating	4,007	4,382
Restricted Funds	11,080	10,364
	15,087	14,746
	\$ 16,040	\$ 16,475

Contractual obligations (Note 6)

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

**Historic Resources Fund
Statement of Cash Flows
Year ended March 31, 2011**

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ 341	\$ 802
Non-cash Items included in Net Operating Results		
Amortization of Tangible Capital Assets	852	798
Loss on Disposal of Tangible Capital Assets	8	-
Valuation Adjustments	25	57
	1,226	1,657
Decrease in Accounts Receivable	64	54
(Increase) in Prepaid Expenses	(8)	(22)
(Increase) in Inventory	(35)	(88)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(847)	642
Increase in Unearned Revenue	71	71
Cash Provided by Operating Transactions	471	2,314
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 5)	(369)	(715)
Increase in Cash	102	1,599
Cash at Beginning of Year	10,774	9,175
Cash at End of Year	\$ 10,876	\$ 10,774

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

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2011

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 in accordance with Canadian public sector accounting standards.

(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.

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.

**Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2011**

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

(b) Basis of Financial Reporting (continued)

Revenues (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, 2011**

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 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

(in thousands)

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, 2011, securities held by CCITF have a time-weighted return of 1.1% (2010 – 1.0%) per annum.

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

Note 4 Accounts Receivable

(in thousands)

	2011		2010	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 563	\$ -	\$ 563	\$ 637
Refunds from Suppliers	151	-	151	166
	\$ 714	\$ -	\$ 714	\$ 803

Accounts receivable are unsecured and non-interest bearing.

Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2011

Note 5 Tangible Capital Assets
(in thousands)

	Equipment	Computer Hardware and Software	2011 Total	2010 Total
Estimated Useful Life	3 - 20 years	5 years		
Historical Cost ^(a)				
Beginning of Year	\$ 8,021	\$ 364	\$ 8,385	\$ 7,690
Additions	369	-	369	715
Disposals, Including Write-Downs	(15)	(24)	(39)	(20)
	<u>8,375</u>	<u>340</u>	<u>8,715</u>	<u>8,385</u>
Accumulated Amortization				
Beginning of Year	3,939	167	4,106	3,328
Amortization Expense	818	34	852	798
Effect of Disposals	(7)	(24)	(31)	(20)
	<u>4,750</u>	<u>177</u>	<u>4,927</u>	<u>4,106</u>
Net Book Value at March 31, 2011	<u>\$ 3,625</u>	<u>\$ 163</u>	<u>\$ 3,788</u>	
Net Book Value at March 31, 2010	<u>\$ 4,082</u>	<u>\$ 197</u>		<u>\$ 4,279</u>

^(a) Historical cost includes work-in-progress at March 31, 2011 totalling \$138 (2010 – \$331).

Note 6 Contractual Obligations
(in thousands)

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.

	2011	2010
Service Contracts	<u>\$ 3,226</u>	<u>\$ 6,291</u>

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

	Service Contracts
2012	\$ 2,572
2013 and thereafter	<u>654</u>
	<u>\$ 3,226</u>

**Historic Resources Fund
Notes to the Financial Statements
Year ended March 31, 2011**

Note 7 Comparative Figures

Certain 2010 figures have been reclassified to conform to the 2011 presentation.

Note 8 Approval of Financial Statements

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

Historic Resources Fund
Schedule to Financial Statements
Revenues
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual (Restated)
	(in thousands)		
Transfers from Government of Canada	\$ 83	\$ 21	\$ 12
Investment Income	139	122	94
Premiums, Fees and Licences	4,053	3,931	4,371
Other Revenue			
Sales	3,711	3,993	4,632
Rental Revenue	2,323	3,101	3,098
Recoveries	3,733	1,640	2,042
Other Grants and Contributions	-	212	264
Donations	271	101	20
Prior Years Refunds of Expenses	-	55	3
Other Miscellaneous Revenue	1,169	32	10
	\$ 15,482	\$ 13,208	\$ 14,546

Historic Resources Fund
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual (in thousands)	Actual
Contracted Services	\$ 8,980	\$ 7,057	\$ 8,262
Supplies and Services from Support			
Service Arrangements with Related Parties ^{(a) (b)}	2,276	2,236	1,577
Materials and Supplies	3,110	2,055	2,155
Amortization of Tangible Capital Assets	882	852	798
General Office	336	564	818
Travel	112	62	71
Hosting	3	8	6
	\$ 15,699	\$ 12,834	\$ 13,687
Valuation Adjustments			
Provision for Doubtful Accounts	\$ -	\$ 25	\$ 57

