

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**  
**Financial Statements**

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Year Ended March 31, 2017

*(Unaudited)*

**ERIC REYNOLDS**  

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**CHARTERED ACCOUNTANT**

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**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Index to the Financial Statements

Year Ended March 31, 2017

*(Unaudited)*

**Contents**

	Page
Review Engagement Report	3
Statement of Financial Position	4
Statement of Operations and Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7-9

**Schedules**

Schedule of Restricted Funds - 2017	Schedule 1
Schedule of Restricted Funds - 2016	Schedule 2

## REVIEW ENGAGEMENT REPORT

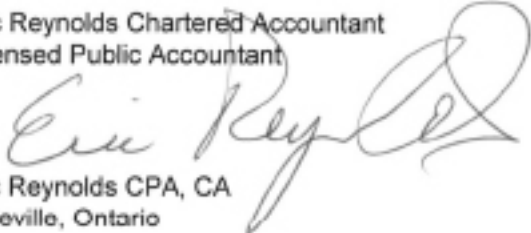
To the board of directors of BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE

I have reviewed the statement of financial position of BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE as at March 31, 2017, and the statements of operations and net assets and cash flows for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of inquiry, analytical procedures and discussions related to information supplied to me by the company.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for private enterprises.

Eric Reynolds Chartered Accountant  
Licensed Public Accountant

  
Eric Reynolds CPA, CA  
Belleville, Ontario

September 30, 2017

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Statement of Financial Position as at March 31, 2017  
(Unaudited)

	2017 \$ General Fund	2017 \$ Restricted Fund	2017 \$ Capital Asset	2017 \$ Total	2016 \$ Total
<b>ASSETS</b>					
Current					
Cash	7,434	1,942	-	9,376	9,413
HST Recoverable	2,256	1,621	-	3,877	1,973
Prepaid expenses and other assets	-	726	-	726	-
	<u>9,690</u>	<u>4,289</u>	<u>-</u>	<u>13,979</u>	<u>11,386</u>
Property, plant and equipment					
Cost (Note 3)	-	-	71,887	71,887	50,063
	<u>-</u>	<u>-</u>	<u>71,887</u>	<u>71,887</u>	<u>50,063</u>
	<u>9,690</u>	<u>4,289</u>	<u>71,887</u>	<u>85,866</u>	<u>61,449</u>
<b>LIABILITIES AND NET ASSETS</b>					
Current liabilities					
Accounts payable and accrued liabilities	1,546	-	-	1,546	5,638
	<u>1,546</u>	<u>-</u>	<u>-</u>	<u>1,546</u>	<u>5,638</u>
Long-term liabilities					
Long-term debt (Note 4)	-	-	11,500	11,500	11,500
Deferred revenue (Note 5)	4,107	-	-	4,107	-
	<u>4,107</u>	<u>-</u>	<u>11,500</u>	<u>15,607</u>	<u>11,500</u>
Net Assets					
Unrestricted	4,037	-	-	4,037	5,763
Restricted (Schedules 1 & 2)	-	4,289	-	4,289	4,503
Capital Assets	-	-	60,387	60,387	34,045
	<u>4,037</u>	<u>4,289</u>	<u>60,387</u>	<u>68,713</u>	<u>44,311</u>
	<u>9,690</u>	<u>4,289</u>	<u>71,887</u>	<u>85,866</u>	<u>61,449</u>

See accompanying notes to the unaudited financial statements

Approved by:

Director: \_\_\_\_\_

Director: \_\_\_\_\_

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Statement of Income for the year ended March 31, 2017  
(Unaudited)

	2017 \$	2017 \$ Total Restricted Funds (Schedule 1)	2017 \$ Capital Asset Fund	2017 \$ Total	2016 \$ Total
<b>Revenue</b>					
Building rental	7,610	-	-	7,610	4,791
Donations	9,394	4,206	-	13,600	11,626
Fundraiser events	1,444	-	-	1,444	-
Grants	-	18,000	-	18,000	1,700
HST Recovery	-	-	-	-	2,156
Membership fees	1,580	-	-	1,580	1,160
Program revenue	27,279	-	-	27,279	17,419
Sponsorships	550	-	-	550	-
	<u>47,857</u>	<u>22,206</u>	<u>-</u>	<u>70,063</u>	<u>38,852</u>
<b>Operating Expenses:</b>					
Advertising and promotion	9,206	533	-	9,739	-
Building operating costs	2,998	-	-	2,998	6,708
Contract Services	1,742	-	-	1,742	-
Facilities and equipment	365	-	-	365	-
General costs	201	-	-	201	4,411
Insurance	2,126	-	-	2,126	-
Interest and bank charges	197	-	-	197	45
Memberships and licenses	259	-	-	259	-
Office expenses	949	-	-	949	-
Professional fees	2,457	-	-	2,457	-
Program contractors	14,246	-	-	14,246	16,397
Program supplies and equipment	1,518	-	-	1,518	-
Property and municipal taxes	1,816	-	-	1,816	-
Repairs and maintenance	3,332	1,424	-	4,756	1,217
Supplies	177	-	-	177	-
Internet	-	615	-	615	-
Volunteer appreciation	1,500	-	-	1,500	-
	<u>43,089</u>	<u>2,572</u>	<u>-</u>	<u>45,661</u>	<u>28,778</u>
<b>Excess of revenues over expenditures</b>	4,768	19,634	-	24,402	10,074
<b>Net assets, beginning of year</b>	5,763	4,503	34,045	44,311	34,237
Transfer to Restricted Funds	(256)	256	-	-	-
Transfer to Capital Assets	(6,238)	(20,104)	26,342	-	-
<b>Net assets, end of year</b>	<u>4,037</u>	<u>4,289</u>	<u>60,387</u>	<u>68,713</u>	<u>44,311</u>

