

ANNAPOLIS REGION COMMUNITY ARTS COUNCIL

ANNAPOLIS ROYAL

(See notice to reader)

FINANCIAL STATEMENTS

DECEMBER 31, 2020

Granville Accounting
Accounting, Tax Preparation and Bookkeeping
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To the Reader

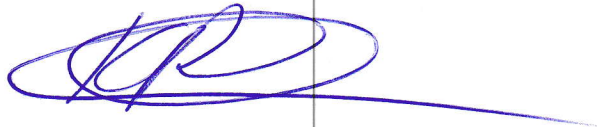
On the basis of information provided by Management, I have compiled the Balance sheet of Annapolis Region Community Arts Council as at December 31, 2020 and the statements of Income and Net Assets for the year then ended.

I have not performed an audit or a review engagement in respect of these financial statements and accordingly, I express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Prepared for

Annapolis Region Community Arts Council
Annapolis Royal

A handwritten signature in blue ink, consisting of a stylized 'R' and 'A' followed by a long horizontal line.

March 1, 2021

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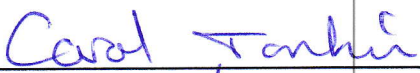
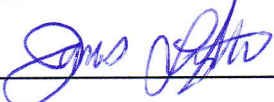
ANNAPOLIS REGION COMMUNITY ARTS COUNCIL
BALANCE SHEET
DECEMBER 31, 2020

ASSETS

	<u>2020</u>	<u>2019</u>
Current Assets:		
Cash	\$ 127,928	\$ 34,263
Receivables & HST Recoverable	3,493	3,981
Current Investments & Securities (note 4)	<u>104,762</u>	<u>114,211</u>
	236,183	152,455
Fixed Assets - Capital (note 1)	154,151	154,151
Fixed Assets - Artwork	<u>3,772</u>	<u>3,772</u>
	<u>157,924</u>	<u>157,924</u>
Total Assets	<u>\$ 394,107</u>	<u>\$ 310,379</u>

LIABILITIES AND NET ASSETS

Current Liabilities:		
Government Remittances (note 2)	\$ 1,161	1,000
Accrued Liabilities	200	200
Prepaid Sales and Services	1,605	2,509
Loans Payable Within Period and Deferred Grants (note 3)	<u>67,115</u>	<u>17,355</u>
Total Liabilities	70,081	21,064
Net Assets (See Statement of Societies Net Assets)	<u>324,026</u>	<u>289,315</u>
Total Liabilities & Net Assets	<u>\$ 394,107</u>	<u>\$ 310,379</u>

	: Officer
	: Officer

ANNAPOLIS REGION COMMUNITY ARTS COUNCIL
STATEMENT OF INCOME AND EXPENSES
12 MONTHS ENDED DECEMBER 31, 2020

Revenue	<u>2020</u>	<u>2019</u>
Earned Revenue:		
Fee Workshops and Classes	\$ 4,172	\$ 3,676
Memberships	4,252	4,069
Facilities Rental and Sale of Art:		
Gallery Rentals	387	1,549
Membership Art Sales	2,313	3,970
Other Earned Revenue:		
Interest Income	1,868	2,312
Other Event Revenue	-	3,850
Office	-	11
Total Earned Revenue	<u>12,992</u>	<u>19,437</u>
Private Sector Revenue:		
Donations	10,929	4,277
Fundraising - Auction	8,936	31,346
Total Private Sector Revenue	<u>19,865</u>	<u>35,623</u>
Public Sector Revenue:		
Other Federal Grants	50,240	1,777
Federal Funding - Operating	51,769	20,000
Provincial Funding - Operating	29,954	28,000
Provincial - Public Grants	-	7,847
Total Public Sector Revenue	<u>131,963</u>	<u>57,624</u>
Total Revenue	\$ 164,820	\$ 112,684

ANNAPOLIS REGION COMMUNITY ARTS COUNCIL

STATEMENT OF INCOME AND EXPENSES

12 MONTHS ENDED DECEMBER 31, 2020

Expenses	<u>2020</u>	<u>2019</u>
Artistic :		
Artists and Professional Fees	\$ 19,219	\$ 33,839
Artistic Salaries	18,245	19,080
Total Artistic Expense	<u>37,463</u>	<u>52,919</u>
Programs:		
Exhibition Expense	521	4,149
Media Arts	33,442	-
Professional Development for Artists	-	746
Education and Audience, Development	59	198
Other Artistic, Program and Services Expense	5,546	16,956
Scholarship Expense	330	-
Total Programing Expense	<u>39,898</u>	<u>22,048</u>
Facilities:		
Insurance Expense	3,080	2,886
Property Taxes	1,974	1,933
Repairs and Maintenance	5,508	3,306
Grounds Expense	1,321	1,796
Utilities - Telephone	1,481	932
Utilities - Power, Water and Furnace Oil	3,707	4,101
Total Facility Expense	<u>17,071</u>	<u>14,955</u>
Marketing and Communications:		
Advertising and Promotions	4,817	3,660
Fundraising:		
Fundraising Expense	540	1,552
Administrative:		
Administrative Salaries	23,057	19,422
Professional Fees	3,418	3,262
Bank Fees, Charges & Credit Card Expense	621	1,330
Office Expenses	1,720	3,214
Miscellaneous & Supplies	1,334	-
Other Expenditures	170	-
Total Administrative Expense	<u>30,320</u>	<u>27,228</u>
Total Expenses	<u>130,108</u>	<u>122,361</u>
Excess of Revenue Over Expenditure (Net Loss)	<u>\$ 34,712</u>	<u>\$ (9,677)</u>

