

VISUAL ARTS NOVA SCOTIA

Financial Statements

(Unaudited)

Year Ended March 31, 2022

Draft

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Draft

Independent Review Engagement Report

To the Members of VISUAL ARTS NOVA SCOTIA

I have reviewed the accompanying financial statements of VISUAL ARTS NOVA SCOTIA, that comprise the statement of financial position as at March 31, 2022 and the statements of operations and surplus and schedule of expenses 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 generally accepted 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements which require me 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 organization, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of Visual Arts Nova Scotia as at March 31, 2022 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting standards for not-for-profit enterprises.

June 8, 2022

**PO Box 44075
Bedford, NS B4A 3X5**

Chartered Professional Accountant, CA

VISUAL ARTS NOVA SCOTIA
Statement of Financial Position

(Unaudited)

March 31, 2022

2022

2021

ASSETS

Current

Cash and bank	\$ 62,676	\$ 89,853
Accounts receivable	44,294	10,820
Prepaid expenses	1,045	-

108,015 100,673

Cash subject to restrictions (note 4) **60,115** 59,283

\$ 168,130 \$ 159,956

LIABILITIES AND SURPLUS

Current liabilities

Accounts payable and accrued liabilities	\$ 16,634	\$ 16,826
Deferred revenue (note 5)	31,674	31,353

48,308 48,179

Artist emergency fund (note 6) **11,533** 10,701

59,841 58,880

SURPLUS

Capital reserve fund (note 7)	45,000	45,000
Capital equipment purchase fund (note 7)	3,582	3,582
Unrestricted surplus	59,707	52,494

108,289 101,076

\$ 168,130 \$ 159,956

See accompanying notes to the financial statements

Approved by:

Director: _____

Director: _____

VISUAL ARTS NOVA SCOTIA
Statement of Operations and Surplus

(Unaudited)

For the Year Ended March 31, 2022

2022

Revenue	
Provincial grants	
Provincial Operating	\$ 20,000
Ministry NSCCH Operating	82,000
Ministry NS Gov Project Grant	36,400
Ministry NS Gov Lottery Commission	6,250
Ministry NS Dept of Education	45,494
Federal grants	
Canada Council Operating	42,000
Employment Grants YCW/Career Link)	5,678
Municipal grants	
HRM Operating	11,000
Corporate donations	5,000
Foundation grants & donations	5,000
Membership dues & fees	17,561
Donations & fundraising	1,205
Sales - subs, ads & copyright	15,818
Fees earned	8,203
Interest income	722
	302,331
Expenses	
Administration	74,203
Artistic	211,887
Facility	5,050
Marketing	3,979
	295,119
Excess of revenues over expenses	\$ 7,212
Unrestricted surplus, beginning of year	\$ 52,495
Excess of revenues over expenses	7,212
Unrestricted surplus, end of year	\$ 59,707

See accompanying notes to the financial statements

VISUAL ARTS NOVA SCOTIA

Statement of Cash Flows

(Unaudited)

For the Year Ended March 31, 2022

2022

Cash flow from operating activities	
Cash received from customers and members	\$ 270,010
Cash paid to suppliers and employees	(296,355)
	<hr/> (26,345)

Cash flows from investing activities

Cash flows from financing activities

Net increase (decrease) in cash	(26,345)
Cash and cash equivalents	
Beginning of year	149,136
End of year	<hr/> \$ 122,791

Cash and cash equivalents are comprised of:

Cash and bank	62,676
Cash subject to restrictions	60,115
	<hr/> \$ 122,791

See accompanying notes to the financial statements

VISUAL ARTS NOVA SCOTIA

Schedule of Expenses

(Unaudited)

For the Year Ended March 31, 2022

2022

Administrative

Salaries	\$	52,436
Benefits		3,253
Professional development		1,667
Office and facilities		9,983
Professional fees		6,864
	\$	74,203

Artistic

Artistic & professional fees - News	\$	32,719
Artistic & professional fees - PAINTS		23,240
Artistic & professional fees - Special projects		3,974
Artistic salaries		82,051
Catalogues & publications		17,438
Member communications		2,703
Memberships & registrations		14,166
Other artistic expenses		1,652
Professional development - mentorships		16,950
Professional development - special projects		7,589
Professional development - workshops & panel		5,905
Programming open grants		3,500
	\$	211,887

