

**SOCIAL AND ENTERPRISE  
DEVELOPMENT INNOVATIONS  
- CANADIAN CENTRE FOR FINANCIAL LITERACY  
OPERATING FUND  
FINANCIAL STATEMENT  
FOR THE YEAR ENDED  
MARCH 31, 2012**

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

**MARCH 31, 2012**

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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, 2012 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 judgement, 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, 2012 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  
JULY 3, 2012**

**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>2012</u>	<u>2011</u>
	\$	\$
<b>REVENUES</b>		
Grants	626,340	428,326
Interest earned	<u>16,372</u>	<u>52,455</u>
	<u>642,712</u>	<u>480,781</u>
<b>EXPENDITURES</b>		
Salaries and benefits	415,667	333,282
Occupancy costs	41,668	39,100
Printing and promotion	20,001	28,957
Program support -Evaluation	75,406	28,939
Travel and meetings	42,459	13,402
Program delivery	15,836	9,805
Website development	4,453	7,707
Equipment/software	8,987	6,540
Office and general	6,003	4,904
Audit	5,064	4,107
Telephone and internet	<u>7,168</u>	<u>4,038</u>
	<u>642,712</u>	<u>480,781</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<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  
- CANADIAN CENTRE FOR FINANCIAL LITERACY OPERATING FUND**

NOTES TO THE FINANCIAL STATEMENT  
MARCH 31, 2012

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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 basis of accounting used in this financial statement differs from Canadian generally accepted accounting principles 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.

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 \$2,253,701 of funds had been received and remained unspent. These funds will be recognized as revenue in the period in which they are spent.