

Mentoring Artists for Women's Art Inc.
Financial Statements

April 30, 2019
(Unaudited)

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Independent Practitioners' Review Engagement Report

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

We have reviewed the accompanying financial statements of Mentoring Artists for Women's Art Inc. that comprise the statement of financial position as at April 30, 2019, and the statements of operations, changes in fund balances, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Practitioners' Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Mentoring Artists for Women's Art Inc. as at April 30, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in blue ink that reads "Booke & Partners".

Winnipeg, Canada
September 12, 2019

Chartered Professional Accountants

Mentoring Artists for Women's Art Inc.

Statements of Operations

Year Ended April 30
(Unaudited)

2019

2018

Revenues

Earned revenue

| | | |
|-------------------|----------|----------|
| Co-production | \$ 5,830 | \$ 3,050 |
| Distribution fees | 3,803 | 7,543 |
| Facility rental | 2,120 | 4,740 |
| Membership fees | 7,297 | 8,125 |
| Registration fees | 7,625 | 5,820 |
| Interest | 445 | 570 |

Private sector

| | | |
|----------------------------|--------|--------|
| Annual appeal | 4,872 | 3,738 |
| Corporate donations | 1,341 | 5,375 |
| Corporate sponsorships | 6,700 | 4,500 |
| Foundations | 79,729 | 26,040 |
| Fundraising | 27,963 | 35,000 |
| Individual donations | 3,959 | 6,216 |
| In-kind goods and services | 22,186 | 33,451 |
| Legacy fund | 9,593 | 8,663 |

Public sector

Municipal

| | | |
|-----------------------------------|--------|--------|
| Winnipeg Arts Council - Operating | 41,750 | 39,217 |
| City of Winnipeg - Other | 250 | 250 |

Provincial

| | | |
|---|--------|--------|
| Manitoba Arts Council - Management & Governance | - | 3,525 |
| Manitoba Arts Council - Operating | 73,000 | 73,000 |
| Manitoba Community Services Council | - | 4,500 |
| Manitoba Liquor & Lotteries | - | 3,000 |
| Minister of Municipal Relations | 20,000 | - |
| Manitoba Sport, Culture & Heritage - Program Operating | 12,500 | 9,400 |

Federal

| | | |
|------------------------------|---------|--------|
| Canada Council - Operating | 88,000 | 68,000 |
| Canada Council - New Chapter | 260,558 | 84,442 |

679,521 438,165

Expenditures

| | | |
|--|---------|---------|
| Artistic (Page 10) | 435,630 | 244,337 |
| Facility Operating (Page 10) | 28,496 | 35,661 |
| Fundraising (Page 10) | 36,904 | 44,955 |
| Administrative (Page 11) | 115,131 | 105,784 |
| Marketing and Communications (Page 11) | 8,042 | 3,234 |

624,203 433,971

Excess of revenues over expenditures

\$ 55,318 \$ 4,194

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.
Statement of Changes in Fund Balances
Year Ended April 30, 2019
(Unaudited)

| | <u>Unrestricted</u> | <u>Internally Restricted</u> | <u>2019</u> | <u>2018</u> |
|---|---------------------|----------------------------------|-------------------------|------------------|
| Fund balance, beginning of year | \$ 16,539 | \$ 18,000 | \$ 34,539 | \$ 30,345 |
| Excess of revenues over expenditures | 55,318 | - | 55,318 | 4,194 |
| Interfund transfer (Note 7) | <u>(55,000)</u> | <u>55,000</u> | <u>-</u> | <u>-</u> |
| Fund balance, end of year | <u>\$ 16,857</u> | <u>\$ 73,000</u> | <u>\$ 89,857</u> | <u>\$ 34,539</u> |

See accompanying notes to the financial statements.

