
Gabriola Arts Council
Financial Statements
June 30, 2015
(Unaudited)

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Review Engagement Report

We have reviewed the statement of financial position of Gabriola Arts Council as at June 30, 2015, and the statements of operations, changes in net assets and cash flows for the year then ended. Our review was made in accordance with generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the society.

A review does not constitute an audit and, consequently, we do not express an audit opinion on these financial statements.

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material aspects, in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink, appearing to be a stylized 'L' or similar character.

K.D. Beausoleil & Company Inc.
Chartered Professional Accountants

Nanaimo BC
October 24, 2015

Gabriola Arts Council
Statement of Operations
For the Year Ended June 30, 2015
(Unaudited)

	2015	2014
Revenue		
Grants	\$ 111,803	\$ 108,698
Ticket Sales	40,764	32,570
Fees- Workshops & Classes	14,421	10,185
Fees - Artist Services	13,495	2,131
Donations (Note 4.)	236,591	5,486
Fundraising	17,999	6,040
Memberships	5,170	3,075
Advertising	7,235	9,450
Rental Income	4,470	-
Other Income	2,709	2,837
	454,657	180,472
Operating Expenses		
Artistic and Production	75,245	64,865
Marketing	32,048	31,951
Fundraising	1,885	4,460
Administration (Schedule of Administrative Expenses)	101,140	76,775
	210,318	178,051
Total Operating Expenses		
	210,318	178,051
Excess of Revenue over Expenses	\$ 244,339	\$ 2,421

The accompanying notes are an integral part of these financial statements

Gabriola Arts Council
Statement of Changes in Net Assets
For the Year Ended June 30, 2015
(Unaudited)

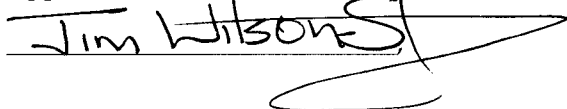
	<u>2015</u>	<u>2014</u>
Unrestricted Funds - Beginning	\$ (4,567)	\$ 4,726
Excess of Revenue over Expenses	244,339	2,421
Interfund Transfer	(8,027)	(11,714)
Unrestricted Funds - Ending (Note 4)	231,745	(4,567)
Restricted Funds	43,223	35,196
Net Assets	<u>\$ 274,968</u>	<u>\$ 30,629</u>

The accompanying notes are an integral part of these financial statements

Gabriola Arts Council
Statement of Financial Position
June 30, 2015
(Unaudited)

	2015	2014
Assets		
Current Assets		
Cash	\$ 79,440	\$ 43,994
Accounts Receivable	635	406
Due from Government Agencies	1,415	1,052
Other Current Assets	3,810	1,966
	85,300	47,418
Property & Equipment (Note 2)	234,627	-
	\$ 319,927	\$ 47,418
 Liabilities & Net Assets		
Current Liabilities		
Accounts Payable & Accrued Liabilities	\$ 5,608	\$ 3,677
Due to Government Agencies	1,631	1,222
Deferred Revenue	37,720	11,890
	44,959	16,789
 Net Assets		
Restricted Funds	43,223	35,196
Unrestricted Funds	231,745	(4,567)
	274,968	30,629
	\$ 319,927	\$ 47,418

Approved on Behalf of the Directors:



The accompanying notes are an integral part of these financial statements

Gabriola Arts Council
Statement of Cash Flows
For the Year Ended June 30, 2015
(Unaudited)

	2015	2014
Cash Provided By (Used For)		
Operations:		
Excess of Revenue over Expenses	\$ 244,339	\$ 2,421
Items Not Requiring an Outlay of Funds		
Amortization	1,206	479
Donation of Land & Building	(224,300)	-
	21,245	2,900
Changes in Non-Cash Working Capital		
Accounts Receivable	(229)	(77)
Other Current Assets	(1,844)	(885)
Deferred Revenue	25,830	3,980
Accounts Payable	1,931	(920)
Due to Government Agencies	46	1,880
	46,979	6,878
(Purchase) of Building Renovations	(9,854)	-
(Purchase) of Computer Equipment	(1,679)	-
	(11,533)	-
Increase in Cash	35,446	6,878
Cash, Beginning of Period	43,994	37,116
Cash, End of Period	\$ 79,440	\$ 43,994

The accompanying notes are an integral part of these financial statements

Gabriola Arts Council

Notes to the Financial Statements

For the Year Ended June 30, 2015

(Unaudited)

Nature of Business

The Gabriola Arts Council is an organization that provides administration and funding support to local visual and performance artists, musicians and writers. The Council was incorporated under the Societies Act of British Columbia as a not-for-profit organization on April 15, 1997, and is a registered charity under the Income Tax Act.

1. Significant Accounting Policies

a. Basis of Accounting

The Gabriola Arts Council prepares its financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

b. Other Accounting Policies

Contributed capital assets are recorded at fair value.

Contributed material and services are not recorded in the financial statements

Pledges receivable are recorded when received.

c. Capital Assets

Capital assets are recorded at cost. Amortization is provided annually at rates calculated to write off the assets over their estimated useful lives as follows:

Computer equipment	30% straight line
Building	20 years straight line

Additions during the year are amortized at one-half their normal rate and no amortization is taken in the year of disposition.

d. Other Revenue Recognition Points

Membership fees are recognized over the membership period.

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.

Revenue from activities and events is recognized when the activity or event occurs.

The cut-off date for donations is the same as the cut-off date for receipts issued in a year, and is based on the postage date on the envelope for mail, or the date the donation is received.

Legacies or bequests are recorded when received.

Gabriola Arts Council

Notes to the Financial Statements

For the Year Ended June 30, 2015

(Unaudited)

1. Significant Accounting Policies (Continued)

e. Use of Estimates

When preparing financial statements according to Canadian accounting standards for not-for-profit organizations, the Council makes estimates and assumptions. Management's assumptions are based on a number of factors, including historical experience, current events and actions that the organization may undertake in the future, and other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates under different conditions and assumptions. Estimates were used when accounting for certain items, such as the useful lives of capital assets and impairment of long-lived assets .

2. Capital Assets

			2015	2014
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer	\$ 4,384	\$ 2,957	\$ 1,427	\$ -
Land	196,000	-	196,000	-
Building	38,154	954	37,200	-
	<u>\$ 238,538</u>	<u>\$ 3,911</u>	<u>\$ 234,627</u>	<u>\$ -</u>

3. Financial Instruments

The Association's financial instruments consist of cash, accounts receivables and accounts payable. Unless otherwise noted, it is management's opinion that the Association is not exposed to significant interest, currency or credit risk arising from these financial instruments. The fair value of the instruments approximates their carrying values, unless otherwise stated.

4. Capital Donation

A building and land were donated to the organization with Fair Market Value of \$224,300.

Gabriola Arts Council
June 30, 2015
Schedule of Administrative Expenses
(Unaudited)

	<u>2015</u>	<u>2014</u>
Accounting & legal	\$ 13,203	\$ 10,956
Wages & benefits	70,364	50,413
Rent	2,078	1,639
Interest & bank charges	59	46
Amortization	1,206	479
Insurance	1,721	823
Office	4,153	2,938
Telephone	55	1,439
GST - non recoverable	1,415	1,052
Travel	713	1,270
Utilities	1,873	-
Other	4,300	5,720
Total	<u>\$ 101,140</u>	<u>\$ 76,775</u>

The accompanying notes are an integral part of these financial statements