



2007 ANNUAL REPORT

Excellence and Innovation in Human
Resources and Labour Relations

Cssea
Community Social Services
Employers' Association

This is a great time in the history of the Community Social Services Employers' Association. Our organization has come of age. After surviving many growing pains, CSSEA has evolved into a mature organization, respected by members, government and the unions.

CSSEA's governance structure, which experienced a dramatic change in 2003, has also become a strong, viable structure with the roles of the three divisional panels clearly defined. The panels have shown great success in acting as the liaison between members and the board and members and CSSEA. Everything CSSEA does is reviewed by the panels before going to the membership. The input from this cross-section of the membership has proven to be invaluable to the operation of CSSEA.



With unprecedented contributions from members, including input into the 2008-2011 strategic plan, CSSEA is truly a member-driven organization. CSSEA learns from its members what needs to be improved upon and promoted. In order to continue its excellent services, CSSEA depends on its members to help it maintain this level of excellence and is proud of the inclusive nature of its relationship with all members.

I wish to stress to members the importance of contributing to your employers' association, whether through responding to surveys, participating in the strategic planning process or becoming a board or panel member. Continue to utilize training programs and focus on recruitment and retention initiatives. Share your capacity building experience to encourage all members in the sector to facilitate the growth of their human resources talent and promote institutional and organizational development.

The 2007 AGM and Fall Conference will be an opportunity to celebrate this post-bargaining climate: celebrate yourselves and the sector for the outstanding services you provide this province.

I wish to thank members of the board and panels for their commitment and dedication this past year – again, it was a pleasure working with you. Your uncompromising passion for what you do has propelled CSSEA forward to a new era with enthusiasm and spirit as we seek to provide the very best services for our clients. I also wish to thank the staff at CSSEA for their unending and tireless service to provide us with the tools to become better employers.

A handwritten signature in dark ink, appearing to read 'Paul Sibley', written in a cursive style.

Paul Sibley
Board Chair

As we reflect on 2006 bargaining, the past strategic plan and begin building a new one, we see how much CSSEA accomplished in the past year. Our members tell us the training provided at the annual fall conference continues to be vital and our in-house training program has proven successful, with many members booking sessions. The second guide in the Best Practices Series, Managing Employee Performance, was published, and the self-help guides are being updated.

Continuity and professionalism of assigned consultant teams and their knowledge of agencies has helped to resolve conflicts. We understand improved communication between CSSEA and members works for all of us: your feedback and ideas help us improve our ability to deliver services that help you improve yours. Site visits allow us to better understand the values that drive the social services sector and we support them passionately.



Relationships with sectoral funders continued to improve. The flow of funding to agencies has become more routine and less worrisome with better follow-up and a willingness to recognize special circumstances.

In a sector numerically dominated by Community Living Services agencies, we are pleased to report General Services and Aboriginal Services agencies are feeling more like equal partners within CSSEA. The Aboriginal Services division has doubled and the panel recently met for the first time.

All panels have been regularly consulted for input on operational issues and we constantly look for ways to enhance their leadership roles within their divisions and among the membership. While the three panels are distinct groups with their own agendas, they are finding value in working together to address member issues. This same sense of teamwork exists among the board, panels and CSSEA staff and it is a powerful combination.

The recruitment and retention report is being reviewed by the panels and board before being presented to the membership. The municipal pension plan reference group reconvenes in the fall and we will keep you informed of issues relating to the plan to be introduced on March 31, 2010.

We are pleased to welcome several new members, bringing the membership total to 203 with over 15,000 employees. Be assured that CSSEA is committed to providing excellence in HRLR to all our members.

A handwritten signature in black ink, appearing to read "Lorne Rieder". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Lorne Rieder
Chief Executive Officer

Financial statements of

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

March 31, 2007

Community Social Services Employers' Association of B.C.

March 31, 2007

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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, 2007 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, 2007 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.



Chartered Accountants
June 7, 2007

Community Social Services Employers' Association of B.C.

Statement of operations
year ended March 31, 2007

	2007	2006
	\$	\$
Revenue		
Provincial Operating Grant	2,158,148	2,339,932
Fees	145,577	106,317
Consulting, Health Benefits Trust	90,000	90,000
Interest	123,410	79,850
	2,517,135	2,616,099
Expenditures		
Salaries and benefits	1,599,694	1,555,702
Consulting	231,705	222,012
Travel and training	160,157	123,317
Occupancy	152,464	187,716
Directors and committees	82,800	120,460
Amortization	75,904	89,717
Legal, accounting and other professional services	69,326	144,998
Telephone and facsimile	33,196	26,918
Photocopy and printing	24,517	10,201
Non-recoverable GST	23,982	32,801
Equipment	21,999	13,865
Office supplies	15,067	11,525
Member education	10,121	4,293
Delivery	8,647	8,884
Labour negotiations	-	31,056
	2,509,579	2,583,465
Excess of revenue over expenditures	7,556	32,634

Community Social Services Employers' Association of B.C.