(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
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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 the related parties:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010 (Restated)
Expenses – Directly Incurred				
Other services	\$ -	\$ -	\$ 464	\$ 556
Receivable from	\$ 12	\$ -	\$ 318	\$ 184
Payable to	\$ 5	\$ 378	\$ 70	\$ 77

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	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Other Services	\$ 348	\$ 377	\$ -	\$ -
Accommodation	-	-	194	194
Internal Audit	-	-	126	150
	\$ 348	\$ 377	\$ 320	\$ 344

**Historic Resources Fund
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)**

Program	2011				2010	
	Expenses – Incurred by Others			Valuation Adjustments		Total Expenses
	Expenses ^(a)	Other Services ^(b)	Accommodation ^(c)	Internal Audit ^(d)	Provision for Doubtful Accounts ^(e)	
Interpretive Programs and Services	\$ 4,101	\$ 179	\$ 60	\$ 126	\$ 1	\$ 4,467
Promotion and Presentation	3,231	141	56	-	3	3,431
Jubilee Auditoria	4,857	-	70	-	21	4,948
Other Initiatives	509	22	6	-	-	537
Provincial Archives	136	6	2	-	-	144
	<u>\$ 12,834</u>	<u>\$ 348</u>	<u>\$ 194</u>	<u>\$ 126</u>	<u>\$ 25</u>	<u>\$ 13,527</u>
						<u>\$ 14,465</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
Schedule to Financial Statements
Statement of Operations by Fund
Year ended March 31, 2011
(in thousands)

	2011				2010	
	Restricted Funds			Total	All Funds	
	Glenbow-Alberta Institute ^(a)	Jubilee Auditoria ^(b)	Japanese-Canadian Initiative ^(c)	Contributions ^(d)		Operating Fund
Revenues						
Operating Revenue	\$ -	\$ 5,628	\$ -	\$ 228	\$ 7,130	\$ 12,986
Donations	-	-	-	34	67	101
Investment Income	5	80	1	-	35	121
	<u>5</u>	<u>5,708</u>	<u>1</u>	<u>262</u>	<u>7,232</u>	<u>13,208</u>
						<u>14,432</u>
Operating Expenditures	80	4,856	50	253	7,595	12,834
Valuation Adjustments						
Provision for Doubtful Accounts	-	21	-	-	4	25
Loss on Disposal of Tangible Capital Assets	-	-	-	-	8	-
	<u>80</u>	<u>4,877</u>	<u>50</u>	<u>253</u>	<u>7,607</u>	<u>12,867</u>
						<u>13,744</u>
Net Operating Results	(75)	831	(49)	9	(375)	802
Fund Balance at Beginning of Year	456	9,079	148	681	4,382	14,746
Fund Balance at End of Year	<u>\$ 381</u>	<u>\$ 9,910</u>	<u>\$ 99</u>	<u>\$ 690</u>	<u>\$ 4,007</u>	<u>\$ 15,087</u>
						<u>\$ 14,746</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, 2011

**Human Rights Education and Multiculturalism Fund
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement 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

Independent Auditor's Report



To the Minister of Culture and Community Spirit

Report on the Financial Statements

I have audited the accompanying financial statements of the Human Rights Education and Multiculturalism Fund, which comprise the statement of financial position as at March 31, 2011, and the statement of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Human Rights Education and Multiculturalism Fund, as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

Human Rights Education and Multiculturalism Fund
Statement of Operations
Year ended March 31, 2011

	2011		2010
	Budget	Actual (in thousands)	Actual
Revenues			
Internal Government Transfers			
Transfers from the Department of Culture and Community Spirit	\$ 1,725	\$ 1,725	\$ 2,025
Transfers from the Alberta Heritage Scholarship Fund	70	50	49
Investment Income	63	43	36
Premiums, Fees and Licences	35	75	66
Other Revenue	25	-	-
	<u>1,918</u>	<u>1,893</u>	<u>2,176</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Support to Community Groups	1,138	1,294	1,612
Education Programs	655	523	489
Queen’s Golden Jubilee Awards and Medals Administration	70	50	49
	55	42	43
	<u>1,918</u>	<u>1,909</u>	<u>2,193</u>
Net Operating Results	<u>\$ -</u>	<u>(16)</u>	<u>(17)</u>
Operating Fund Balance at Beginning of Year		<u>1,663</u>	<u>1,680</u>
Operating Fund Balance at End of Year		<u>\$ 1,647</u>	<u>\$ 1,663</u>

