

Mentoring Artists for Women's Art Inc.
Financial Statements
April 30, 2021

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Independent Auditors' Report

To the Directors of
Mentoring Artists for Women's Art Inc.

Opinion

We have audited the financial statements of Mentoring Artists for Women's Art Inc. (the "Organization"), which comprise the statement of financial position as at April 30, 2021, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at April 30, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of Mentoring Artists for Women's Art Inc. for the year ended April 30, 2020 are unaudited.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Independent Auditors' Report - continued

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Mentoring Artists for Women's Art Inc. Statement of Operations

Year Ended April 30

2021

2020
(Unaudited)

Revenues

Earned revenue

Co-production	\$ 1,200	\$ 2,760
Distribution fees	6,706	11,595
Facility rental	600	755
Membership fees	8,625	8,240
Registration fees	3,945	8,345
Interest	814	696

Private sector

Annual appeal	6,820	5,485
Corporate donations	1,363	5,008
Corporate sponsorships	6,920	-
Foundations	14,769	68,039
Fundraising	30,906	4,246
Individual donations	4,987	8,594
In-kind goods and services	25,174	5,001
Legacy fund	275	870

Public sector

Municipal

Winnipeg Arts Council - Operating	37,575	40,358
City of Winnipeg - Other	-	250

Provincial

Manitoba Arts Council - Operating	73,000	73,000
Manitoba Arts Council - Other	5,000	-
Manitoba Municipal Relations	8,430	-
Manitoba Sport, Culture & Heritage - Program Operating	-	4,500
Manitoba Bridge Grant (Note 2 (h))	15,000	-

Federal

Canada Council - Operating	135,000	100,000
Canada Council - Emergency Support Fund (Note 2 (h))	33,800	-
Canada Council - Other	-	715
Canada Emergency Business Account (Note 2 (h))	10,000	-

430,909 **348,457**

Expenditures

Artistic (Page 12)	218,859	202,538
Facility Operating (Page 12)	31,817	29,930
Fundraising (Page 12)	42,532	6,581
Administrative (Page 13)	136,295	120,430
Marketing and Communications (Page 13)	229	6,068
Gifts to Other Charities (Page 13)	-	4,900
Government Wage Subsidy (Note 2 (h))	(47,182)	(13,367)
	382,550	357,080

Excess (deficiency) of revenues over expenditures

\$ 48,359 **\$ (8,623)**

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.
Statement of Changes in Fund Balances
Year Ended April 30, 2021

	<u>Unrestricted</u>	<u>Internally Restricted</u>	<u>Total 2021</u>	Total <u>2020</u> (Unaudited)
Fund balance, beginning of year	\$ 8,234	\$ 73,000	\$ 81,234	\$ 89,857
Excess (deficiency) of revenues over expenditures	48,359	-	48,359	(8,623)
Interfund transfer (Note 9)	<u>(40,000)</u>	<u>40,000</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 16,593</u>	<u>\$ 113,000</u>	<u>\$ 129,593</u>	<u>\$ 81,234</u>

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.
Statement of Financial Position

April 30

2021

2020
(Unaudited)

Assets

Current

Cash (Note 3)	\$ 232,518	\$ 131,365
Receivables (Note 4)	27,524	13,119
Prepays	<u>12,791</u>	<u>13,707</u>

272,833 158,191

Capital assets (Note 5)	<u>1,608</u>	<u>3,556</u>
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\$ 274,441 **\$ 161,747**

Liabilities

Current

Payables and accruals	\$ 21,739	\$ 21,546
Government remittances payable	8,862	4,405
Deferred contributions (Note 6)	<u>83,313</u>	<u>52,265</u>

113,914 78,216

Long-term debt (Note 7)	30,000	-
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Deferred contributions related to capital assets (Note 8)	<u>934</u>	<u>2,297</u>
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144,848 80,513

Fund Balances

Unrestricted	16,593	8,234
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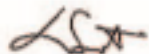
Internally restricted	<u>113,000</u>	<u>73,000</u>
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129,593 81,234

\$ 274,441 **\$ 161,747**

Commitment (Note 11)

Approved by the Board



Director



Director

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.
Statement of Cash Flows

Year ended April 30

2021

2020
(Unaudited)

Cash derived from (applied to):

Operating

Excess (deficiency) of revenues over expenditures	\$ 48,359	\$ (8,623)
Amortization	1,948	1,948
Amortization of deferred contributions related to capital assets	(1,363)	(1,362)
Forgiveness of long-term debt	<u>(10,000)</u>	<u>-</u>
	38,944	(8,037)

Change in non-cash operating working capital

Receivables	(14,406)	7,781
Prepays	916	(9,848)
Payables and accruals	194	946
Government remittances payable	4,457	(1,414)
Deferred contributions	31,048	8,584
Deferred contributions related to capital assets	<u>-</u>	<u>-</u>
	<u>61,153</u>	<u>(1,988)</u>

Financing

Proceeds from long-term debt	<u>40,000</u>	<u>-</u>
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Net increase (decrease) in cash

101,153 **(1,988)**

Cash

Beginning of year	<u>131,365</u>	<u>133,353</u>
End of year	<u>\$ 232,518</u>	<u>\$ 131,365</u>

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.