ANNAPOLIS REGION COMMUNITY ARTS COUNCIL
STATEMENT OF SOCIETIES NET ASSETS
YEAR ENDED 2020

	Unrestricted Net Assets	Capital Net Assets	Endowment Fund Equity	Scholarship Fund Equity	Total
(Unaudited - See Notice to Reader)					
Balance, beginning of year	\$ 43,971	\$ 204,510	\$ 20,154	\$ 20,681	\$ 289,315
amortization of capital assets	50,650	(50,650)			
Excess of revenue over expenditure	34,712				34,712
Increases during year	---	---	1,967	5,054	7,021
	129,333	153,860	22,121	25,735	331,049
Decreases during period	7,021	---	---	---	7,021
Balance, end of year	\$ 122,312	\$ 153,860	\$ 22,121	\$ 25,735	\$ 324,028

The accompanying notes are an integral part of these financial statements

ANNAPOLIS REGION COMMUNITY ARTS COUNCIL
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

Revenue recognition

We recognize revenue when earned, specifically when all the following conditions are met:

Services are provided or delivered to members.
Amounts are fixed or can be determined.
Our ability to collect is reasonably assured.
There is no significant obligation for future performance.
The amount of future returns can be reasonably estimated.

We record payments and contributions received in advance including upfront non-refundable payments as deferred revenues until we provide the service or as such time related expenses are incurred.

1. Fixed Assets	Rate	Cost	Accumulated Depreciation	2020	2019
				Net Book Value	
Land		\$ 69,485	-	\$ 69,485	\$ 69,485
Buildings		27,532	-	27,532	27,532
Signs		500	-	500	500
Building Improvements	5yr	103,841	\$ 48,147	55,694	55,694
Computer Equipment	45%	3,442	2,502	940	940
		<u>\$ 204,801</u>	<u>\$ 50,650</u>	<u>\$ 154,151</u>	<u>\$ 154,151</u>
2. Government Remittances				2020	2019
Employee Income Tax Payable				\$ 588	523
CPP				443	334
EI				130	143
				<u>\$ 1,161</u>	<u>1,000</u>
3. Loans Payable Within Period and Deferred Grants				2020	2019
Deferred CADAC Projects - Media				\$ 49,752	—
Deferred Grant Funds: Provincial Operating				10,675	10,683
Deferred Grant Funds: Canada Council				6,688	6,672
				<u>\$ 67,115</u>	<u>\$ 17,355</u>
4. Current Investments and Securities				2020	2019
Endowment GIC's Consolidated				\$ 22,120	\$ 21,529
Scholarship GIC's Consolidated				25,734	26,055
Contingency GIC's Consolidated				56,908	66,626
				<u>\$ 104,762</u>	<u>\$ 114,211</u>
5. "Paint the Town" Program				2020	2019
<u>Revenue</u>				\$ 8,176	\$ 30,046
<u>Expenses</u>				3,088	16,091
<i>Net Paint The Town Income</i>				<u>\$ 3,088</u>	<u>\$ 19,765</u>

NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020

Changes in Net Assets

The restricted Net Asset funds Endowment and Scholarship have been increased to reflect the increase value of those funds held as GIC assets, accordingly Unrestricted Net Assets has reduced to show the Allocation of those funds to restricted.

Grants

Exhibitions (Artist-Run Centre) Grant:

ARCAC's exhibition programming receives core funding through Canada Council's Artist-Run Centre (ARC) program. The grant amounts in 2012 and 2013 were \$22,000 per year, reducing to \$20,000 in 2014 and subsequent years. This grant is used primarily to fund exhibitions. This grant is pro-rated between fiscal years because the grantor's fiscal year is April 1st to March 31st. The portion that relates to the new fiscal year is recognized as revenue in that year.

Nova Scotia Department of Communities, Culture & Heritage:

ARCAC received an operating grant in the amount of \$28,000 per year since 2012. These funds are used for operating expenses. This grant is pro-rated between fiscal years because the grantor's fiscal year is April 1st to March 31st. The portion that relates to the new fiscal year is recognized as revenue in that year.

Canada Council for the Arts:

During the 2020 reporting period ARCAC received an additional \$30,000 from the Canada Council as an emergency support payment to assist operations during the pandemic.

"Paint the Town" Program

In the annual Paint the Town program, artists are invited to create art on site in Annapolis Royal, and allow the public to view this process. This year the event was disrupted by the Nova Scotia state of emergency and the requirement to socially distance and isolate where possible. The alternative online auction based system was used to allow the event to occur in a different format. Revenue and expenses are shown in (note 5) of the financial statements.

ARCAC Media Arts

Art Seen is a project funded by the Canada Council for the Arts Digital Strategy Fund. The project receives funding for 3 years (\$100,000 each year), beginning July 2020. Art Seen features video conferencing using readily accessible internet-based resources to connect the broad community to contemporary Canadian artists and gallerists/curators located at Artist Run Centres and select galleries. These real-time interactions, presented for public access, are implemented through the Annapolis Region Community Arts Council (ARTSPACE). Each interaction allows for the artist(s) to present work (with gallery walk-throughs, studio visits, etc.), conversation and questions, facilitated by staff and service providers. The video conferences are marketed, documented, and made available for on-demand access by the broad community.