CHILDRENS PLACE RETAIL STORES INC
Form 4
December 07, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB Number:	3235-0287
Expires:	January 31, 2005
Estimated average burden hours per response...	0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
KASAKS SALLY FRAME

(Last) (First) (Middle)

915 SECAUCUS ROAD

(Street)

SECAUCUS, NJ 07094

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
CHILDRENS PLACE RETAIL STORES INC [PLCE]

3. Date of Earliest Transaction (Month/Day/Year)
12/05/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director _____ 10% Owner
_____ Officer (give title below) _____ Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)

(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)		(A) or Disposed of (D) (Instr. 3, 4, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of Sh
Employee Stock Option (right to buy)	$ 17.42	12/05/2007 (1)		D			11,000	(2)	09/29/2013	Common Stock	11,(
Employee Stock Option (right to buy)	$ 24.45	12/05/2007 (1)		A		11,000		(2)(3)	09/29/2013	Common Stock	11,(
Employee Stock Option (right to buy)	$ 44.12	12/05/2007 (1)		D			6,000	(4)	01/30/2016	Common Stock	6,0
Employee Stock Option (right to buy)	$ 44.19	12/05/2007 (1)		A		6,000		(3)(4)	01/30/2016	Common Stock	6,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KASAKS SALLY FRAME 915 SECAUCUS ROAD SECAUCUS, NJ 07094	X			

Signatures

/s/ Sally Frame Kasaks	12/07/2007
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) No new option grants have been made to the reporting person. This Form 4 is only being filed to reflect the increase in the exercise price of certain options previously granted to the reporting person. For a detailed description of the reason for the increase please see the issuer's Form 10-K report for the year ended February 3, 2007.

(2) The option for 5,000 shares became exercisable on October 1, 2003 and the option for 6,000 shares has or will become exercisable in three equal installments of 33 1/3% (on a cumulative basis) commencing on September 30, 2004 and each anniversary thereof -- options for 11,000 shares are exercisable on the date hereof.

(3) Due to the limitation on the amount of characters used, please see Exhibit 99.1.

(4) The option has or will become exercisable in three equal installments of 33 1/3% (on a cumulative basis) commencing on January 30, 2007 and each anniversary thereof -- options for 2,000 shares are exercisable on the date hereof.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. P>

5,449,885

2,417,787

7,867,672

Expenditures for segment assets

479,811

134,091

613,902

Year ended December 31, 2009:

Explanation of Responses:

	EWCP	TPA	Total
Revenue	$ 852,079	$ 8,931,417	$ 9,783,496
Interest expense	61,383	4,685	66,068
Depreciation	51,714	350,401	402,115
Income tax expense		394,983	394,983
Segment profit (loss)	(1,636,424)	892,983	(743,441)
Segment property, equipment and leaseholds	4,718,733	2,596,193	7,314,926
Expenditures for segment assets	1,236,204	39,515	1,275,719

Sales by territory are shown below:

	2010	2009
Canada	$ 357,646	$ 309,502
United States and abroad	11,133,755	9,473,994
Total	$ 11,491,401	$ 9,783,946

The Company s long-lived assets (property, equipment, leaseholds and patents) are located in Canada and the United States as follows:

	2010	2009
Canada	$ 5,675,065	$ 4,943,238
United States	2,417,787	2,596,193
Total	$ 8,092,852	$ 7,539,431

Three customers accounted for $7,033,072 (61%) of sales made in the year (2009 - $6,277,651 or 64%).

16. COMMITMENTS.

We are committed to minimum rental payments for property and premises aggregating approximately $365,688 over the term of three leases, the last expiring on July 31, 2014.

Commitments in each of the next five years are as follows:

2011	$ 163,608
2012	$ 75,760
2013	$ 78,837
2014	$ 47,463

17. CONTINGENCIES.

On May 1, 2003, the Company filed a lawsuit in the Supreme Court of British Columbia, Canada, against John Wells and Equity Trust, S.A. seeking the return of 100,000 shares of the its common stock and the repayment of a $25,000 loan which were provided to the defendants for investment banking services. The services were not performed and in the proceedings the Company sought the return of the shares and the repayment of the loan. On the date of issuance, the transaction was recorded as shares issued for services at a fair market value of $0.80 per share. On April 30, 2009 the Supreme Court of British Columbia ruled in favor of the Company and ordered Equity Trust S.A. to return the 100,000 shares and repay the loan with interest ($30,514US). The Company has reversed the expense recorded for the shares in the year ended December 31, 2009.

