

Mentoring Artists for Women's Art Inc.
Financial Statements
April 30, 2022

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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, 2022, 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, 2022, 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.

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	2022	2021
Revenues		
Earned revenue		
Co-production	\$ 2,949	\$ 1,200
Distribution fees	14,120	6,706
Facility rental	3,500	600
Membership fees	7,775	8,625
Registration fees	4,650	3,945
Interest	1,878	814
Private sector		
Annual appeal	7,969	6,820
Corporate donations	934	1,363
Corporate sponsorships	3,150	6,920
Foundations	49,244	14,769
Fundraising	24,275	30,906
Individual donations	4,036	4,987
In-kind goods and services	18,349	25,174
Legacy fund	750	275
Public sector		
Municipal		
Winnipeg Arts Council - Operating	37,575	37,575
Provincial		
Manitoba Arts Council - Operating	73,000	73,000
Manitoba Arts Council - Other	4,062	5,000
Manitoba Arts Council - Sustainability Grant (Note 2 (h))	16,483	-
Manitoba Municipal Relations	-	8,430
Manitoba Bridge Grant (Note 2 (h))	5,000	15,000
Manitoba Sector Support Grant (Note 2 (h))	6,000	-
Federal		
Canada Council - Operating	135,000	135,000
Canada Council - Emergency Support Fund (Note 2 (h))	-	33,800
Canada Emergency Business Account (Note 2 (h))	10,000	10,000
	<u>430,699</u>	<u>430,909</u>
Expenditures		
Artistic (Page 12)	245,552	218,859
Facility Operating (Page 12)	32,953	31,817
Fundraising (Page 12)	24,681	42,532
Administrative (Page 13)	137,373	136,295
Marketing and Communications (Page 13)	2,747	229
Government Wage Subsidy (Note 2 (h))	(15,530)	(47,182)
	<u>427,776</u>	<u>382,550</u>
Excess of revenues over expenditures	<u>\$ 2,923</u>	<u>\$ 48,359</u>

See accompanying notes to the financial statements.

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

	<u>Unrestricted</u>	<u>Internally Restricted</u>	<u>Total 2022</u>	<u>Total 2021</u>
Fund balance, beginning of year	\$ 16,593	\$ 113,000	\$ 129,593	\$ 81,234
Excess of revenues over expenditures	<u>2,923</u>	<u>-</u>	<u>2,923</u>	<u>48,359</u>
Fund balance, end of year	<u>\$ 19,516</u>	<u>\$ 113,000</u>	<u>\$ 132,516</u>	<u>\$ 129,593</u>

See accompanying notes to the financial statements.

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

April 30 2022 2021

Assets

Current

Cash (Note 3)	\$	328,567	\$	232,518
Receivables (Note 4)		1,369		27,524
Prepays		13,164		12,791

Capital assets (Note 5)		343,100		272,833
		3,517		1,608

	\$	346,617	\$	274,441
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Liabilities

Current

Payables and accruals	\$	21,202	\$	21,739
Government remittances payable		8,262		8,862
Deferred contributions (Note 6)		141,120		83,313

Long-term debt (Note 7)		170,584		113,914
Deferred contributions related to capital assets (Note 8)		40,000		30,000
		3,517		934

	214,101		144,848
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Fund Balances

Unrestricted		19,516		16,593
Internally restricted		113,000		113,000

	132,516		129,593
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	\$	346,617	\$	274,441
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Commitment (Note 11)

Approved by the Board

 <hr style="border: 0; border-top: 1px solid black; width: 100%;"/>	Director	 <hr style="border: 0; border-top: 1px solid black; width: 100%;"/>	Director
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See accompanying notes to the financial statements.

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

Year ended April 30

2022**2021**

Cash derived from (applied to):

Operating

Excess of revenues over expenditures	\$ 2,923	\$ 48,359
Amortization	2,367	1,948
Amortization of deferred contributions related to capital assets	2,583	(1,363)
Forgiveness of long-term debt	<u>(10,000)</u>	<u>(10,000)</u>

(2,127) 38,944

Change in non-cash operating working capital

Receivables	26,154	(14,406)
Prepays	(373)	916
Payables and accruals	(536)	194
Government remittances payable	(600)	4,457
Deferred contributions	<u>57,807</u>	<u>31,048</u>

80,325 61,153

Financing

Proceeds from long-term debt	<u>20,000</u>	<u>40,000</u>
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Investing

Purchases of capital assets	<u>(4,276)</u>	<u>-</u>
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Net increase in cash

96,049 101,153

Cash

Beginning of year	<u>232,518</u>	<u>131,365</u>
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End of year	<u>\$ 328,567</u>	<u>\$ 232,518</u>
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See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.

Notes to the Financial Statements

April 30, 2022

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 and 2-Spirit woman-identifying, non-binary and trans 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, 2022

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 \$Nil (2021 - \$2,376) and CEWS payments totaling \$15,530 (2021 - \$44,806), 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 \$Nil (2021 - \$33,800).

Government assistance, by way of the Manitoba Arts Council - Sustainability 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 \$16,483 (2021 - \$Nil).

