

20 09 ANNUAL REPORT



Excellence and Innovation in Human Resources and Labour Relations

FROM THE BOARD



Throughout my six-year involvement with CSSEA, I have watched its evolution and witnessed a gradual clarification and strengthening of its role. With the recent appointment of government representatives, David Morel and Sharon Moysey, to the board, we have new voices and ideas with whom to collaborate and move our association forward.

Issues of concern from our members continue to be effectively communicated to the board through the panels. Recruitment and retention is an ongoing challenge for social services employers. Your board and panels have, over the year, attempted to address those concerns through the staff turnover survey and by seeking input on the 2010 bargaining process.

As both a panel and board member, I have had the opportunity to work closely with CSSEA staff and the PSEC Secretariat on initiatives such as the Municipal Pension Plan that are of great importance to our sector. I have also been impressed by the efforts of our bargaining teams and CSSEA staff in attaining workable solutions through the last two rounds of bargaining. Though the current political and economic outlooks have changed, I am confident that a solution that balances the interests of our employees and our organizations will be found.

This year's AGM will mark my last as a board member. It has been a privilege to have been involved with the strategic governance of CSSEA and to have been able to work with and get to know other employers in the sector. I continue to be impressed by the commitment and passion of my colleagues. As we move towards bargaining in 2010, I thank all of you for the contributions you continue to make towards ensuring that the social services sector maintains its vital role in our communities.

A handwritten signature in black ink, appearing to read 'e. tarshis'.

Ellen Tarshis
Board Chair

Financial statements of

**Community Social Services
Employers' Association of B.C.**

March 31, 2009

Community Social Services Employers' Association of B.C.

March 31, 2009

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Auditors' report

To the Members of
Community Social Services Employers' Association of B.C.

We have audited the statement of financial position of Community Social Services Employers' Association of B.C. (the "Association") as at March 31, 2009 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at March 31, 2009 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act of British Columbia, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Chartered Accountants
June 19, 2009

Member of
Deloitte Touche Tohmatsu

Community Social Services Employers' Association of B.C.

Statement of operations
year ended March 31, 2009

	2009	2008
	\$	\$
Revenue		
Provincial Operating Grant	2,294,039	2,288,092
Fees	245,263	173,869
Consulting, Health Benefits Trust	45,000	45,000
Interest	115,680	135,348
	2,699,982	2,642,309
Expenditures		
Salaries and benefits	1,887,785	1,683,536
Consulting	218,245	168,105
Occupancy	178,723	165,542
Travel and training	172,853	156,689
Directors and committees	101,482	114,341
Legal, accounting and other professional services	94,230	71,924
Amortization	75,767	56,958
Telephone and facsimile	35,904	33,933
Photocopy and printing	27,444	58,080
Non-recoverable GST	20,940	24,070
Office supplies	17,260	17,966
Member education	15,007	19,002
Equipment	12,283	22,858
Delivery	6,876	9,072
	2,864,799	2,602,076
(Deficiency) excess of revenue over expenditures	(164,817)	40,233

Community Social Services Employers' Association of B.C.

Statement of changes in net assets
year ended March 31, 2009

	2009						2008	
	Invested in capital assets	Restricted for capital assets	Restricted for labour relations activities	Restricted for project activities	Restricted for wind up activities	Unrestricted	Total	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	153,837	102,984	409,764	91,998	1,250,000	350,576	2,359,159	2,318,926
Purchase of capital assets	35,791	(35,791)	-	-	-	-	-	-
(Deficiency) excess of revenue over expenditures	(75,767)	-	-	-	-	(89,050)	(164,817)	40,233
Transfer	-	-	(30,903)	17,195	-	13,708	-	-
Balance, end of year	113,861	67,193	378,861	109,193	1,250,000	275,234	2,194,342	2,359,159

Community Social Services Employers' Association of B.C.

Statement of financial position
as at March 31, 2009

	2009	2008
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,797,333	2,831,087
Accounts receivable	79,734	193,018
Prepaid expenses	36,790	27,876
	2,913,857	3,051,981
Equipment (Note 3)	113,861	153,837
	3,027,718	3,205,818
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	214,205	179,159
Deferred revenue	573,723	610,045
Current portion of tenant inducements (Note 2 (h))	6,113	6,113
Current portion of lease obligation (Note 6)	5,714	5,968
	799,755	801,285
Deferred tenant inducements (Note 2 (h))	33,621	39,734
Obligation under capital lease (Note 6)	-	5,640
	833,376	846,659
Net assets		
Invested in capital assets	113,861	153,837
Restricted (Note 4)	1,805,247	1,854,746
Unrestricted	275,234	350,576
	2,194,342	2,359,159
	3,027,718	3,205,818

Commitments (Note 5)

Approved

Ellen Tarshis, Chair

J.W. (Bill) Fildes, Treasurer

Community Social Services Employers' Association of B.C.