18. Subsequent Events.

Subsequent to the year ended December 31, 2010:

On January 1, 2011, the Company issued 157,000 stock options to employees and 201,000 stock options to consultants. The strike price varies from $1.50 2.00, with vesting dates varying from December 31, 2011 to December 31, 2015 and all expire December 31, 2015.

In February 2011, the Company purchased and cancelled 792,576 shares of its common stock. The stock was purchased from an institutional fund that would have preferred to retain its position, but due to a change in mandate was required to divest. The purchase price was $1.30 per share for a total expenditure of $1,030,349. The issued and outstanding shares of the company are reduced by 5.7% to 13,169,991 from 13,962,567.

19. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the current year s presentation.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

On January 4, 2010, Cinnamon Jang Willoughby & Company (CJW) resigned as our independent registered public accounting firm as CJW was merged with Meyers Norris Penny LLP, Chartered Accountants (MNP). Most of the professional staff of CJW continued with MNP either as employees or partners of MNP and will continue their practice with MNP. On March 19, 2010, we, through and with the approval of our Board of Directors, engaged MNP as our independent registered public accounting firm.

Prior to engaging MNP, we did not consult with MNP regarding the application of accounting principles to a specific completed or contemplated transaction or regarding the type of audit opinions that might be rendered by MNP on our financial statements, and MNP did not provide any written or oral advice that was an important factor considered by us in reaching a decision as to any such accounting, auditing or financial reporting issue.

The reports of CJW regarding our financial statements for the fiscal years ended December 31, 2008 and 2007 did not contain any adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope or accounting principles. During the years ended December 31, 2009 and 2008, and during the period from December 31, 2009 through January 4, 2010 there were no disagreements with CJW on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of CJW would have caused it to make reference to such disagreement in its reports.

Item 9A. Controls and Procedures.

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic reports to the SEC is recorded, processed, summarized and reported within the time periods specified in the SEC s rules and regulations, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching our desired disclosure control objectives.

As of the end of the period covered by this Annual Report on Form 10-K for the year ended December 31, 2010, we carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended). Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures are effective.

Management s Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for the assessment of the effectiveness of internal control over financial reporting. As defined by the Securities and Exchange Commission, internal control over financial reporting is a process designed by, or under the supervision of our principal executive officer and principal financial officer and implemented by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements in accordance with U.S. generally accepted accounting principles.

Our internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of our financial statements in accordance with U.S. generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In connection with the preparation of our annual financial statements, management has undertaken an assessment of the effectiveness of our internal control over financial reporting as of December 31, 2010, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or the COSO Framework. Management s assessment included an evaluation of the design of our internal control over financial reporting and testing of the operational effectiveness of those controls.

Based on this evaluation, management has concluded that our internal control over financial reporting was effective as of December 31, 2010.

There was no change in our internal control over financial reporting that occurred during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

Item 10. Directors, Executive Officers and Corporate Governance.

Name	Age	Position
Daniel B. O Brien	54	President, Director
John H. Bientjes	57	Director
Dr. Robert N. O Brien	89	Director
Dale Friend	56	Director
Eric Hodges	67	Director

Daniel B. O Brien has served as our President and Chief Executive Officer, as well as a director since June 1998. He has been involved in the swimming pool industry since 1990, when he founded our subsidiary, Flexible Solutions Ltd. From 1990 to 1998 Mr. O Brien was also a teacher at Brentwood College where he was in charge of outdoor education.

