

VISUAL ARTS NOVA SCOTIA
Financial Statements
Year Ended March 31, 2025

Draft for discussion purposes only



VISUAL ARTS NOVA SCOTIA
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Year Ended March 31, 2025

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Visual Arts Nova Scotia

We have reviewed the accompanying financial statements of Visual Arts Nova Scotia (the organization) that comprise the statement of financial position as at March 31, 2025, and the statements of revenues and expenditures, changes in net assets 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 (ASNPO), 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

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 evaluates 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 Visual Arts Nova Scotia as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

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Independent Practitioner's Review Engagement Report to the Members of Visual Arts Nova Scotia
(continued)

Other Matter

The financial statements of Visual Arts Nova Scotia for the year ended March 31, 2024 were reviewed by another practitioner who expressed an unmodified conclusion on June 18, 2024.

Bedford, Nova Scotia

Chartered Professional Accountants Inc.

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VISUAL ARTS NOVA SCOTIA
Statement of Revenues and Expenditures
Year Ended March 31, 2025

	2025	2024
REVENUE		
Provincial grants	\$ 186,250	\$ 238,895
Federal grants	40,000	35,000
Membership dues & fees	22,027	19,777
Municipal grants	14,000	20,500
Sales (subs, ad, copyright)	13,597	18,943
Foundation grants & donations	9,000	5,000
Fees earned	5,950	6,126
Interest income	3,835	1,340
Donations & fundraising	3,810	1,475
	<u>298,469</u>	<u>347,056</u>
EXPENSES		
Artistic (<i>Schedule of expenses</i>)	174,206	235,381
Administration (<i>Schedule of expenses</i>)	107,584	85,995
Marketing (<i>Schedule of expenses</i>)	13,101	6,828
	<u>294,891</u>	<u>328,204</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 3,578</u>	<u>\$ 18,852</u>

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VISUAL ARTS NOVA SCOTIA
Statement of Changes in Net Assets
Year Ended March 31, 2025

	Unrestricted surplus	Capital reserve fund	Capital equipment purchase fund	2025	2024
NET ASSETS - BEGINNING OF YEAR	\$ 77,748	\$ 45,000	\$ 2,640	\$ 125,388	\$ 106,536
Excess of revenue over expenses	3,578	-	(588)	2,990	18,852
NET ASSETS - END OF YEAR	\$ 81,326	\$ 45,000	\$ 2,052	\$ 128,378	\$ 125,388

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VISUAL ARTS NOVA SCOTIA
Statement of Financial Position
As at March 31, 2025

	2025	2024
ASSETS		
CURRENT		
Cash - unrestricted	\$ 78,135	\$ 58,134
Accounts receivable	44,292	49,059
Prepaid expenses	2,026	1,224
	124,453	108,417
Cash - restricted (Note 3)	50,000	52,658
	\$ 174,453	\$ 161,075
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 18,206	\$ 8,923
Employee deductions payable	3,274	3,151
Deferred revenue (Note 5)	16,207	18,595
	37,687	30,669
Artists' emergency fund (Note 6)	8,388	5,018
	46,075	35,687
NET ASSETS		
Unrestricted surplus	81,326	77,748
Capital reserve fund (Note 7)	45,000	45,000
Capital equipment purchase fund (Note 7)	2,052	2,640
	128,378	125,388
	\$ 174,453	\$ 161,075

ECONOMIC DEPENDENCE (Note 8)

