

**VISUAL ARTS NOVA SCOTIA**

**Financial Statements**

*(Unaudited)*

**Year Ended March 31, 2024**

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, 2024 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, 2024 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 18, 2024

**75 Eaglewood Drive  
Bedford, NS B4A 3B3**

Chartered Professional Accountant, CA

**VISUAL ARTS NOVA SCOTIA**  
**Statement of Financial Position**

(Unaudited)

March 31, 2024

2024

2023

**ASSETS**

Current

Cash and bank	\$	58,134	\$	133,051
Accounts receivable		49,059		6,395
Prepaid expenses		1,224		2,248

**108,417**      141,694

Cash subject to restrictions (note 4)

**52,658**      57,773

**\$ 161,075**      \$ 199,467

**LIABILITIES AND SURPLUS**

Current liabilities

Accounts payable and accrued liabilities	\$	12,072	\$	13,857
Deferred revenue (note 5)		18,595		68,939

**30,667**      82,796

Artist emergency fund (note 6)

**5,018**      10,133

**35,685**      92,929

**SURPLUS**

Capital reserve fund (note 7)		45,000		45,000
Capital equipment purchase fund (note 7)		2,640		2,640
Unrestricted surplus		77,750		58,898

**125,390**      106,538

**\$ 161,075**      \$ 199,467

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, 2024**

**2024**

**2023**

	<b>2024</b>	<b>2023</b>
<b>Revenue</b>		
Provincial grants		
Provincial Operating	\$ 30,000	20,000
Ministry NSCCH Operating	117,000	82,000
Ministry NS Gov Project Grant	49,645	-
Ministry NS Gov Lottery Commission	6,250	6,250
Ministry NS Dept of Education	30,000	42,666
Partner contributions	6,000	-
Federal grants		
Canada Council Operating	35,000	35,000
Municipal grants		
HRM Operating	14,000	11,000
Municipal project grant	6,500	-
Corporate donations	-	96
Foundation grants & donations	5,000	5,000
Membership dues & fees	19,777	18,104
Donations & fundraising	1,475	2,270
Sales - subs, ads & copyright	18,943	18,527
Fees earned	6,126	7,282
Interest income	1,340	1,557
	<b>347,056</b>	<b>249,752</b>
<b>Expenses</b>		
Administration	85,995	71,845
Artistic	235,381	175,975
Marketing	6,828	2,742
	<b>328,204</b>	<b>250,562</b>
Excess of revenues over expenses (expenses over revenues)	\$ 18,852	\$ (810)
Unrestricted surplus, beginning of year	\$ 58,898	\$ 59,708
Excess of revenues over expenses (expenses over revenues)	18,852	(810)
Unrestricted surplus, end of year	\$ 77,750	\$ 58,898

See accompanying notes to the financial statements

**VISUAL ARTS NOVA SCOTIA****Statement of Cash Flows***(Unaudited)***For the Year Ended March 31, 2024****2024****2023**

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**Cash flow from operating activities**

Cash received from customers and members

**\$ 248,933** \$ 324,916

Cash paid to suppliers and employees

**(328,965)** (256,883)

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**(80,032)** 68,033

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**Cash flows from investing activities**

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**Cash flows from financing activities**

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Net increase (decrease) in cash

**(80,032)** 68,033

Cash and cash equivalents

Beginning of year

**190,824** 122,791

End of year

**\$ 110,792** \$ 190,824

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Cash and cash equivalents are comprised of:

Cash and bank

**58,134** 133,051

Cash subject to restrictions

**52,658** 57,773

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**\$ 110,792** \$ 190,824

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See accompanying notes to the financial statements

## VISUAL ARTS NOVA SCOTIA

### Schedule of Expenses

(Unaudited)

For the Year Ended March 31, 2024

2024

2023

#### Administrative

Salaries & benefits	\$	61,678	\$	52,756
Professional development		3,484		-
Office and facilities		12,659		9,583
Professional fees		8,174		9,506
	\$	85,995	\$	71,845

#### Artistic

Artistic & professional fees - News	\$	38,853	\$	33,943
Artistic & professional fees - PAINTS		9,741		12,276
Artistic & professional fees - Special projects		7,675		1,470
Artistic salaries & benefits		71,002		67,560
Catalogues & publications		20,165		19,771
Member communications		9,802		10,191
Memberships & registrations		1,136		1,402
Other artistic expenses		7,564		5,493
Professional development - mentorships		15,582		15,602
Professional development - special projects		49,308		4,279
Professional development - workshops & panel		4,553		3,492
Programming open grants		-		496
	\$	235,381	\$	175,975

#### Marketing

Professional fees	\$	5,799	\$	2,649
Advertising		1,029		93
	\$	6,828	\$	2,742

See accompanying notes to the financial statements

# **VISUAL ARTS NOVA SCOTIA**

## **Notes to Financial Statements**

*(Unaudited)*

**For the Year Ended March 31, 2024**

**2024**

**2023**

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### **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 \$0 (2023 - \$942) 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, 2024

2024

2023

### 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	\$	13,317	\$	13,016
Portia White Prize		3,000		4,000
Province of NS		2,278		2,278
Province of NS - Culture innovation		-		49,645
	\$	18,595	\$	68,939

### 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	\$	10,133	\$	11,533
Contributions and donations		635		600
Assistance granted		(5,750)		(2,000)
Balance, end of year	\$	5,018	\$	10,133

### 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 (2023 - \$0). 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 (2023 - \$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, Nova Scotia Department of Education, Arts Nova Scotia and the Halifax Regional Municipality 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.