Statement of cash flows
year ended March 31, 2009

	2009	2008
	\$	\$
Operating activities		
(Deficiency) excess of revenue over expenditures	(164,817)	40,233
Items not affecting cash		
Tenant inducements	(6,113)	(6,114)
Amortization of capital assets	75,767	56,958
	(95,163)	91,077
Changes in non-cash working capital		
Accounts receivable	113,284	(17,049)
Prepaid expenses	(8,914)	(12,701)
Accounts payable and accrued liabilities	35,046	55,348
Deferred revenue	(36,322)	30,906
	7,931	147,581
Investing activities		
Capital asset purchases	(35,791)	-
Payment on capital lease	(5,894)	(6,626)
	(41,685)	(6,626)
Net cash (outflow) inflow	(33,754)	140,955
Cash and cash equivalents, beginning of year	2,831,087	2,690,132
Cash and cash equivalents, end of year	2,797,333	2,831,087
 Cash and cash equivalents consist of		
Cash (bank indebtedness)	295,466	(64,754)
Short-term investments	2,501,867	2,895,841
	2,797,333	2,831,087

Community Social Services Employers' Association of B.C.

Notes to the financial statements
March 31, 2009

1. Incorporation and nature of operations

The Community Social Services Employers' Association of B.C. (the "Association") was constituted on January 13, 1994 under the Society Act of British Columbia, to coordinate and provide human resource planning and development and labour relations management services to its members. The Association is a non-taxable entity as defined by the Income Tax Act.

2. Significant accounting policies

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles and reflect the following significant accounting policies:

(a) Financial instruments

The Association has elected to use the exemption provided by the Canadian Institute of Chartered Accountants ("CICA") permitting not-for-profit organizations not to apply the following Sections of the CICA Handbook: 3862 and 3863, which would otherwise have applied to the financial statements of the Association for the year ended March 31, 2009. The Association applies the requirements of Section 3861 of the CICA Handbook.

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement is dependent on their classification as described below. Their classification depends on the purpose for which the financial instruments were acquired, their characteristics and the Association's designation of such instruments. Settlement date accounting is used.

(i) Held-for-trading

Cash and cash equivalents have been designated as held-for-trading and are measured at fair value. Fair value fluctuations including interest earned, interest accrued, gains and losses realized on disposal and unrealized gains and losses are included in investment income.

(ii) Loans and receivables

Accounts receivable have been designated as loans and receivables and are accounted for at amortized cost using the effective interest method.

(iii) Other liabilities

Accounts payable and accrued liabilities are recorded at amortized cost using the effective interest method and include all financial liabilities, other than obligations under capital leases.

Community Social Services Employers' Association of B.C.

Notes to the financial statements

March 31, 2009

2. Significant accounting policies (continued)

(b) Revenue recognition

The Association follows the deferral method of accounting for contributions. Externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

(c) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant areas requiring the use of management estimates relate to the determination of net receivable value of accounts receivable, the useful life of equipment and the determination of accounts payable and accrued liabilities. Actual results could differ from those estimates.

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and term deposits with an original maturity of ninety days or less.

(e) Equipment

Equipment is recorded at cost and amortization is provided as follows:

Leased office equipment	Over remaining term of lease
Furniture and fixtures	20% declining balance method
Computer and communication equipment	3 years straight-line
Leasehold improvements	Over remaining term of lease

(f) Impairment of long-lived assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. An impairment loss is recognized when the carrying value of a long-lived asset intended for use exceeds the sum of the undiscounted cash flows expected from its use and eventual disposition. The impairment loss is measured as the excess of the carrying value of the asset over its fair value.

(g) Deferred revenue

Deferred revenue represents government grants received for specific expenditures expected to be incurred in subsequent years.

Community Social Services Employers' Association of B.C.

Notes to the financial statements
March 31, 2009

2. Significant accounting policies (continued)

(h) *Deferred tenant inducements*

Deferred tenant inducements represent lease allowances received from the landlord and are amortized over the term of the lease.

(i) *Capital disclosures*

The Association has adopted the recommendations of the CICA Handbook Section 1535, *Capital Disclosures*. This section requires the disclosure of information about externally imposed capital requirements. As the Association has no externally imposed capital requirements, the adoption of this section has no impact on the financial statements. The Association's main objective with respect to capital management is to maintain a sufficient level of resources to continue to provide human resource planning and development and labour relations management services to its members.

(j) *Future accounting changes*

The CICA has amended Section 4400, *Financial Statement Presentation by Not-For-Profit Organizations*, that will revise and enhance the current disclosure requirements for various elements of financial reporting. For the Association, the amendments will be effective for the fiscal year commencing April 1, 2009. The amendments require the reporting of certain gross revenues in the statement of operations and additional disclosures when a not-for-profit organization classifies its expenses by function and allocates a portion of their fundraising and general support costs to another function. The Association is currently evaluating the impact of the adoption of this new section on its financial statements.