John H. Bientjes has been a director since February 2000. Since 1984, Mr. Bientjes has served as the manager of the Commercial Aquatic Supplies Division of D.B. Perks & Associates, Ltd., located in Vancouver, British Columbia, a company that markets supplies and equipment to commercial swimming pools which are primarily owned by municipalities. Mr. Bientjes graduated in 1976 from Simon Fraser University in Vancouver, British Columbia with a Bachelor of Arts Degree in Economics and Commerce.

Dr. Robert N. O Brien has been a director since June 1998. Dr. O Brien was a Professor of Chemistry at the University of Victoria from 1968 until 1986 at which time he was given the designation of Professor Emeritus. He held various academic positions since 1957 at the University of Alberta, the University of California at Berkley, and the University of Victoria. While teaching, Dr. O Brien acted as a consultant and served on the British Columbia Research Council from 1968 to 1990. In 1987, Dr. O Brien founded the Vancouver Island Advanced Technology and Research Association. Dr. O Brien received his Bachelor of Applied Science in Chemical Engineering from the University of British Columbia in 1951; his Masters of Applied Science in Metallurgical Engineering from the University of British Columbia in 1952; his Ph.D. in Metallurgy from the University of Manchester in 1955; and was a Post Doctoral Fellow in Pure Chemistry at the University of Ottawa from 1955 through 1957. Dr. O Brien is the father of Daniel B. O Brien.

Dale Friend has been a director since December 2002. She has a diversified background in the area of accounting and her experience has been primarily in business, offering a wide range of accounting knowledge. Ms. Friend has worked for a number of companies in their accounting departments, including Novas Capital Corp. and DB Perks & Associates. She is currently working as Contract Accountant for Monexa Solutions as well as Delcor Holdings. Monexa is a leader in Flexible Subscription Billing and recurring payments and Delcor is a privately held investment company.

Eric Hodges has been a director since September 2004. Mr. Hodges is an accountant from Victoria who has over three decades of experience. He received his financial education from the University of Washington in Seattle where he played for the Huskies football program. Mr. Hodges continued playing football after college, with a successful, multiyear professional career with the British Columbia Lions of the Canadian Football League. Since 2001, Mr. Hodges has owned and operated Eric G. Hodges & Associates, a Victoria-based accounting firm with both Canadian and U.S. clientele. Mr. Hodges is extremely familiar with both Canadian and United States generally accepted accounting principles (GAAP), since he has clients in both countries. Furthermore, his wide range of experience with small and quickly growing companies is an asset to the board of directors.

Directors are elected annually and hold office until the next annual meeting of our stockholders and until their successors are elected and qualified. There have been no material changes to the procedures by which security holders may recommend nominees to our board of directors. All executive offices are chosen by the board of directors and serve at the board s discretion.

John Bientjes, Dale Friend, and Eric Hodges are independent directors as that term is defined in section 803 of the listing standards of the NYSE AMEX.

Our Audit Committee, consisting of John Bientjes, Dale Friend and Eric Hodges, all of whom are independent directors and have strong financial backgrounds, facilitates and maintains open communications with our board of directors, senior management and our independent auditors. Our Audit Committee also serves as an independent and objective party to monitor our financial reporting process and internal control system. In addition, our Audit Committee reviews and appraises the efforts of our independent auditors. Our Audit Committee meets periodically with management and our independent auditors. Mr. Hodges meets the SEC s definition of audit committee financial expert. Each member of the Audit Committee is independent as that term is defined in Section 803 of the listing standards of the NYSE AMEX.

Our Compensation Committee, consisting of John Bientjes, Dale Friend and Eric Hodges, establishes salary, incentive and other forms of compensation for our Chief Executive Officer and administers our Stock Option Program. None of our officers participated in deliberations of the compensation committee concerning executive officer compensation. During the year ended December 31, 2010, no director was also an executive officer of another entity, which had one of our executive officers serving as a director of such entity or as a member of the compensation committee of such entity.

We have adopted a Code of Ethics that applies to our Chief Executive Officer, our Chief Financial Officer and our Principal Accounting Officer, as well as our other senior management and financial staff. Interested persons may also obtain a copy of our Code of Ethics from our website at www.flexiblesolutions.com.

We believe our directors are qualified to act as such due to their longstanding relationship with us.