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

Human Rights Education and Multiculturalism Fund
Statement of Financial Position
As at March 31, 2011

	2011	2010
	(in thousands)	
Financial Assets		
Cash (Note 3)	\$ 1,659	\$ 1,825
Accounts Receivable (Note 4)	1	-
	1,660	1,825
Cash Appropriated for Non-Current Use (Notes 3 and 5)	1,450	1,450
Prepaid Expenses	5	-
	\$ 3,115	\$ 3,275
Liabilities		
Accounts Payable and Accrued Liabilities	\$ 18	\$ 162
Fund Balances		
Operating	1,647	1,663
General Reserve – Restricted (Note 5)	1,450	1,450
	3,097	3,113
	\$ 3,115	\$ 3,275
Contractual obligations (Note 6)		

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

Human Rights Education and Multiculturalism Fund
Statement of Cash Flows
Year ended March 31, 2011

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (16)	\$ (17)
(Increase) Decrease in Accounts Receivable	(1)	3
(Increase) in Prepaid Expenses	(5)	-
(Decrease) Increase in Accounts Payable and Accrued Liabilities	(144)	134
(Decrease) in Unearned Revenue	-	(1)
Cash (Applied to) Provided by Operating Transactions	(166)	119
Cash at Beginning of Year	1,825	1,706
Cash at End of Year	\$ 1,659	\$ 1,825

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, 2011

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 in accordance with Canadian public sector accounting standards.

(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, 2011

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 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.

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31, 2011

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, 2011, securities held by CCITF have a time weighted return of 1.1% (2010 – 1.0%) per annum.

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

Note 4 Accounts Receivable
(in thousands)

	2011		2010	
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	\$ 1	\$ -	\$ 1	\$ -

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, 2011

Note 6 Contractual Obligations
(in thousands)

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.

	2011	2010
Grant Agreements	\$ 369	\$ 457
Service Contracts	110	120
	\$ 479	\$ 577

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

	Grant Agreements	Service Contracts	Total
2012	\$ 348	\$ 110	\$ 458
2013	21	-	21
	\$ 369	\$ 110	\$ 479

Human Rights Education and Multiculturalism Fund
Notes to the Financial Statements
Year ended March 31, 2011

Note 7 **Honoraria**
(in thousands)

	2011		2010	
	Honoraria ^(a)	Benefits and Allowances ^(b)	Total	Total
Advisory Committee Other Members ^(c)	\$ 9	\$ -	\$ 9	\$ 11

^(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 Board Directive 12/98 as amended, 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) 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 **Approval of Financial Statements**

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

Human Rights Education and Multiculturalism Fund
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual (in thousands)	Actual
Grants	\$ 990	\$ 1,070	\$ 1,404
Supplies and Services from Support Service Arrangements with Related Parties ^(a)	625	625	625
Supplies and Services	295	205	153
Honoraria (Note 7)	8	9	11
	\$ 1,918	\$ 1,909	\$ 2,193

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

Human Rights Education and Multiculturalism Fund
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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	
	2011	2010	2011	2010
Revenues				
Transfers from the Department of Culture and Community Spirit	\$ 1,725	\$ 2,025	\$ -	\$ -
Transfers from the Alberta Heritage Scholarship Fund	-	-	50	49
	<u>\$ 1,725</u>	<u>\$ 2,025</u>	<u>\$ 50</u>	<u>\$ 49</u>
Expenses – Directly Incurred				
Grants	\$ -	\$ -	\$ -	\$ 50
Payable to	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 5</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	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Other Services	\$ 203	\$ 202	\$ -	\$ -
Accommodation	-	-	65	65
	<u>\$ 203</u>	<u>\$ 202</u>	<u>\$ 65</u>	<u>\$ 65</u>

Human Rights Education and Multiculturalism Fund
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)

Program	2011				2010
	Expenses (a)	Other Services (b)	Accommodation (c)	Total Expenses	Total Expenses
Support to Community Groups	\$ 1,294	\$ 68	\$ 22	\$ 1,384	\$ 1,715
Education Programs	523	83	31	637	600
Queen's Golden Jubilee Awards and Medals	50	5	-	55	54
Administration	42	47	12	101	91
	<u>\$ 1,909</u>	<u>\$ 203</u>	<u>\$ 65</u>	<u>\$ 2,177</u>	<u>\$ 2,460</u>

Expenses – Incurred by Others

- (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 Wild Rose Foundation

Financial Statements

March 31, 2011

**The Wild Rose Foundation
Financial Statements
March 31, 2011**

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement 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