Statement of changes in net assets
year ended March 31, 2007

	2007					2006	
	Invested in capital assets	Restricted for capital assets	Restricted for labour relations activities	Restricted for project activities	Restricted for wind up activities	Unrestricted	Total
	\$	\$	\$	\$	\$	\$	\$
Balance, beginning of year	239,751	133,540	509,868	91,998	-	1,358,020	2,333,177
Purchase of capital assets	46,949	-	-	-	-	(46,949)	-
(Deficiency) excess of revenue over expenditures	(75,904)	-	-	-	-	83,460	32,634
Transfer	-	(30,556)	(63,815)	-	1,250,000	(1,177,436)	(21,807)
Balance, end of year	210,796	102,984	446,053	91,998	1,250,000	217,095	2,333,177

Community Social Services Employers' Association of B.C.

Statement of financial position
as at March 31, 2007

	2007	2006
	\$	\$
Assets		
Current assets		
Cash and cash equivalents	2,690,132	2,847,243
Accounts receivable	175,969	239,184
Prepaid expenses	15,175	12,413
	2,881,276	3,098,840
Capital assets (Note 3)	210,795	239,751
	3,092,071	3,338,591
Liabilities		
Current liabilities		
Accounts payable	123,811	349,781
Deferred revenue	579,139	574,748
Current portion of tenant inducements (Note 2 (e))	6,113	6,113
Current portion of lease obligation (Note 6)	5,359	4,812
	714,422	935,454
Deferred tenant inducements (Note 2 (e))	45,848	51,960
Obligation under capital lease (Note 6)	12,875	18,000
	773,145	1,005,414
Net assets		
Invested in capital assets	210,795	239,751
Restricted (Note 4)	1,891,036	735,406
Unrestricted	217,095	1,358,020
	2,318,926	2,333,177
	3,092,071	3,338,591

Commitments (Note 5)

Approved

Paul Sibley, Chair

Bill Fildes, Treasurer

Community Social Services Employers' Association of B.C.

Statement of cash flows
year ended March 31, 2007

	2007	2006
	\$	\$
Operating activities		
Excess of revenue over expenditures	7,556	32,634
Items not affecting cash		
Tenant inducements	(6,113)	(3,057)
Amortization of capital assets	75,905	89,717
Transfer from restricted net assets	(21,807)	-
	55,541	119,294
Changes in non-cash working capital		
Accounts receivable	63,215	(128,094)
Prepaid expenses	(2,762)	27,252
Accounts payable	(225,970)	118,504
Deferred revenue	4,391	1,925
	(105,585)	138,881
Investing and financing activities		
Capital asset purchases	(46,949)	(107,686)
Payment on capital lease	(4,577)	(27,960)
Tenant inducements	-	61,130
	(51,526)	(74,516)
Net cash (outflow) inflow	(157,111)	64,365
Cash and cash equivalents, beginning of year	2,847,243	2,782,878
Cash and cash equivalents, end of year	2,690,132	2,847,243
Cash and cash equivalents consist of		
Cash	151,309	189,220
Short-term investments	2,538,823	2,658,023
	2,690,132	2,847,243

Community Social Services Employers' Association of B.C.

Notes to the financial statements

March 31, 2007

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) *Cash and cash equivalents*

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

(b) *Revenue recognition*

The Society 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) *Capital assets*

Capital assets are recorded at cost and amortization is provided as follows:

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

(d) *Deferred revenue*

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

(e) *Deferred tenant inducements*

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

Community Social Services Employers' Association of B.C.

Notes to the financial statements

March 31, 2007

2. Significant accounting policies (continued)

(f) 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. Actual results could differ from those estimates.

3. Capital assets

			2007	2006
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Office equipment	50,770	14,216	36,554	45,693
Furniture and fixtures	147,931	132,244	15,687	19,366
Computer and communication equipment	421,321	354,265	67,056	82,106
Leasehold improvements	189,659	98,161	91,498	92,586
	809,681	598,886	210,795	239,751

4. Restricted net assets

	2007	2006
	\$	\$
Restricted for wind down costs (a)	1,250,000	-
Restricted for capital assets	102,984	133,540
Restricted for labour relations activities	446,053	509,868
Restricted for project activities	91,998	91,998
	1,891,035	735,406

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 new contingency fund for wind down costs in the event that the Community ceases operation.

Community Social Services Employers' Association of B.C.

Notes to the financial statements

March 31, 2007

5. Commitments

(a) The Association has a \$100,000 letter of credit outstanding at March 31, 2007 (2006 - \$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:

	\$
2008	64,186
2009	67,243
2010	70,299
2011	73,356
2012	79,469
Thereafter	311,764
	<u>666,317</u>

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:

	\$
2008	7,003
2009	7,003
2010	5,250
	<u>19,256</u>
Less: Amount representing interest at 10.90%	1,023
	<u>18,233</u>
Less: Current portion	5,359
	<u>12,874</u>

7. Financial instruments

As at March 31, 2007, the carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates their fair value due to their short-term nature.

8. Subsequent events

As at April 1, 2007, the Association set up a separate society to temporarily house a service contract from the Ministry of Family and Child Development. Under the terms of the contract, the ministry will reimburse the Association for all out of pocket expenses related to setting up the society. In addition, the ministry has indemnified the Association and the society.

CSSEA

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CSSEA 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

MEMBERS

Aboriginal Services.....	4
Community Living British Columbia	1
Community Living Services	104
General Services.....	94
TOTAL	203

Membership by region

Kootenays.....	20
Lower Mainland.....	71
Northern BC.....	24
Thompson/Okanagan.....	29
Vancouver Island	59
TOTAL	203



Cssea
Community Social Services
Employers' Association

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