Notes to the Financial Statements

April 30, 2021

1. Nature of the organization

Mentoring Artists for Women's Art Inc.'s (the "Organization") objectives are to encourage and support the intellectual and creative development of women, non-binary, trans and 2-Spirit woman-identifying people in the visual arts by providing an ongoing forum for critical dialogue and education. The Organization is incorporated and is a registered charity under the provisions of the Income Tax Act.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies used are detailed as follows:

a) Revenue recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures 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.

Co-production revenue is recognized as revenue at the time the event is held.

Distribution fees are recognized as revenue when received or receivable.

Facility rental income is recognized over the term of the rental.

Membership fees are recognized as revenue over the term of the membership.

Registration fees are recognized as revenue at the time the event is held.

b) Internally restricted fund balances

Internally restricted fund balances represent funds internally restricted for future initiatives of the Organization.

c) Capital assets

Purchased capital assets are recorded at cost. Amortization is provided at rates designed to write off the assets over their estimated useful lives as follows:

Computer equipment	3-5 years	straight-line
Equipment	3-5 years	straight-line

d) Accounting estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. These estimates are reviewed periodically and are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements

April 30, 2021

2. Summary of significant accounting policies - continued

e) Allocation of expenses

The Organization classifies its expenditures by category and allocates its salaries and benefits expenditure to a number of categories to which the expenditures relate. Salaries and benefits expenditure has been allocated based on the number of hours incurred directly in the undertaking of each category.

f) Financial instruments

The Organization recognizes its financial instruments when the Organization becomes party to the contractual provisions of the financial instrument. Financial instruments are initially recorded at fair value with subsequent reporting at amortized cost.

It is management's opinion that the Organization is not exposed to significant credit, currency, interest rate, liquidity or market risks arising from its financial instruments.

g) In-kind contributions

In-kind contributions represent the value of goods donated by individuals and corporations to the Organization. An equal in-kind expense is also recorded in the statement of operations.

h) Government assistance

Government assistance related to current expenses and revenues is included in the determination of net income for the period when there is reasonable assurance of collection.

Government assistance, by way of the Temporary Wage Subsidy ("TWS") and the Canada Emergency Wage Subsidy ("CEWS"), are recorded as a reduction of the expenses when received or receivable if the amount to be received can be reasonably assured. During the year, the Organization received TWS payments totaling \$2,376 (2020 - \$1,782) and CEWS payments totaling \$44,806 (2020 - \$11,585), in total referred to as Government Wage Subsidy.

Government assistance, by way of Canada Council for the Arts COVID-19 Emergency Support Fund, is recorded as grant revenue when received or receivable if the amount to be received can be reasonably measured and collection is reasonably assured. During the year the Organization received payments totaling \$33,800 (2020 - \$Nil).

Government assistance, by way of the Manitoba Bridge Grant, is recorded as grant revenue when received or receivable if the amount to be received can be reasonably measured and collection is reasonably assured. During the year the Organization received payments totaling \$15,000 (2020 - \$Nil).

The forgivable portion of the Canada Emergency Business Account ("CEBA") loan, is recorded as income when received. During the year, the Organization recognized \$10,000 (2020 - \$Nil) as the forgivable portion.

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements
 April 30, 2021

3. Line of credit

The Organization has an authorized line of credit from Assiniboine Credit Union in the amount of \$5,000, which bears interest at the bank prime rate plus 3.00% per annum. As collateral for the line of credit, the Organization has a Commercial Line of Credit Agreement, a registered General Security Agreement, providing a first fixed charge over all assets, and an assignment of property insurance. As at April 30, 2021, the balance of the line of credit was \$Nil (2020 - \$Nil).

4. Receivables

	<u>2021</u>	<u>2020</u> (Unaudited)
Trade receivables	\$ 543	\$ 755
Government assistance (Note 2 (h))	24,232	11,585
Grants receivable	1,843	-
GST receivable	<u>906</u>	<u>779</u>
	<u>\$ 27,524</u>	<u>\$ 13,119</u>

5. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2021 Net Book Value</u>	<u>2020 Net Book Value</u> (Unaudited)
Computer equipment	\$ 4,088	\$ 3,066	\$ 1,022	\$ 2,385
Equipment	<u>1,757</u>	<u>1,171</u>	<u>586</u>	<u>1,171</u>
	<u>\$ 5,845</u>	<u>\$ 4,237</u>	<u>\$ 1,608</u>	<u>\$ 3,556</u>

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements
April 30, 2021

6. Deferred contributions

Deferred contributions represent unspent resources externally restricted for projects. Changes in deferred contributions are as follows:

