

**SOCIAL AND ENTERPRISE
DEVELOPMENT INNOVATIONS
- CANADIAN CENTRE FOR FINANCIAL LITERACY
OPERATING FUND
FINANCIAL STATEMENT
FOR THE YEAR ENDED
MARCH 31, 2013**

**SOCIAL AND ENTERPRISE
DEVELOPMENT INNOVATIONS
- CANADIAN CENTRE FOR FINANCIAL LITERACY
OPERATING FUND**

MARCH 31, 2013

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INDEPENDENT AUDITOR'S REPORT

To: The Toronto Dominion Bank and "Class Counsel"

We have audited the statement of Revenues and Expenditures of the Social and Enterprise Development Innovations - Canadian Centre for Financial Literacy Operating Fund for the year ended March 31, 2013 and a summary of significant accounting policies and other explanatory information (together "the financial statement"). 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 this financial statement 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 financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement 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 financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statement, 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 statement 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 financial statement.

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 statement presents fairly, in all material respects, the revenues and expenditures of the Social and Enterprise Development Innovations - Canadian Centre for Financial Literacy Operating Fund for the year ended March 31, 2013 in accordance with the Ontario Superior Court of Justice Order.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to The Toronto Dominion Bank and "Class Counsel". As a result, the statement may not be suitable for another purpose.

*Akler, Browning, Frimet
& Landzberg LLP*

CHARTERED ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS
TORONTO, CANADA
JUNE 27, 2013

**SOCIAL AND ENTERPRISE DEVELOPMENT INNOVATIONS
- CANADIAN CENTRE FOR FINANCIAL LITERACY OPERATING FUND**

STATEMENT OF REVENUES AND EXPENDITURES

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	For the Year Ended March 31	
	<u>2013</u>	<u>2012</u>
	\$	\$
REVENUES		
Grants	696,124	626,340
Interest earned	<u>20,412</u>	<u>16,372</u>
	<u>716,536</u>	<u>642,712</u>
EXPENDITURES		
Salaries and benefits	492,923	415,667
Program support - Evaluation	62,521	75,406
Occupancy costs	50,325	41,668
Printing and promotion	33,166	20,001
Travel and meetings	23,671	42,459
Program delivery	15,367	15,836
Website development	12,607	4,453
Office and general	10,751	6,003
Equipment/software	6,343	8,987
Audit	5,394	5,064
Telephone and internet	<u>3,468</u>	<u>7,168</u>
	<u>716,536</u>	<u>642,712</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" - CHAIR OF AUDIT COMMITTEE

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NOTES TO THE FINANCIAL STATEMENT
MARCH 31, 2013

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Note 1: Objectives

Social and Enterprise Development Innovations ("SEDI") is a non-profit organization incorporated without share capital and is registered with Canada Revenue Agency as a charitable organization.

The Canadian Centre for Financial Literacy Operating Fund ("CCFL") represents a \$3,500,000 fund provided by the CCFL co-founder, TD Bank Financial Group, effective July 9, 2009 to support the activities of the CCFL over a five year period ending December 31, 2014. The purpose of the CCFL is to expand opportunities for increasing the financial literacy of low income and otherwise economically disadvantaged persons and groups in Canada.

Note 2: Significant Accounting Policy

The following is a summary of the significant accounting policies used by management in the preparation of this financial statement.

Basis of Accounting

The basis of accounting used in this financial statement differs from Canadian accounting standards for not-for-profit organizations in that the accompanying financial statement reflects only the results and operation for the CCFL as disclosed by its books, and does not include any other assets, liabilities, revenues or expenditures of SEDI.

Revenue Recognition

Restricted TD literacy funds are recognized as revenue in the year in which the related expenses are incurred.

Use of Estimates

The preparation of the financial statement in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures during the year. Actual results could differ from those estimates.

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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 \$1,557,577 of funds had been received and remained unspent. These funds will be recognized as revenue in the period in which they are spent.