

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

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Year Ended March 31, 2018

*(Unaudited)*

**ERIC REYNOLDS**  
**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, 2018

*(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, 2018, and the statements of operations and 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, 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, 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 BLOOMFIELD CENTRE FOR CREATIVITY INC. O/A BAXTER ARTS CENTRE as at March 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Eric Reynolds Chartered Accountant  
Licensed Public Accountant



Eric Reynolds CPA, CA  
Belleville, Ontario

September 20, 2018

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

Statement of Financial Position as at March 31, 2018

*(Unaudited)*

	2018 \$ General Fund	2018 \$ Restricted Fund	2018 \$ Capital Asset	2018 \$ Total	2017 \$ Total
<b>ASSETS</b>					
<b>Current</b>					
Cash	17,309	3,280	-	20,589	9,376
Rent Receivable	75	-	-	75	-
HST Recoverable	1,460	-	-	1,460	3,877
Prepaid expenses and other assets	-	4	-	4	727
	<b>18,844</b>	<b>3,284</b>	<b>-</b>	<b>22,128</b>	<b>13,980</b>
<b>Property, plant and equipment</b>					
Cost (Note 3)	-	-	71,887	71,887	71,886
	-	-	71,887	71,887	71,886
	<b>18,844</b>	<b>3,284</b>	<b>71,887</b>	<b>94,015</b>	<b>85,866</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Current liabilities</b>					
Accounts payable and accrued liabilities	2,251	-	-	2,251	1,545
	2,251	-	-	2,251	1,545
<b>Long-term liabilities</b>					
Long-term debt (Note 4)	-	-	11,500	11,500	11,500
Deferred revenue (Note 5)	3,320	-	-	3,320	4,107
	3,320	-	11,500	14,820	15,607
<b>Net Assets</b>					
Unrestricted	13,273	-	-	13,273	4,038
Restricted (Schedules 1 & 2)	-	3,284	-	3,284	4,289
Capital Assets	-	-	60,387	60,387	60,387
	13,273	3,284	60,387	76,944	68,714
	<b>18,844</b>	<b>3,284</b>	<b>71,887</b>	<b>94,015</b>	<b>85,866</b>

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, 2018

*(Unaudited)*

	2018 \$	2018 \$	2018 \$	2018 \$	2017 \$
	General Fund	Total Restricted Funds (Schedule 1)	Capital Asset Fund	Total	Total
<b>Revenue</b>					
Building rental	9,264	-	-	9,264	7,610
Donations	3,236	789	-	4,025	13,600
Fundraiser events	633	-	-	633	1,444
Grants	-	2,400	-	2,400	18,000
In-kind donations	250	-	-	250	-
Membership fees	1,400	-	-	1,400	1,580
Program revenue	25,649	-	-	25,649	27,279
Sponsorships	8,644	-	-	8,644	550
	<b>49,076</b>	<b>3,189</b>	<b>-</b>	<b>52,265</b>	<b>70,063</b>
<b>Operating Expenses:</b>					
Advertising and promotion	6,410	-	-	6,410	9,206
Building operating costs	2,650	-	-	2,650	2,998
Facilities and equipment	548	-	-	548	365
General costs	151	-	-	151	201
Insurance	2,114	-	-	2,114	2,126
Interest and bank charges	480	-	-	480	197
Memberships and licenses	181	-	-	181	259
Office expenses	1,487	-	-	1,487	949
Professional fees	3,983	-	-	3,983	2,457
Program contractors	20,410	-	-	20,410	15,797
Program supplies and equipment	1,461	-	-	1,461	1,708
Property and municipal taxes	1,230	-	-	1,230	1,816
Repairs and maintenance	2,229	-	-	2,229	4,756
Supplies	39	-	-	39	177
Internet	-	662	-	662	615
Training	-	-	-	-	533
Volunteer appreciation	-	-	-	-	1,500
	<b>43,373</b>	<b>662</b>	<b>-</b>	<b>44,035</b>	<b>45,660</b>
<b>Excess of revenues over expenditures</b>	<b>5,703</b>	<b>2,527</b>	<b>-</b>	<b>8,230</b>	<b>24,403</b>
<b>Net assets, beginning of year</b>	<b>4,038</b>	<b>4,289</b>	<b>60,387</b>	<b>68,714</b>	<b>44,311</b>
Transfer (from)/to funds	3,532	(3,532)	-	-	-
<b>Net assets, end of year</b>	<b>13,273</b>	<b>3,284</b>	<b>60,387</b>	<b>76,944</b>	<b>68,714</b>

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, 2018

*(Unaudited)*

	2018	2017
	\$	\$
<b>Cash flows from operating activities</b>		
Excess of revenues over expenditures	8,230	24,403
Items not affecting cash:		
Changes in non-cash working capital:		
Accounts receivable, trade and other	2,344	(1,906)
Prepaid expenses and other assets	723	(727)
Accounts payable and accrued liabilities	703	(4,092)
Deferred revenue	(787)	4,109
<b>Net cash provided by operating activities</b>	<u>11,213</u>	<u>21,787</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	-	(21,824)
<b>Net cash provided by (used in) investing activities</b>	<u>-</u>	<u>(21,824)</u>
<b>Cash flows from financing activities</b>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	11,213	(37)
Cash and cash equivalents at the beginning of the year	9,376	9,413
<b>Cash and cash equivalents at the end of the year</b>	<u>20,589</u>	<u>9,376</u>
<b>Cash and cash equivalents consists of:</b>		
Cash	17,308	7,434
Restricted funds cash	3,281	1,942
	<u>20,589</u>	<u>9,376</u>

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

Notes to Financial Statements

Year Ended March 31, 2018

*(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, 2018

*(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.

The Video fund accounts for a grant received towards a video production.

The TCF 2018 fund accounts for a grant towards a series of four art-based lectures and linked workshops directed to the entire County community.

#### 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

	2018 Cost	2017 Cost
	\$	\$
Land	6,215	6,215
Building	58,585	58,585
Equipment	7,087	7,087
	71,887	71,887



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

Notes to Financial Statements

Year Ended March 31, 2018

*(Unaudited)*

#### 4. Long-Term Debt

	2018	2017
	\$	\$
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
	11,500	11,500

#### 5 Deferred Revenue

	2018	2017
	\$	\$
Deferred Rent Revenue	1,665	1,574
Deferred Program Revenue	1,655	2,533
Total	3,320	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, 2018.

##### 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, 2018

(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	TCF 2018 Fund \$ Note 2	Video Fund \$ Note 2	Total Funds \$
<b>Revenue</b>										
Donations	-	-	-	-	-	-	-	-	789	789
Grants	-	-	-	-	-	-	2,400	-	2,400	2,400
	-	-	-	-	-	-	2,400	789	-	3,189
<b>Expenditures</b>										
Internet	-	-	-	-	-	-	662	-	-	662
	-	-	-	-	-	-	662	-	-	662
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	-	-	-	-	(662)	2,400	789	2,527
<b>Transfer from General Fund</b>	(110)	-	-	-	-	(3,302)	(119)	-	-	(3,531)
<b>Transfer to Capital Assets</b>	-	-	-	-	-	-	-	-	-	-
<b>Beginning Balance</b>	110	-	92	-	-	3,302	785	-	-	4,289
<b>Ending Balance</b>	-	-	92	-	-	-	4	2,400	789	3,285

Schedule 1

**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	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	-	-	-	-	-	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

Schedule 2