Independent Auditor's Report



To the Minister of Culture and Community Spirit

Report on the Financial Statements

I have audited the accompanying financial statements of the Wild Rose Foundation, which comprise the statement of financial position as at March 31, 2011, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Wild Rose Foundation as at March 31, 2011, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, CA]

Auditor General

May 27, 2011

Edmonton, Alberta

**The Wild Rose Foundation
Statement of Operations
Year ended March 31, 2011**

	2011		2010
	Budget	Actual (in thousands)	Actual
Revenues			
Investment Income	\$ 124	\$ 89	\$ 79
Premiums, Fees and Licences	120	122	113
Other Revenue			
Donations	50	44	15
Miscellaneous Revenue	12	11	14
Prior Years Refunds of Expenses	-	-	28
	<u>306</u>	<u>266</u>	<u>249</u>
Expenses – Directly Incurred (Note 2(b) and Schedules 1 and 3)			
Vitalize Conference for Volunteers	<u>306</u>	<u>537</u>	<u>734</u>
Valuation Adjustments			
Provision for Doubtful Accounts	<u>-</u>	<u>-</u>	<u>2</u>
	<u>306</u>	<u>537</u>	<u>736</u>
Net Operating Results	<u>\$ -</u>	(271)	(487)
Operating Fund Balance at Beginning of Year		<u>1,823</u>	<u>2,310</u>
Operating Fund Balance at End of Year		<u>\$ 1,552</u>	<u>\$ 1,823</u>

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

The Wild Rose Foundation
Statement of Financial Position
As at March 31, 2011

	2011	2010
	(in thousands)	
Financial Assets		
Cash (Note 3)	\$ 1,576	\$ 1,814
Investment (Note 3)	6,500	6,500
	8,076	8,314
 Prepaid Expenses	 11	 20
	 \$ 8,087	 \$ 8,334
 Liabilities		
Accounts Payable and Accrued Liabilities	\$ 35	\$ 11
 Fund Balances		
Operating	1,552	1,823
Endowment Fund – Internally Restricted (Note 4)	6,500	6,500
	8,052	8,323
	 \$ 8,087	 \$ 8,334
 Contractual obligations (Note 5)		

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

**The Wild Rose Foundation
Statement of Cash Flows
Year ended March 31, 2011**

	2011	2010
	(in thousands)	
Operating Transactions		
Net Operating Results	\$ (271)	\$ (487)
Non cash items included in Net Operating Results		
Valuation Adjustments	-	2
	(271)	(485)
Decrease in Accounts Receivable	-	56
Decrease in Prepaid Expenses	9	21
Increase (Decrease) in Accounts Payable and Accrued Liabilities	24	(417)
(Decrease) in Unearned Revenue	-	(10)
	(238)	(835)
Cash (Applied to) Operating Transactions		
(Decrease) in Cash	(238)	(835)
Cash at Beginning of Year	1,814	2,649
Cash at End of Year	\$ 1,576	\$ 1,814

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

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31, 2011

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, nonprofit 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 in accordance with Canadian public sector accounting standards.

(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

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.

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31, 2011

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 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, 2011

Note 3 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, 2011, securities held by CCITF have a time-weighted return of 1.1% (2010 – 1.0%) 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 4 Endowment Fund – Internally Restricted
(in thousands)

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.

Note 5 Contractual Obligations
(in thousands)

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.

	2011	2010
Service Contracts		
Vitalize Conference for Volunteers	\$ 214	\$ 366

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

	Service Contracts
2012	\$ 214

The Wild Rose Foundation
Notes to the Financial Statements
Year ended March 31, 2011

Note 6 Approval of Financial Statements

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

The Wild Rose Foundation
Schedule to Financial Statements
Expenses – Directly Incurred Detailed by Object
Year ended March 31, 2011

	2011		2010
	Budget	Actual	Actual
	(in thousands)		
Supplies and Services			
Contracted and Other Services	\$ 257	\$ 520	\$ 682
Travel	39	16	38
Materials and Supplies	10	1	14
	\$ 306	\$ 537	\$ 734
Valuation Adjustments			
Provision for Doubtful Accounts	\$ -	\$ -	\$ 2

The Wild Rose Foundation
Schedule to Financial Statements
Related Party Transactions
Year ended March 31, 2011
(in thousands)

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:

	Entities in the Ministry		Other Entities	
	2011	2010	2011	2010
Expenses – Directly Incurred				
Other Services	\$ -	\$ -	\$ -	\$ -
Payable to	\$ 35	\$ 11	\$ -	\$ -