See accompanying notes to the unaudited financial statements

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Statement of Cash Flows for the year ended March 31, 2017  
(Unaudited)

	2017	2016
	\$	\$
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures	24,402	10,074
Items not affecting cash:		
Changes in non-cash working capital:		
Accounts receivable, trade and other	(1,906)	(1,973)
Prepaid expenses and other assets	(727)	-
Accounts payable and accrued liabilities	(4,089)	1,098
Deferred revenue	4,107	-
<b>Net cash provided by operating activities</b>	<u>21,787</u>	<u>9,199</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(21,824)	(9,050)
<b>Net cash used in investing activities</b>	<u>(21,824)</u>	<u>(9,050)</u>
<b>Cash flows from financing activities</b>	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	(37)	149
Cash and cash equivalents at the beginning of the year	9,413	9,264
<b>Cash and cash equivalents at the end of the year</b>	<u>9,376</u>	<u>9,413</u>
<b>Cash and cash equivalents consists of:</b>		
Cash	7,434	9,413
Restricted funds cash	1,942	-
	<u>9,376</u>	<u>9,413</u>

## BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE

Notes to Financial Statements  
Year Ended March 31, 2017  
(Unaudited)

### 1. Nature and Purpose

The Corporation was incorporated on March 28, 2011 by letters patent under the Corporations Act (Ontario) as the County Arts Factory Inc. Supplementary letters patent under the Corporations Act (Ontario) to change the name of the Corporation to Bloomfield Centre for Creativity Inc. were issued on October 5, 2012. A Master Business License for the name "Baxter Arts Centre" was issued to the Corporation on October 2, 2014 - this name is currently being used by the Corporation.

The Corporation is registered as a charity under the Income Tax Act (Canada) with registration number 81833 2314 RR0001 and is designated as charitable organization. It is exempt from income taxes and is able to issue donation receipts for income tax purposes.

### 2. Summary of Significant Accounting Policies

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Outlined below are those policies considered particularly significant for the Organization.

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash and cash equivalents consist cash held within a financial institution and cash held on hand.

#### Fund Accounting

The financial statements include the activities of the corporation for which the Board of Directors are legally accountable. In order to properly reflect its activities, the corporation maintains its accounts in accordance with the principles of fund accounting in order that limitations and restrictions placed on the use of available resources are observed. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds in accordance with activities or objectives specified. For financial reporting purposes, the corporation has combined funds with similar characteristics into the funds listed below

The General Fund accounts for revenue and expenses associated with the main objective and programs of the organization.

The Capital Asset fund reports assets, liabilities, revenues and expenses related to the organizations property, plant and equipment.

The following separate funds are accounted for as the Restricted funds and the revenues and expenses relate to the following funds.

The CCF Fund 2015 accounts for logo and graphic design, branding and name recognition, and signage.

The Kitchen/Bathroom fund accounts for the renovation of the kitchen and accessible bathroom

The Chair fund accounts for the purchase of chairs and a storage unit.

The Heating Fund accounts for the acquisition of a new heating system and related construction work.

The History Wall Fund accounts for the design and installation of the history wall.

## BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE

Notes to Financial Statements  
Year Ended March 31, 2017  
(Unaudited)

### 2. Summary of Significant Accounting Policies Continued...

#### Fund Accounting Continued...

The Main Hall Fund accounts for main hall renovations.

The CCF Fund 2016 accounts for connectivity with respect to the Learning Lab for the Arts.

#### Revenue and Expenses Recognition

In the past fiscal year, revenues and expenses were recognized on a cash basis with the exception of material amounts recorded on an accrual basis.