Item 11. Executive Compensation.

Summary Compensation Table

The following table shows in summary form the compensation earned by (i) our Chief Executive Officer and (ii) by each other executive officer who earned in excess of $100,000 during the two fiscal years ended December 31, 2010.

Name and Principal Position	Fiscal Year	Salary (1)	Bonus (2)	Restricted Stock Awards (3)	Options Awards (4)	All Other Annual Compensation (5)	Total
Daniel B. O Brien	2010	$ 175,624					$ 175,624
President and Chief Executive Officer	2009	$ 177,000					177,000

4

(1) The dollar value of base salary (cash and non-cash) earned.

(2) The dollar value of bonus (cash and non-cash) earned.

(3) During the periods covered by the table, the value of the shares of restricted stock issued as compensation for services to the persons listed in the table.

(4) The value of all stock options granted during the periods covered by the table.

(5) All other compensation received that we could not properly report in any other column of the table.

Stock Option Program

Our Stock Option Program involves the issuance of options, from time to time, to our employees, directors, officers, consultants and advisors. Options are granted by means of individual option agreements. Each option agreement specifies the shares issuable upon the exercise of the option, the exercise price and expiration date and other terms and conditions of the option.

If the option holder is an employee, and if he or she ceases to be employed by us, the option holder may, during the 30-day period following termination of employment, exercise the option to the extent the option was exercisable on the date of termination. In the case of death or disability, the option holder (or his or her administrator) has twelve months from the date of death or disability to exercise the option to the extent the option was exercisable on the date of death or disability.

The options are subject to adjustment by reason of a recapitalization, reclassification, stock split, combination of shares, dividend or other distribution payable in capital stock. Upon a merger, liquidation, dissolution or other consolidation, we will provide each option holder with one-months prior written notice informing the option holder that he or she may exercise the option in full (to the extent it has not been previously exercised) within the one-month period. Following the expiration of the one month period, the option will terminate.

The options may not be transferred, assigned, pledged or hypothecated in any way (except by will or the laws of descent) and are not subject to execution, attachment or similar process.

All options expire between one and five years after the date of grant and reflect exercise prices equal to the fair market value of a share of our common stock as determined by our board of directors on the date of grant. All of the options contain vesting provisions pursuant to which the options are 100% exercisable within a fixed number of months after the date of grant.

All option grants made during a fiscal year are submitted for shareholder approval at the next annual shareholder meeting. To date, our shareholders have approved all of the grants.

The following table shows the weighted average exercise price of the outstanding options granted pursuant to our Stock Option Program as of December 31, 2010, our most recently completed fiscal year.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a))
	(a)	(b)	(c)
Stock Option Program	1,836,700	$ 3.03	Not Applicable
Total	1,836,700	$ 3.03	

As of December 31, 2010 options to purchase 1,836,700 shares of our common stock were outstanding under our Stock Option Program. The exercise price of these options varies between $1.50 and $3.60 per share. The options expire at various dates between January 5, 2011 and April 16, 2015.

The following tables show, during the fiscal year ended December 31, 2010, the options granted to, and the options exercised and held by, the persons named below. All options were granted pursuant to our Stock Option Program.

Name	Options Granted			
	Grant Date	Options Granted (#)	Exercise Price Per Share	Expiration Date
Daniel O Brien				

Name	Options Exercised	
	Shares Acquired On Exercise (1)	Value Realized (2)
Daniel O Brien		

(1) The number of shares received upon exercise of options during the fiscal year ended December 31, 2010.

(2) With respect to options exercised during the fiscal year ended December 31, 2010, the dollar value of the difference between the option exercise price and the market value of the option shares purchased on the date of the exercise of the options.

Name	Shares underlying unexercised options which are:			
	Exercisable	Unexercisable	Exercise Price	Expiration Date
Daniel O Brien	500,000		3.25	01/05/11

Director Compensation

We reimburse directors for any expenses incurred in attending board meetings. We also compensate directors $2,000 annually and grant our directors options to purchase shares of our common stock each year that they serve.