ON BEHALF OF THE BOARD

Director

Director



VISUAL ARTS NOVA SCOTIA
Statement of Cash Flows
Year Ended March 31, 2025

	2025	2024
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 3,578	\$ 18,852
Changes in non-cash working capital:		
Accounts receivable	4,767	(42,664)
Accounts payable and accrued liabilities	9,284	(1,785)
Deferred income	(2,388)	(50,344)
Prepaid expenses	(803)	1,024
Employee deductions payable	123	-
	<u>10,983</u>	<u>(93,769)</u>
Cash flow from (used by) operating activities	<u>14,561</u>	<u>(74,917)</u>
FINANCING ACTIVITIES		
Net contribution/(withdrawal) from artists' emergency fund	3,370	(5,115)
Withdrawal from capital equipment purchase fund	(588)	-
Cash flow from (used by) financing activities	<u>2,782</u>	<u>(5,115)</u>
INCREASE (DECREASE) IN CASH FLOW	17,343	(80,032)
Cash - beginning of year	<u>110,792</u>	<u>190,824</u>
CASH - END OF YEAR	\$ 128,135	\$ 110,792
CASH CONSISTS OF:		
Cash - unrestricted	\$ 78,135	\$ 58,134
Cash subject to restrictions	<u>50,000</u>	<u>52,658</u>
	\$ 128,135	\$ 110,792

VISUAL ARTS NOVA SCOTIA**Schedule of Expenses****Year Ended March 31, 2025**

	2025	2024
Administrative		
Salaries & benefits	\$ 57,223	\$ 52,753
Professional fees	21,079	8,174
Office and facilities	13,958	12,659
Health insurance	8,297	8,925
Professional development	7,027	3,484
Administrative total	\$ 107,584	\$ 85,995
Artistic		
Artistic salaries & benefits	\$ 78,149	\$ 71,002
Artistic & professional fees - News	34,387	38,853
Professional development - mentorships	17,225	15,582
Catalogues & publications	13,684	20,165
Artistic & professional fees - PAINTS	9,880	9,741
Other artistic expenses	5,688	7,564
Member communications	4,837	9,802
Artistic & professional fees - Special projects	4,627	7,675
Professional development - workshop & panel	4,019	4,553
Memberships & registrations	1,443	1,136
Professional development - special projects	267	49,308
Artistic total	\$ 174,206	\$ 235,381
Marketing		
Marketing & communication salaries	\$ 10,250	\$ -
Professional fees	2,735	5,799
Advertising	116	1,029
Marketing total	\$ 13,101	\$ 6,828

VISUAL ARTS NOVA SCOTIA
Notes to Financial Statements
Year Ended March 31, 2025

1. PURPOSE OF THE ORGANIZATION

Visual Arts Nova Scotia ("VANS") was incorporated under the Nova Scotia Societies Act 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

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASPE"). The significant accounting policies are detailed as follows:

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 with in one year. Because of 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 (2024 - \$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 other restriction conditions are satisfied. Until recognized as revenue, such amounts are shown as deferred contributions, a liability on the balance sheet.

Undesignated contributions, magazine subscriptions and advertising are recognized as revenue when received, or when receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in conformity 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 amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

(continues)

VISUAL ARTS NOVA SCOTIA
Notes to Financial Statements
Year Ended March 31, 2025

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments policy

Measurement of financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at amortized cost and assessed for indicators of impairment.

Financial assets measured at amortized cost include accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in net earnings. Any previous recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previous. The amount of any reversal is recognized in net income.

3. 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).

4. 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.

5. DEFERRED REVENUES

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

	<u>2025</u>		<u>2024</u>
Membership & Magazine fees	\$ 13,207	\$	13,317
Portia White Prize	2,000		3,000
Province of NS	1,000		2,278
	<u>\$ 16,207</u>	\$	<u>18,595</u>

VISUAL ARTS NOVA SCOTIA
Notes to Financial Statements
Year Ended March 31, 2025

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.

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 5,018	\$ 10,133
Contributions and donations	3,870	635
Assistance granted	<u>(500)</u>	<u>(5,750)</u>
Balance, end of year	<u>\$ 8,388</u>	<u>\$ 5,018</u>

7. CAPITAL RESERVE FUND

The Board of Directors previously established a capital reserve fund. 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. No funds were expended from the fund during the year.

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. FINANCIAL INSTRUMENTS

VANS financial instruments consist of cash, investments, trade receivables and payables. The fair value 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.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.