	<u>2021</u>	<u>2020</u> (Unaudited)
Canada Council for the Arts		
Balance, beginning of year	\$ -	\$ -
Contributions	135,000	100,000
Expenditures	<u>(135,000)</u>	<u>(100,000)</u>
Balance, end of year	<u>-</u>	<u>-</u>
Winnipeg Arts Council		
Balance, beginning of year	-	-
Contributions	62,625	40,358
Expenditures	<u>(37,575)</u>	<u>(40,358)</u>
Balance, end of year	<u>25,050</u>	<u>-</u>
The Winnipeg Foundation		
Balance, beginning of year	31,800	40,270
Contributions	939	39,800
Expenditures	<u>-</u>	<u>(48,270)</u>
Balance, end of year	<u>32,739</u>	<u>31,800</u>
Manitoba Arts Council		
Balance, beginning of year	-	-
Contributions	<u>4,062</u>	<u>-</u>
Balance, end of year	<u>4,062</u>	<u>-</u>
Other	<u>21,462</u>	<u>20,465</u>
Total deferred contributions	<u>\$ 83,313</u>	<u>\$ 52,265</u>

7. Long-term debt

The Organization has received the Canada Emergency Business Account ("CEBA") loan, funded by the Government of Canada, in the amount of \$40,000 (2020 - \$Nil). The loan is interest free until December 31, 2022, after which time interest will accrue on any remaining balance owed at a rate of 5% per annum. If \$30,000 of the loan has been repaid by December 31, 2022, the remaining \$10,000 of the loan shall be forgiven. The balance of the loan and accrued interest is due on December 31, 2025.

8. Deferred contributions related to capital assets

Deferred contributions related to capital assets of \$934 (2020 - \$2,297) represent a grant for equipment. Deferred contributions are amortized on the schedule of operations.

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements

April 30, 2021

9. Interfund transfer

During the year, the board of directors approved a transfer of \$40,000 (2020 - \$Nil) from the unrestricted fund to the internally restricted fund for the Organization's future initiatives.

10. Endowment fund

The Organization has an endowment fund that is held and administered by The Winnipeg Foundation. The fund was established on December 20, 2004 and has \$138,929 of total contributions to April 30, 2021 (2020 - \$110,796). As at April 30, 2021, the value of the fund is \$175,056 (2020 - \$124,486).

11. Commitment

The Organization has a lease agreement for office space expiring August 31, 2022, with annual minimum rent of \$25,840.

12. Economic dependence

The volume of financial activity undertaken by the Organization with its main funding bodies is of significant magnitude that the discontinuance of their funding would endanger the ability of the Organization to continue as a going concern.

13. COVID-19

On March 11, 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and the related adverse impact it has had on public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn.

Due to the uncertainty as to the outcome of the pandemic, an estimate of impairment of financial assets and credit losses cannot be determined, and consequently, no provision for loss has been provided for in these financial statements. It is management's assessment that the going concern assumption continues to be appropriate for the foreseeable future of the Organization.

Mentoring Artists for Women's Art Inc.
Schedules of Expenditures
Year Ended April 30

Schedule of Artistic Expenditures	<u>2021</u>	<u>2020</u> (Unaudited)
Amortization	\$ 1,948	\$ 1,948
Artists' fees and professional fees	66,395	76,733
Artistic salaries and benefits	87,125	81,546
Audience development outreach	645	52
Catalogues and publications	2,157	14,120
Hospitality and other expenses	820	2,473
Image reproduction fees	1,351	382
Memberships	1,474	1,398
Member communications	1,437	1,385
Microgrants to artists	18,600	-
Production professional fees	6,616	722
Production salaries and contracts	8,022	8,117
Program production	22,269	13,662
	<u>\$ 218,859</u>	<u>\$ 202,538</u>

Schedule of Facility Operating Expenditures	<u>2021</u>	<u>2020</u> (Unaudited)
Facility operation and maintenance	\$ 10,541	\$ 9,254
Rent (Note 11)	21,276	20,676
	<u>\$ 31,817</u>	<u>\$ 29,930</u>

Schedule of Fundraising Expenditures	<u>2021</u>	<u>2020</u> (Unaudited)
Fundraising events	\$ 6,083	\$ 2,210
Fundraising in-kind	25,174	101
Legacy fund	11,275	4,270
	<u>\$ 42,532</u>	<u>\$ 6,581</u>

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.
Schedules of Expenditures - continued
Year Ended April 30

Schedule of Administrative Expenditures	<u>2021</u>	<u>2020</u> (Unaudited)
Administrative salaries and benefits	\$ 98,606	\$ 90,817
Board and staff development	4,068	2,295
Facility and office	9,943	8,121
Professional fees	16,986	12,505
Rent (Note 11)	<u>6,692</u>	<u>6,692</u>
	<u>\$ 136,295</u>	<u>\$ 120,430</u>

Schedule of Marketing and Communications Expenditures	<u>2021</u>	<u>2020</u> (Unaudited)
Advertising	\$ 41	\$ 3,624
Contract fees	-	2,000
Promotion and publicity	<u>188</u>	<u>444</u>
	<u>\$ 229</u>	<u>\$ 6,068</u>

Schedule of Gifts to Other Charities	<u>2021</u>	<u>2020</u> (Unaudited)
Gifts to other charities - in-kind	<u>\$ -</u>	<u>\$ 4,900</u>

See accompanying notes to the financial statements.