Our directors received the following compensation in 2010:

Name	Paid in Cash	Stock Awards (1)	Option Awards (2)
Robert N. O Brien			
John H. Bientjes	$ 2,000		$ 2,178
Dale Friend	$ 2,000		$ 2,178
Eric Hodges	$ 2,000		$ 2,178

(1) The fair value of stock issued for services computed in accordance with ASC 718 on the date of grant.

(2) The fair value of options granted computed in accordance with ASC 718 on the date of grant.
The terms of outstanding options granted to our directors are shown below.

Name	Option Price	No. of Options	Expiration Date
Robert N. O Brien	$ 3.25	250,000	January 5, 2011
John H. Bientjes	$ 3.25	5,000	January 5, 2011
John H. Bientjes	$ 3.60	5,000	December 18, 2012
John H. Bientjes	$ 3.60	5,000	January 31, 2013
John H. Bientjes	$ 2.25	5,000	January 1, 2014
John H. Bientjes	$ 1.50	5,000	December 31, 2014
Dale Friend	$ 3.25	5,000	January 5, 2011
Dale Friend	$ 3.60	5,000	December 18, 2012
Dale Friend	$ 3.60	5,000	January 31, 2013
Dale Friend	$ 2.25	5,000	January 1, 2014
Dale Friend	$ 1.50	5,000	December 31, 2014
Eric Hodges	$ 3.25	5,000	January 5, 2011
Eric Hodges	$ 3.60	5,000	December 18, 2012
Eric Hodges	$ 3.60	5,000	January 31, 2013
Eric Hodges	$ 2.25	5,000	January 1, 2014
Eric Hodges	$ 1.50	5,000	December 31, 2014

Daniel B. O Brien is not compensated for serving as a director.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table shows the beneficial ownership of our common stock as of March 10, 2011 by (i) each stockholder who is known by us to own beneficially more than five percent of our outstanding common stock, (ii) each of our officers and directors, and (iii) by all of our executive officers and directors as a group.

	Shares (1)	Percentage Ownership
Daniel B. O Brien 2614 Queenswood Dr. Victoria, BC Canada V8N 1X5	4,521,900	34.3%
Dr. Robert N. O Brien 2614 Queenswood Dr. Victoria, BC Canada V8N 1X5	1,775,000	13.5%
John Bientjes #1-230 West 13th Street North Vancouver, B.C. Canada V7M 1N7	35,000	0.3%
Dale Friend 3009 E. Kent Ave. Vancouver, BC Canada V5S 4P6	20,000	0.2%
Eric Hodges #110 - 4252 Commerce Circle Victoria, BC V8Z 4M2	20,000	0.2%
All officers and directors as a group (5 persons)	6,371,900	48.38%

(1) Includes shares which may be acquired on the exercise of the stock options, all of which were exercisable as of March 10, 2011, listed below.

Name	No. of Options	Exercise Price	Expiration Date
John Bientjes	5,000	$ 3.60	December 18, 2012
	5,000	$ 3.60	January 31, 2013
	5,000	$ 2.25	January 1, 2014
	5,000	$ 1.50	December 31, 2014
Dale Friend	5,000	$ 3.60	December 18, 2012
	5,000	$ 3.60	January 31, 2013
	5,000	$ 2.25	January 1, 2014
	5,000	$ 1.50	December 31, 2014
Eric Hodges	5,000	$ 3.60	December 18, 2012
	5,000	$ 3.60	January 31, 2013
	5,000	$ 2.25	January 1, 2014
	5,000	$ 1.50	December 31, 2014

Explanation of Responses:

Item 13. Certain Relationships and Related Transactions, Director Independence.

Our director, Dr. Robert N. O Brien, developed substantially all of our products and has assigned the patent rights to these products to us. We have no agreement with Dr. O Brien requiring him to conduct any research and development activities for us, but we anticipate that any future inventions which may be of interest to us will continue to be assigned to us by Dr. O Brien, although he has no legal obligation to do so. Dr. O Brien does not receive any salary or royalties from us for any research and development activities, although our board of directors does consider such activities undertaken by Dr. O Brien when it grants stock options to Dr. O Brien. Dr. O Brien is a member of our board of directors, but abstains from all proceedings of the board concerning his stock option grants. Please refer to Item 10 of this report for further information. Dr. O Brien is the father of our Chief Executive Officer, Daniel B. O Brien.