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	
	2011	2010	2011	2010
Expenses – Incurred by Others				
Accommodation	\$ -	\$ -	\$ -	\$ -
Other Services	92	92	-	-
	\$ 92	\$ 92	\$ -	\$ -

**The Wild Rose Foundation
Schedule to Financial Statements
Allocated Costs
Year ended March 31, 2011
(in thousands)**

Program	Expenses – Incurred by Others			
	Expenses ^(a)	Accommodation ^(b)	Other Services ^(c)	Total Expenses
Vitalize Conference for Volunteers	\$ 537	\$ -	\$ 92	\$ 629
	\$ 537	\$ -	\$ 92	\$ 629
				\$ 826

^(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, 2011

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>\$ 25,160</u>
Total	<u>\$ 25,160</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 on Culture

(Measures: 2.a, 3.a, 4.a, 4.b, and 4.c)

The Culture and Community Spirit Survey of Albertans on Culture is an annual province-wide telephone survey of 1,000 adult Albertans. Leger Marketing 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 on topics such as arts and culture, volunteerism and heritage. Interviews were conducted from December 28, 2010, to January 31, 2011, by trained and experienced interviewers. At least 10 per cent of each interviewer's work was directly monitored during calls. The response rate was 30.1 per cent and the margin of error is +/- 3.1 per cent, 19 times out of 20.

Alberta Multimedia Development Fund Production Reports

(Measure: 2.b)

The results for this measure are collected from the Alberta Multimedia Development Fund's administration records. Production companies approved for funding under the Alberta Multimedia Development Fund 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 a statutory declaration 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, therefore influencing results for the following year.

Community Initiatives Program Client Survey and Community Facility Enhancement Program Client Survey

(Measure: 3.b)

The 2010-11 surveys were conducted by Leger Marketing. Samples were drawn from all the Community Initiatives Program and Community Facility Enhancement Program clients who received funding from the fourth quarter of 2009-10 and the first three quarters of the 2010-11 fiscal year. The final sample sizes were 422 for the Community Initiatives Program survey and 260 for the Community Facility Enhancement Program survey. Leger Marketing used computer automated interview software for data collection. Interviews for the two surveys were conducted between February 8 and February 28, 2011. 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, 403 of the 422 (95.5 per cent) Community Initiatives Program clients responded "yes" and 237 of the 260 (91.2 per cent) of the Community Facility Enhancement Program clients responded "yes." The overall margin of error for the measure is +/- 2.8 per cent, 19 times out of 20. The margin of error for the Community Initiatives Program survey is +/- 3.6 per cent, 19 times out of 20 and the margin of error for the Community Facility Enhancement Program survey is +/- 4.5 per cent, 19 times out of 20.

Client Satisfaction Survey – Customer Service Information System

(Measure: 3.c)

The Client Satisfaction Survey was conducted from April 1, 2010, to March 31, 2011, by the Community Development Branch. Survey respondents are clients with whom agreements for service have been determined 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 4,930 surveys distributed; however, only 4,656 surveys were returned resulting in a response rate of 94.4 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 +/- 0.3 per cent, 19 times out of 20.

Heritage Facilities Visitor Survey - Non-Local and Local Residents

(Measures: 4.d and 4.e)

This methodology pertains to 2008-09, when the survey was last conducted. The satisfaction level of visitors to provincial historic sites, museums and interpretive centres was determined through the Heritage Facilities Visitor Survey – Non-Local and Local Residents. A multi-stage, stratified systematic random sample was used, and each facility was sampled independently. This measure reported the overall satisfaction level of independent visitors (excluding school groups, tours and other groups, after-hours visitors to facilities, people attending education programs and 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 (very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied and very dissatisfied).

Culture and Community Spirit Survey of Albertans on Human Rights and Diversity

(Measures: 5.a and 5.b)

The Culture and Community Spirit Survey of Albertans on Human Rights and Diversity is an annual province-wide telephone survey of 1,000 adult Albertans. Leger Marketing 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 December 28, 2010, to January 31, 2011, 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 33.1 per cent and the margin of error is +/- 3.1 per cent, 19 times out of 20.

Readership Survey

Culture and Community Spirit 2010-11 Annual Report

Thank you for reading the Culture and Community Spirit 2010-11 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, contact Brad Babiak at 780-644-3272 or brad.babiak@gov.ab.ca.

If you would like to be contacted regarding your feedback, please provide your information below.

Name:
Organization:
Telephone Number:
Email:

1. Having read the Culture and Community Spirit 2010-11 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 tear out this survey and fax it 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