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

April 30
(Unaudited)

2019

2018

Assets

Current

| | | |
|-------------------|--------------|--------------|
| Cash (Note 3) | \$ 133,353 | \$ 207,225 |
| Receivables | 2,608 | 1,506 |
| Grants receivable | 18,292 | 1,130 |
| Prepays | <u>3,859</u> | <u>2,743</u> |

158,112 212,604

Capital assets (Note 4)

5,504 -

\$ 163,616 **\$ 212,604**

Liabilities

Current

| | | |
|---------------------------------|---------------|----------------|
| Payables and accruals | \$ 20,600 | \$ 18,717 |
| Government remittances payable | 5,819 | 3,187 |
| Deferred contributions (Note 5) | <u>43,681</u> | <u>156,161</u> |

70,100 178,065

Deferred contributions related to capital assets (Note 6)

3,659 -

73,759 **178,065**

Fund Balances

Unrestricted

16,857 16,539

Internally restricted

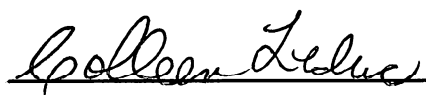
73,000 **18,000**

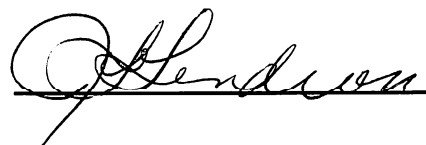
89,857 **34,539**

\$ 163,616 **\$ 212,604**

Commitment (Note 9)

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
(Unaudited)

2019

2018

Cash derived from (applied to):

Operating

| | | |
|--|---------------|--------------|
| Excess of revenues over expenditures | \$ 55,318 | \$ 4,194 |
| Amortization of deferred contributions | (341) | - |
| | <u>55,659</u> | <u>4,194</u> |

Change in non-cash operating working capital

| | | |
|--|------------------|----------------|
| Receivables | (1,102) | 338 |
| Grants receivable | (17,162) | 50 |
| Prepays | (1,116) | (524) |
| Payables and accruals | 1,883 | 4,680 |
| Government remittances payable | 2,632 | (1,358) |
| Deferred contributions | (112,480) | 123,628 |
| Deferred contributions related to capital assets | <u>3,659</u> | <u>-</u> |
| | <u>(123,686)</u> | <u>126,814</u> |

Investing

| | | |
|----------------------------|----------------|----------|
| Purchase of capital assets | <u>(5,845)</u> | <u>-</u> |
|----------------------------|----------------|----------|

Net (decrease) increase in cash

(73,872) 131,008

Cash

| | | |
|-------------------|-------------------|-------------------|
| Beginning of year | <u>207,225</u> | <u>76,217</u> |
| End of year | <u>\$ 133,353</u> | <u>\$ 207,225</u> |

See accompanying notes to the financial statements.

Mentoring Artists for Women's Art Inc.

Notes to the Financial Statements

April 30, 2019
(Unaudited)

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 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.

Distribution fees are recognized as revenue when received or receivable.

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.

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

b) Internally restricted fund balances

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

c) Capital assets

As the average of annual revenues recognized in the statement of operations for the current and preceding year is greater than \$500,000, the Organization will record capital assets going forward.

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, 2019
(Unaudited)

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.

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, 2019, the balance of the line of credit was \$Nil (2018 - \$Nil).

4. Capital assets

| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>2019 Net Book Value</u> | <u>2018 Net Book Value</u> |
|--------------------|-----------------|-------------------------------------|------------------------------------|------------------------------------|
| Computer equipment | \$ 4,088 | \$ 341 | \$ 3,747 | \$ - |
| Equipment | <u>1,757</u> | <u>-</u> | <u>1,757</u> | <u>-</u> |
| | <u>\$ 5,845</u> | <u>\$ 341</u> | <u>\$ 5,504</u> | <u>\$ -</u> |

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

April 30, 2019
(Unaudited)