Item 14. Principal Accountant Fees and Services.

Meyers Norris Penny LLP, Chartered Accountants (MNP) examined our financial statements for the year ended December 31, 2010 and 2009. . Since we did not engage MNP until March 2010, MNP did not bill us for any services during the year ended December 31, 2009. See Item 9 of this report.

Audit Fees

MNP was paid $55,809 and CJW was paid $51,596 for the for the fiscal years ended December 31, 2010 and 2009, respectively, for professional services rendered in the audit of our annual financial statements and for the reviews of the financial statements included in our quarterly reports on Form 10-Q during these fiscal years.

Audit-Related Fees

MNP was paid $7,376 and CJW was paid $7,130 for the fiscal years ended December 31, 2010 and 2009, respectively, for the audit or review of our financial statements

Tax Fees

MNP was paid $9,706 and CJW was paid $28,143 for the fiscal years ended December 31, 2010 and 2009, respectively, for professional services rendered for the preparation and filing of our income tax returns for the fiscal years ended December 31, 2009 and 2008.

All Other Fees

MNP nor CJW was paid no other fees for professional services during the fiscal years ended December 31, 2010 and 2009.

Audit Committee Pre-Approval Policies

Rules adopted by the SEC in order to implement requirements of the Sarbanes-Oxley Act of 2002 require public company audit committees to pre-approve audit and non-audit services. Our Audit Committee has adopted a policy for the pre-approval of all audit, audit-related and tax services, and permissible non-audit services provided by our independent auditors. The policy provides for an annual review of an audit plan and budget for the upcoming annual financial statement audit, and entering into an engagement letter with the independent auditors covering the scope of the audit and the fees to be paid. Our Audit Committee may also from time-to-time review and approve in advance other specific audit, audit-related, tax or permissible non-audit services. In addition, our Audit Committee may from time-to-time give pre-approval for audit services, audit-related services, tax services or other non-audit services by setting forth such pre-approved services on a schedule containing a description of, budget for and time period for such pre-approved services. The policies require our Audit Committee to be informed of each service and the policies do not include any delegation of our Audit Committee s responsibilities to management. Our Audit Committee may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated will report any pre-approval decisions to our Audit Committee at its next scheduled meeting.

During the year ended December 31, 2010 our Audit Committee approved all of the fees paid to MNP. Our Audit Committee has determined that the rendering of all other non-audit services by MNP is compatible with maintaining MNP s independence. During the year ended December 31, 2010, none of the total hours expended on our financial audit by MNP were provided by persons other than MNP s full-time permanent employees.

Item 15. Exhibits, Financial Statement Schedules.

Number	Description
3.1	Articles of Incorporation of the Registrant. (1)
3.2	Bylaws of the Registrant. (1)
21.1	Subsidiaries. (2)
23.1	Consent of Independent Accountants.
31.1	Certification of Principal Executive Officer Pursuant to §302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer Pursuant to §302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer Pursuant to 18 U.S.C. §1350 and §906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. §1350 and §906 of the Sarbanes-Oxley Act of 2002.

(1) Previously filed as an exhibit to our Registration Statement on Form 10-SB filed with the Commission on February 22, 2000, and incorporated herein by reference.

(2) Previously filed as an exhibit to our Registration Statement on Form SB-2 filed with the Commission on January 22, 2003, and incorporated herein by reference.

SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: March 31, 2011.

FLEXIBLE SOLUTIONS INTERNATIONAL, INC.

By: ______________________________

Name: Daniel B. O Brien
Title: President and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	Title	Date
Daniel B. O Brien	President, Chief Executive Officer, Principal Financial and Accounting Officer and a Director	March 31, 2011
John H. Bientjes	Director	March 31, 2011
Robert N. O Brien	Director	March 31, 2011
Dale Friend	Director	March 31, 2011
Eric G. Hodges	Director	March 31, 2011