

**SOCIAL AND ENTERPRISE
DEVELOPMENT INNOVATIONS
- TD FINANCIAL LITERACY GRANT FUND
FINANCIAL STATEMENT
FOR THE YEAR ENDED
MARCH 31, 2011**

**SOCIAL AND ENTERPRISE
DEVELOPMENT INNOVATIONS
- TD FINANCIAL LITERACY GRANT FUND**

MARCH 31, 2011

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INDEPENDENT AUDITORS' REPORT

To: The Toronto Dominion Bank and "Class Counsel"

We have audited the statement of Revenues and Expenditures of Social and Enterprise Development Innovations ("SEDI") - TD Financial Literacy Grant Fund for the year ended March 31, 2011. This financial statement has been prepared pursuant to an Ontario Superior Court of Justice Order.

Management's Responsibility

Management is responsible for the preparation of the report in accordance with the Ontario Superior Court of Justice Order, and for such internal control as management determines is necessary to enable the preparation of the report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this report based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of the report, 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 report 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, if any, made by management, as well as evaluating the overall presentation of the report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information in the statement of revenues and expenditures report of Social and Enterprise Development Innovations - TD Financial Literacy Grant Fund as at March 31, 2011 is prepared, in all material respects, in accordance with the Ontario Superior Court of Justice Order.

Restriction on Distribution

This report is prepared to assist Social and Enterprise Development Innovations to meet the TD Financial Literacy Grant Fund Ontario Superior Court of Justice Order. As a result, the report may not be suitable for another purpose. Our report is intended solely for Social and Enterprise Development Innovations and should not be distributed to parties other than Social and Enterprise Development Innovations, Toronto Dominion Bank and "Class Counsel".

*Akler, Browning, Frimet
& Landzberg LLP*

**CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS
TORONTO, CANADA
JUNE 27, 2011**

**SOCIAL AND ENTERPRISE DEVELOPMENT INNOVATIONS
- TD FINANCIAL LITERACY GRANT FUND**

STATEMENT OF REVENUES AND EXPENDITURES

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	For the Year Ended March 31	
	<u>2011</u>	<u>2010</u>
	\$	\$
REVENUES		
TD Fund	949,911	65,742
Interest earned	<u>182,195</u>	<u>25,317</u>
	<u>1,132,106</u>	<u>91,059</u>
EXPENDITURES		
Grant disbursement	902,938	-
Salaries and benefits	164,841	64,358
Program coordination support	41,718	7,995
Occupancy costs	7,740	5,780
Audit	5,000	4,257
Telephone and internet	2,490	1,800
Equipment	2,431	1,977
Insurance	2,400	1,800
Promotion	1,560	-
Office and general expense	814	317
Printing	94	2,693
Travel and meetings	<u>80</u>	<u>82</u>
	<u>1,132,106</u>	<u>91,059</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u><u>-</u></u>	<u><u>-</u></u>

The accompanying notes are an integral part of this statement.

APPROVED ON BEHALF OF THE BOARD:

"ANTHONY GRNAK" - TREASURER

**SOCIAL AND ENTERPRISE DEVELOPMENT INNOVATIONS
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NOTES TO THE FINANCIAL STATEMENT
MARCH 31, 2011

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Note 1: Objectives

SEDI is a non-profit organization incorporated without share capital and is registered with Canada Revenue Agency as a charitable organization.

The TD Financial Literacy Grant Fund represents a \$11,094,130 fund for the purpose of making grants to charitable or other non-profit organizations who serve low income and otherwise economically disadvantaged persons and groups in Canada to support and promote financial literacy. The TD Financial Literacy Grant Fund shall be disbursed on or before December 31, 2015.

Note 2: Significant Accounting Policy

The accompanying financial statement reflects only the results and operation for the program - TD Financial Literacy Grant Fund as disclosed by its books, and does not include any other assets, liabilities, revenues or expenditures of SEDI.

The organization designates its cash, term deposits, accounts payable and accrued liabilities and deferred contributions as held for trading and carries them at fair value due to their short term nature. TD Financial Literacy Fund is designated as held to maturity and is measured at amortized cost.

Note 3: Deferred Contributions

SEDI follows the deferral method of accounting for contributions. Deferred contributions represent unspent resources externally restricted by the funder that are related to a future period. At year end \$10,078,477 of the TD Financial Literacy Grant Fund remain unspent. These funds will be recognized as revenue in the period in which they are spent.