5. Deferred contributions

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

| | <u>2019</u> | <u>2018</u> |
|-------------------------------------|------------------|-------------------|
| Canada Council for the Arts | | |
| Balance, beginning of year | \$ 125,558 | \$ - |
| Contributions | 135,000 | 210,000 |
| Expenditures | <u>(260,558)</u> | <u>(84,442)</u> |
| Balance, end of year | <u>-</u> | <u>125,558</u> |
| Winnipeg Arts Council | | |
| Balance, beginning of year | 27,834 | 25,300 |
| Contributions | 13,916 | 41,751 |
| Expenditures | <u>(41,750)</u> | <u>(39,217)</u> |
| Balance, end of year | <u>-</u> | <u>27,834</u> |
| RBC Emerging Artists Project | | |
| Balance, beginning of year | - | 5,000 |
| Contributions | - | - |
| Expenditures | <u>-</u> | <u>(5,000)</u> |
| Balance, end of year | <u>-</u> | <u>-</u> |
| The Winnipeg Foundation | | |
| Balance, beginning of year | 592 | - |
| Contributions | 40,270 | 592 |
| Expenditures | <u>(592)</u> | <u>-</u> |
| Balance, end of year | <u>40,270</u> | <u>592</u> |
| Other | <u>3,411</u> | <u>2,177</u> |
| Total deferred contributions | <u>\$ 43,681</u> | <u>\$ 156,161</u> |

6. Deferred contributions related to capital assets

Deferred contributions related to capital assets of \$3,659 (2018 - \$Nil) 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, 2019
(Unaudited)

7. Interfund transfer

During the year, the board of directors approved a transfer of \$55,000 (2018 - \$4,000) from the unrestricted fund to the internally restricted fund for the Organization's future initiatives.

8. 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 \$94,175 of total contributions to April 30, 2019 (2018 - \$74,017). As at April 30, 2019, the value of the fund is \$113,736 (2018 - \$89,653).

9. Commitment

The Organization has a lease agreement for office space expiring August 31, 2020, with annual minimum rent of \$16,600.

10. 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.

Mentoring Artists for Women's Art Inc.**Schedules of Expenditures**

Year Ended April 30

(Unaudited)

| Schedule of Artistic Expenditures | <u>2019</u> | <u>2018</u> |
|--|--------------------|--------------------|
| Amortization | \$ 341 | \$ - |
| Artist's fees and professional fees | 79,958 | 114,788 |
| Artistic salaries and benefits | 73,425 | 64,901 |
| Audience development outreach | 150 | 120 |
| Catalogues and publications | 19,371 | 11,637 |
| Hospitality and other expenses | 4,875 | 3,814 |
| Image reproduction fees | 7,029 | 7,052 |
| Memberships | 1,443 | 1,416 |
| Member communications | 1,522 | 1,480 |
| Production professional fees | 9,108 | 914 |
| Production salaries and contracts | 14,112 | 21,961 |
| Program production | 224,296 | 16,254 |
| | <u>\$ 435,630</u> | <u>\$ 244,337</u> |

| Schedule of Facility Operating Expenditures | <u>2019</u> | <u>2018</u> |
|--|--------------------|--------------------|
| Facility operation and maintenance | \$ 7,820 | \$ 14,985 |
| Rent | 20,676 | 20,676 |
| | <u>\$ 28,496</u> | <u>\$ 35,661</u> |

| Schedule of Fundraising Expenditures | <u>2019</u> | <u>2018</u> |
|---|--------------------|--------------------|
| Fundraising events | \$ 9,099 | \$ 6,996 |
| Fundraising in-kind | 21,598 | 32,404 |
| Legacy fund | 6,207 | 5,555 |
| | <u>\$ 36,904</u> | <u>\$ 44,955</u> |

See accompanying notes to the financial statements.

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

| Schedule of Administrative Expenditures | <u>2019</u> | <u>2018</u> |
|--|--------------------------|--------------------------|
| Administrative salaries and benefits | \$ 85,040 | \$ 75,613 |
| Board and staff development | 1,936 | 4,816 |
| Facility and office | 10,083 | 10,057 |
| Professional fees | 11,370 | 8,581 |
| Rent | <u>6,702</u> | <u>6,717</u> |
| | <u>\$ 115,131</u> | <u>\$ 105,784</u> |

| Schedule of Marketing and Communications Expenditures | <u>2019</u> | <u>2018</u> |
|--|------------------------|------------------------|
| Advertising | \$ 2,418 | \$ 1,142 |
| Marketing production | 4,100 | - |
| Promotion and publicity | <u>1,524</u> | <u>2,092</u> |
| | <u>\$ 8,042</u> | <u>\$ 3,234</u> |

See accompanying notes to the financial statements.