Government assistance, by way of the Manitoba Sector Support 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 \$6,000 (2021 - \$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 \$5,000 (2021 - \$15,000).

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements
 April 30, 2022

2. Summary of significant accounting policies - continued

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 (2021 - \$10,000) as the forgivable portion.

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, 2022, the balance of the line of credit was \$Nil (2021 - \$Nil).

4. Receivables

	<u>2022</u>	<u>2021</u>
Trade receivables	\$ 100	\$ 543
Government assistance (Note 2 (h))	-	24,232
Grants receivable	-	1,843
GST receivable	<u>1,269</u>	<u>906</u>
	<u>\$ 1,369</u>	<u>\$ 27,524</u>

5. Capital assets

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>2022 Net Book Value</u>	<u>2021 Net Book Value</u>
Computer equipment	\$ 8,364	\$ 4,847	\$ 3,517	\$ 1,022
Equipment	<u>1,757</u>	<u>1,757</u>	<u>-</u>	<u>586</u>
	<u>\$ 10,121</u>	<u>\$ 6,604</u>	<u>\$ 3,517</u>	<u>\$ 1,608</u>

Mentoring Artists for Women's Art Inc.
Notes to the Financial Statements
April 30, 2022

6. Deferred contributions

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

	<u>2022</u>	<u>2021</u>
Canada Council for the Arts		
Balance, beginning of year	\$ -	\$ -
Contributions	162,000	135,000
Expenditures	<u>(135,000)</u>	<u>(135,000)</u>
Balance, end of year	<u>27,000</u>	<u>-</u>
Winnipeg Arts Council		
Balance, beginning of year	25,050	-
Contributions	38,575	62,625
Expenditures	<u>(37,575)</u>	<u>(37,575)</u>
Balance, end of year	<u>26,050</u>	<u>25,050</u>
The Winnipeg Foundation		
Balance, beginning of year	32,739	31,800
Contributions	1,500	939
Expenditures	<u>(32,739)</u>	<u>-</u>
Balance, end of year	<u>1,500</u>	<u>32,739</u>
Manitoba Arts Council		
Balance, beginning of year	4,062	-
Contributions	64,100	4,062
Expenditures	<u>(4,062)</u>	<u>-</u>
Balance, end of year	<u>64,100</u>	<u>4,062</u>
Other	<u>22,470</u>	<u>21,462</u>
Total deferred contributions	<u>\$ 141,120</u>	<u>\$ 83,313</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 \$20,000 (2021 - \$40,000). The loan is interest free until December 31, 2023, after which time interest will accrue on any remaining balance owed at a rate of 5% per annum. If \$40,000 of the loan has been repaid by December 31, 2023, the remaining \$20,000 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 \$3,517 (2021 - \$934) 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, 2022

9. Interfund transfer

During the year, the board of directors approved a transfer of \$Nil (2021 - \$40,000) 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 \$154,901 of total contributions to April 30, 2022 (2021 - \$138,929). As at April 30, 2022, the value of the fund is \$181,776 (2021 - \$175,056).

11. Commitment

The Organization has a lease agreement for office space month to month expiring August 31, 2024, with monthly minimum rent of \$2,153.

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>2022</u>	<u>2021</u>
Amortization	\$ 2,367	\$ 1,948
Artists' fees and professional fees	69,872	66,395
Artistic salaries and benefits	93,365	87,125
Audience development outreach	4,088	645
Catalogues and publications	29,556	2,157
Hospitality and other expenses	1,432	820
Image reproduction fees	942	1,351
Memberships	1,654	1,474
Member communications	1,360	1,437
Microgrants to artists	-	18,600
Production professional fees	4,306	6,616
Production contracts	18,033	8,022
Program production	<u>18,577</u>	<u>22,269</u>
	<u>\$ 245,552</u>	<u>\$ 218,859</u>

Schedule of Facility Operating Expenditures	<u>2022</u>	<u>2021</u>
Facility operation and maintenance	\$ 11,377	\$ 10,541
Rent (Note 11)	<u>21,576</u>	<u>21,276</u>
	<u>\$ 32,953</u>	<u>\$ 31,817</u>

Schedule of Fundraising Expenditures	<u>2022</u>	<u>2021</u>
Fundraising	\$ 5,582	\$ 6,083
Fundraising in-kind	18,349	25,174
Legacy fund	<u>750</u>	<u>11,275</u>
	<u>\$ 24,681</u>	<u>\$ 42,532</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>2022</u>	<u>2021</u>
Administrative salaries and benefits	\$ 106,081	\$ 98,606
Board and staff development	-	4,068
Facility and office	7,693	9,943
Professional fees	16,907	16,986
Rent (Note 11)	<u>6,692</u>	<u>6,692</u>
	<u>\$ 137,373</u>	<u>\$ 136,295</u>

Schedule of Marketing and Communications Expenditures	<u>2022</u>	<u>2021</u>
Advertising	\$ 1,296	\$ 41
Marketing production	970	-
Promotion and publicity	<u>481</u>	<u>188</u>
	<u>\$ 2,747</u>	<u>\$ 229</u>

See accompanying notes to the financial statements.