3. Equipment

	2009			2008
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Leased office equipment	50,770	40,756	10,014	29,243
Furniture and fixtures	147,932	137,891	10,041	12,551
Computer and communication equipment	457,112	433,252	23,860	31,321
Leasehold improvements	189,659	119,713	69,946	80,722
	845,473	731,612	113,861	153,837

Community Social Services Employers' Association of B.C.

Notes to the financial statements
March 31, 2009

4. Restricted net assets

	2009	2008
	\$	\$
Restricted for wind down costs (a)	1,250,000	1,250,000
Restricted for capital assets	67,193	102,984
Restricted for labour relations activities	378,861	409,764
Restricted for project activities	109,193	91,998
	1,805,247	1,854,746

These internally restricted amounts are not available for other purposes without approval of management and the Executive Committee of the Association.

- (a) This is a contingency fund for wind down costs in the event that the Association ceases operation.

5. Commitments

- (a) The Association has a \$100,000 letter of credit outstanding at March 31, 2009 (2008 - \$100,000).

- (b) The Association entered into a lease effective October 1, 1995, expiring 2016. The base rental commitments for the fiscal years ending March 31 are as follows:

	\$
2010	70,299
2011	73,356
2012	79,469
2013	85,582
2014	88,639
Thereafter	137,543
	534,888

6. Obligation under capital lease

The equipment leases entered into by the Association expire in February 2010. The minimum lease payments required under the agreement are as follows:

	\$
2010	6,072
Less: Amount representing interest at 10.90%	(358)
	5,714
Less: Current portion	5,714
	-

Community Social Services Employers' Association of B.C.

Notes to the financial statements
March 31, 2009

7. Financial instruments

(a) Fair values

The Association's financial instruments include cash, cash equivalents, accounts receivable and accounts payable and obligation under capital lease. The fair values of these financial instruments approximate their carrying value due to their short-term nature.

(b) Financial risk

The Association is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and current liabilities.

8. First Nations Transitional Services Society

On April 1, 2007, the Association set up a separate society to temporarily house a service contract from the Ministry of Family and Child Development for a period of one year ending May 15, 2008. Under the terms of the contract, the Ministry reimbursed the Association for all out of pocket expenses related to setting up the society. In addition, the Ministry indemnified the Association and the society. The terms of the contract were subsequently extended to September 1, 2008. As at March 31, 2009, the wind up of the society was in progress, with an effective date of September 1, 2008.

FROM THE CEO

Few would argue that 2009 has been a year of transition. The once robust economy shifted, seemingly overnight, to one that's now cloaked in uncertainty. But as much as our sector was impacted by the events of the global economy, we have undertaken a number of positive measures this year that will help our members emerge from the downturn on solid footing.

A major priority this year was the Municipal Pension Plan. With its impending introduction next March, members worked hard to ensure their agencies were registered on time. Concurrently, we continued our education program for potential MPP enrollees, which included a series of provincial MPP workshops conducted across the province. In addition, we worked with BC Pension Corporation to produce informative online videos and eLearning modules that will thoroughly address members' questions and allow them to make an informed decision around enrollment in the MPP. We will continue these efforts right through to the introduction of the MPP next year.



Recruitment and retention concerns remain top-of-mind among members. While the recession has delivered some relief to the magnitude of these challenges, we are convinced that high turnover issues will return as the economy rebounds. In an effort to counteract that, we continue to develop tools, such as our recent Best Practices Guide, to help you get through the difficult times. Along the same vein of knowledge acquisition, we have two new shared-cost consulting initiatives you can access. The most recent topic, which addresses succession planning, is critical in that it can enhance continuity in an agency's operations despite retention and turnover issues.

In addition to the efforts made over the past year to cope with our changing environment, members have had the added burden of preparing for the future, specifically the new 2010 PSEC fiscal mandate period and related collective bargaining. Despite the fact hopes for a generous wage increase early in the fiscal mandate period may prove wishful, we continue to believe a creative and professional approach to bargaining can yield a favourable longer-term agreement. Although the results will only become apparent with time, we thank you for your input on initiatives such as the data collection survey and for attending the regional bargaining meetings. We look forward to seeing many of you at the AGM.

A handwritten signature in black ink, appearing to read "Lorne Rieder". The signature is fluid and cursive, written in a professional style.

Lorne Rieder
Chief Executive Officer

CSSEA

Your Human Resources and Labour Relations Solutions Provider

New Services Offered in 2009

- Shared-Cost Consulting Services
- Recruitment and Retention Solutions
- New Courses in Training and Development
- Municipal Pension Plan Updates and Training

Senior Management Team

Chief Executive Officer
Lorne Rieder

Director, Labour Relations
Services
Sandi Case

Director, Corporate Services
Karen Yow

Director, Member Services
Kathie Best

Membership by division

Aboriginal Services.....	4
Community Living British Columbia	1
Community Living Services	104
General Services.....	98
TOTAL	207

Membership by region

Kootenays.....	19
Lower Mainland.....	74
North.....	25
Thompson/Okanagan.....	32
Vancouver Island	57
TOTAL	207