



Financial Statements of the Sudbury  
Community Development Corporation



## AUDITORS' REPORT

To the Board of Directors of the **Sudbury Community Development Corporation**

We have audited the statement of financial position of the **Sudbury Community Development Corporation** as at **March 31, 2010** and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the corporation'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 these 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 corporation as at March 31, 2010 and the results of its operations and changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

FREELANDT CALDWELL REILLY LLP

Chartered Accountants

Licensed Public Accountants

Sudbury, Ontario  
September 20, 2010

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**SUDBURY COMMUNITY DEVELOPMENT CORPORATION**  
**Statement of Financial Position**

**March 31, 2010 with comparative figures for 2009**

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	2010	2009
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 10,171	\$ 16,618
Accounts receivable	500	75,011
	<hr/> \$ 10,671	<hr/> \$ 91,629
<b>Liabilities and net assets</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 7,175	\$ 6,500
Advances from City of Greater Sudbury (note 2)	3,496	10,129
Current portion of loan payable	-	75,000
	<hr/> \$ 10,671	<hr/> \$ 91,629

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See accompanying notes to financial statements

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**SUDBURY COMMUNITY DEVELOPMENT CORPORATION**  
**Statement of Operations and Changes in Net Assets**

**Year ended March 31, 2010 with comparative figures for 2009**

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	2010	2009
<b>Revenue:</b>		
City of Greater Sudbury contribution	\$ 6,633	\$ 6,108
Interest and other	367	392
Amortization of deferred capital contributions	-	202,657
Equipment lease	-	75,000
	7,000	284,157
<b>Expenditures:</b>		
Office and administration	7,000	6,500
Amortization	-	277,657
	7,000	281,157
<b>Excess of revenue over expenditures, being net assets, end of year</b>	<b>\$ -</b>	<b>\$ -</b>

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See accompanying notes to financial statements

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# SUDBURY COMMUNITY DEVELOPMENT CORPORATION

## Notes to the Financial Statements

March 31, 2010

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The corporation is principally involved in the promotion of community economic development in the City of Greater Sudbury by encouraging, facilitating and supporting community strategic planning and increasing self-reliance, investment and job creation within the community. The corporation was incorporated without share capital on August 10, 1998 under the laws of the Province of Ontario and qualifies as a non-profit organization which is exempt from income tax under the Income Tax Act (Canada).

### 1. Significant accounting policies:

#### (a) Revenue recognition:

The corporation follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are deferred and recognized as revenue in the period in which the restrictive conditions are satisfied. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related capital assets.

#### (b) Financial instruments:

Financial instruments must be classified into one of five categories: "held-for-trading; held-to-maturity; loans and receivables; available-for-sale financial assets; or other financial liabilities. At inception, all financial instruments, including derivatives, are measured in the statement of financial position at fair value, except for loans and receivables, held to maturity investments and other financial liabilities which are measured at amortized cost. Held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in the statement of operations; available-for-sale financial assets are measured at fair value with changes in fair value recorded in the statement of changes in net assets. Subsequent measurement and changes in fair value will depend on the initial classification of the financial instruments.

The organization has selected the following classifications with respect to its financial assets and financial liabilities:

- Cash is a financial asset classified as "held-for-trading", which is measured at "fair value".

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# SUDBURY COMMUNITY DEVELOPMENT CORPORATION

## Notes to the Financial Statements

March 31, 2010

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- Accounts receivable are classified as loans and receivables, which are measured at amortized cost, which, upon initial recognition, is considered equivalent to fair value; subsequent measurements are recorded at amortized cost using the effective interest rate method; and
- Accounts payable and accrued liabilities, advances from City of Greater Sudbury and loan payable are financial liabilities classified as "other financial liabilities" and are initially measured at their fair value. Subsequent measurements are recorded at amortized cost using the effective interest rate method.

### 2. Advances from the City of Greater Sudbury:

Advances from the City of Greater Sudbury are unsecured, non-interest bearing and due on demand.

The corporation is related to the City of Greater Sudbury by virtue of common control.

### 3. Financial instruments:

The company's financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and advances from City of Greater Sudbury. It is management's opinion that the company is not exposed to significant interest, currency or credit risks and that the fair value of these items are not materially different from their carrying amounts as presented in the statement of financial position.

### 4. Other information:

#### a) Human Resources Development Canada:

In 1999 the corporation entered into an agreement with Human Resources Development Canada (HRDC) whereby HRDC provided a contribution of \$2,980,000 to assist the corporation in establishing the appropriate infrastructure to create an inbound/outbound call centre of approximately 40,000 square feet.

#### b) Northern Ontario Heritage Fund:

In 1999 the corporation entered into an agreement with the Northern Ontario Heritage Fund Corporation (NOHFC) whereby NOHFC provided the corporation with an interest free repayable loan of \$750,000, the balance of which is \$nil (2009 - \$75,000), and a forgivable loan of \$1,907,960 to assist the corporation in establishing the appropriate infrastructure to create an inbound/outbound call centre of approximately 40,000 square feet.

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# **SUDBURY COMMUNITY DEVELOPMENT CORPORATION**

## **Notes to the Financial Statements**

**March 31, 2010**

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Under the terms of this agreement the project was satisfactorily completed and in 2005 the \$1,907,960 loan was forgiven by NOHFC.

### **5. Cashflow statement:**

A cashflow statement has not been presented as it would not provide any additional meaningful information.