#### Property, Plant, and Equipment

Property, plant and equipment are capitalized at their cost. The capital assets are not depreciated.

The Corporation owns the land and building at 3 Stanley Street, Bloomfield, Ontario.

#### Use of Estimates

The preparation of financial statements, in conformity with Canadian accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Differences in actual results from prior estimates are taken into account at the time the differences are determined. Significant financial statement items that require the use of estimates are accrued liabilities.

#### In-kind Donations

In-kind donations are recorded when the values of the assets received are determinable and are recorded at the determined value. The determinable value is the fair market value of the asset at the time of donation.

### 3. Property, Plant and Equipment

	2017 Cost \$	2016 Cost \$
Land	6,215	6,215
Building	58,585	38,481
Equipment	7,087	5,367
	<u>71,887</u>	<u>50,063</u>

### 4. Long-Term Debt

	2017 \$	2016 \$
Demand loans - non-interest bearing from an initial supporter of the organization that are secured by an unregistered charge on the land and building.	11,500	11,500
	<u>11,500</u>	<u>11,500</u>



**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Notes to Financial Statements  
Year Ended March 31, 2017  
(Unaudited)

**5 Deferred Revenue**

	2017	2016
	\$	\$
Deferred Rent Revenue	1,574	-
Deferred Program Revenue	2,533	-
Total	4,107	-

**6. Financial Instruments**

The organization initially measures its financial assets and financial liabilities at fair value.

The organization subsequently measures all its financial assets at amortized cost except for investments which it chose to measure at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash, HST recoverable, prepaid expenses and property, plant and equipment.

Financial liabilities measured at amortized cost include accounts payable, deferred revenue and long-term debt.

**7. Financial Risks**

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the risks at March 31, 2017.

a) Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect to accounts payable and long-term debt.

**8 Presentation the of Financial Statements**

The account groupings for the current year have changed to be more detailed. Slight adjustments have been made to the prior year groupings to conform better with the current year's changes.

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Schedule of Restricted Funds for the year ended March 31, 2017

(Unaudited - See Notice to Reader)

	CCF 2015 Fund \$ Note 2	Kitchen/Bathr. Fund \$ Note 2	Chair Fund \$ Note 2	Heating Fund \$ Note 2	History Wall Fund \$ Note 2	Main Hall Fund \$ Note 2	CCF 2016 Fund \$ Note 2	Total Funds \$
<b>Revenue</b>								
Donations	-	-	-	-	-	4,206	-	4,206
Grants	-	-	-	-	-	18,000	-	18,000
	-	-	-	-	-	22,206	-	22,206
<b>Expenditures</b>								
Branding advertisements	533	-	-	-	-	-	-	533
Internet	-	-	-	-	-	-	615	615
History Wall Work	-	-	-	-	1,121	-	-	1,121
Repairs and Maintenance	-	303	-	-	-	-	-	303
	533	303	-	-	1,121	-	615	2,572
<b>Excess(deficiency) of revenues over expenditures</b>	(533)	(303)	-	-	(1,121)	22,206	(615)	19,634
<b>Transfer from General Fund</b>	-	280	-	(145)	121	-	-	256
<b>Transfer to Capital Assets</b>	-	-	-	-	-	(20,104)	-	(20,104)
<b>Beginning Balance</b>	643	23	92	145	1,000	1,200	1,400	4,503
<b>Ending Balance</b>	110	-	92	-	-	3,302	785	4,289

**BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE**

Schedule of Restricted Funds for the year ended March 31, 2016  
(Unaudited - See Notice to Reader)

	CCF 2015 Fund	Kitchen/Bathr. Fund	Chair Fund	Heating Fund	History Wall Fund	Main Hall Fund	CCF 2016 Fund	Total Funds
	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2	Note 2	\$
<b>Revenue</b>								
Donations	-	-	-	500	1,000	1,200	-	2,700
Grants	-	-	-	-	-	-	1,400	1,400
HST Rebate	-	-	-	2,156	-	-	-	2,156
	-	-	-	2,656	1,000	1,200	1,400	6,256
<b>Expenditures</b>								
Branding advertisements	712	-	-	-	-	-	-	712
Bathroom renovations	-	270	-	-	-	-	-	270
	712	270	-	-	-	-	-	982
<b>Excess(deficiency) of revenues over expenditures</b>	(712)	(270)	-	2,656	1,000	1,200	1,400	5,274
<b>Transfer from General Fund</b>	-	-	-	1,000	-	-	-	1,000
<b>Transfer to Capital Assets</b>	-	-	-	(5,000)	-	-	-	(5,000)
<b>Beginning Balance</b>	1,355	293	92	1,489	-	-	-	3,229
<b>Ending Balance</b>	643	23	92	145	1,000	1,200	1,400	4,503

Schedule 2