Facility

Rent	\$	5,050
	\$	5,050

Marketing

Professional fees	\$	3,578
Production fees		128
Advertising		273
	\$	3,979

See accompanying notes to the financial statements

VISUAL ARTS NOVA SCOTIA

Notes to Financial Statements

(Unaudited)

For the Year Ended March 31, 2022

2022

2021

1. Purpose of the organization

Visual Arts Nova Scotia ("VANS") was incorporated under the Nova Scotia Societies Act and its purpose is to foster the development, awareness, and understanding of the visual arts in Nova Scotia; to encourage the production, exhibition and appreciation of works by Nova Scotia's visual artists; and speak for visual artists in areas of common concern and organize and encourage effective educational programs in the visual arts.

VANS is a not for profit organization and is a registered charity under the Income Tax Act.

2. Summary of significant accounting policies

Basis of accounting

These financial statements have been prepared in accordance with the Canadian accounting standards for not-for-profit organizations in Part III of the Chartered Professional Accountants Handbook.

Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents consist primarily of term deposits and deposits with a maturity date within one year. Because of the short term nature of these investments, their carrying amount approximated fair market value.

Capital assets

VANS has adopted the policy of expensing all capital assets in the year of acquisition. During the year \$620 (2021 - \$0) was spent on assets of a capital nature. VANS owns various office furniture, equipment and computer equipment which are not recorded as capital assets.

Revenue recognition

VANS follows the deferral method of accounting for contributions. Designated contributions are recognized as revenue in the year in which the related expenses are incurred. Undesignated contributions are recognized as revenue when received.

Magazine subscriptions and advertising are recognized as revenue in the year invoiced, where there is virtual certainty that the amounts billed will be collected.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those reported.

3. Financial instruments

VANS financial instruments consist of cash, investments, trade receivables and payables. The fair values of these financial instruments approximate their carrying values. It is managements opinion that VANS is not exposed to significant interest rate, currency or credit risks associated with these financial instruments.

VISUAL ARTS NOVA SCOTIA

Notes to Financial Statements

(Unaudited)

For the Year Ended March 31, 2022

2022

2021

4. Cash subject to restrictions

Cash subject to restrictions is comprised of the artists emergency fund (note 6); the capital reserve fund and the capital equipment purchase fund (note 7).

5. Deferred revenues

Revenues received during the current year for programs continuing into the new fiscal year are comprised of the following items:

Membership & magazine fees	\$	11,730	\$	10,075
Portia White award		5,000		6,000
Paints program		12,666		13,000
Province of NS		2,278		2,278
	\$	31,674	\$	31,353

6. Artists emergency fund

The Artists emergency fund was created in 2011 for the purpose of providing emergency assistance to artists in need. The fund, upon reaching \$5,000 has become active and a committee appointed to oversee applications for assistance.

Balance, beginning of year	\$	10,701	\$	6,756
Contributions and donations		1,332		5,945
Assistance granted		(500)		(2,000)
Balance, end of year	\$	11,533	\$	10,701

7. Capital reserve fund

The Board of Directors has established a capital reserve fund and has increased the fund in the current year by \$0 (2021 - \$1,417). Interest on the fund is used for funding of membership bursaries and for current operations of VANS. Board approval is required prior to the commitment of capital reserve funds. The Board established a Capital Equipment Purchase Fund with an initial funding allocation of \$7,500, during the year \$0 (2021 - \$0) was spent on computer equipment and furniture.

8. Economic dependence

VANS is dependent on grant funds received from the Nova Scotia Department of Communities, Culture and Heritage, Canada Council for the Arts, and Arts Nova Scotia for continuation of its operations.

9. Related party transactions

The Cultural Federations of Nova Scotia ("CFNS") provides premises to VANS on a rent free basis, subject to a charge for any operating deficit of the CFNS. In addition, VANS purchases certain shared services from the CFNS on a cost recovery basis.

10. Comparative figures

VANS has adopted a new financial reporting model based on the Canadian Arts Data (CADAC) format. Due to the revised format and different grouping of revenues and expenses, the comparative financial information for 2021 is not relevant for comparison purposes and has been excluded on the statement of operations and surplus and the schedule of expenses.