



Financial Statements

Innisfil Arts, Culture and Heritage Council

December 31, 2012

*Draft - August 20, 2014, 4:26 PM*

# Contents

	<b>Page</b>
Independent Auditor's Report	1 - 2
Statement of Operations	3
Statement of Changes in Net Assets	4
Statement of Financial Position	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 8

*Draft - August 20, 2014, 4:26 PM*

## Independent Auditor's Report

Grant Thornton LLP  
Suite 200  
27 Clapperton Street  
Barrie, ON  
L4M 3E6

T +1 705 728 3397  
F +1 705 728 2728  
www.GrantThornton.ca

To the Board of Directors of  
Innisfil Arts, Culture and Heritage Council

We have audited the accompanying financial statements of Innisfil Arts, Culture and Heritage Council, which comprise the statement of financial position as at December 31, 2012, and the statements of operations, 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, 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Independent Auditor's Report (continued)

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of Innisfil Arts, Culture and Heritage Council as at December 31, 2012, 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.

Barrie, Canada  
August 14, 2014

Chartered Accountants  
Licensed Public Accountants

---

## Innisfil Arts, Culture and Heritage Council

### Statement of Operations

Year ended December 31	2012	2011
Revenues	<u>\$ -</u>	<u>\$ 5,000</u>
Expenditures		
Advertising and promotion	424	-
Insurance	913	-
Interest and bank charges	57	-
Office	238	-
Professional fees	<u>-</u>	<u>1,724</u>
	<u>1,632</u>	<u>1,724</u>
(Deficiency) excess of revenues over expenditures	<u>\$ (1,632)</u>	<u>\$ 3,276</u>

Draft - August 20, 2014, 4:26 PM

---

## Innisfil Arts, Culture and Heritage Council Statement of Changes in Net Assets

Year ended December 31	2012	2011
Surplus, beginning of year	\$ 3,276	\$ -
(Deficiency) excess of revenues over expenditures	<u>(1,632)</u>	<u>3,276</u>
Surplus, end of year	<u>\$ 1,644</u>	<u>\$ 3,276</u>

---

Draft - August 20, 2014, 4:26 PM

# Innisfil Arts, Culture and Heritage Council

## Statement of Financial Position

December 31 2012 2011

**Assets**

Current

Cash

\$ 1,644

\$ 3,276

**Fund balances**

Surplus

\$ 1,644

\$ 3,276

On behalf of the board

\_\_\_\_\_ Member

\_\_\_\_\_ Member

Draft - August 20, 2014, 4:26 PM

---

## Innisfil Arts, Culture and Heritage Council

### Statement of Cash Flows

Year ended December 31	2012	2011
Increase (decrease) in cash and cash equivalents		
<b>Operating</b>		
(Deficiency) excess of revenues over expenditures	<u>\$ (1,632)</u>	<u>\$ 3,276</u>
(Decrease) increase in cash	(1,632)	3,276
Cash		
Beginning of year	<u>3,276</u>	<u>-</u>
End of year	<u>\$ 1,644</u>	<u>\$ 3,276</u>

---

Draft - August 20, 2014, 4:26 PM



---

# Innisfil Arts, Culture and Heritage Council

## Notes to the Financial Statements

December 31, 2012

---

### 1. Nature of operations

Innisfil Arts, Culture and Heritage Council operates as a not-for-profit organization incorporated without share capital pursuant to Letters Patent of December 14, 2011.

The organization is dedicated to enhancing arts, culture and heritage as an integral part of their community. The goal is to help arts, culture and heritage individuals, groups and organizations realize their full creative, social and economic potential to the greater benefit of the community.

---

### 2. Significant accounting policies

The financial statements of the organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The following is a summary of the more significant accounting policies:

#### Basis of presentation

These financial statements have been prepared and are presented in accordance with the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

#### Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ management's best estimates as additional information becomes available in the future.

#### Revenue recognition

The organization follows the deferral method of accounting for contributions.

Operating revenue, including grants and subsidies, are recorded as revenue in the period to which they relate. Revenue earned but not received at the end of an accounting period is accrued. Where a portion of revenue relates to a future period, it is deferred and recognized in that future period.

#### Donated services

The organization is dependent on the voluntary services of many individuals. Since these services are not normally purchase by the organization and because of the difficulty in estimating their fair value, these services are not recorded in these financial statements.

---

# Innisfil Arts, Culture and Heritage Council

## Notes to the Financial Statements

December 31, 2012

---

### 2. Significant accounting policies (continued)

#### Financial instruments

The organization considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. The organization accounts for the following as financial instruments:

- cash
- accrued liabilities

A financial asset or liability is recognized when the organization becomes party to contractual provisions of the instrument.

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

The organization subsequently measures its financial assets and financial liabilities at amortized cost, except for derivatives and equity securities quoted in an active market, which are subsequently measured at fair value. Changes in fair value are recognized in net income.

The organization removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

---

Draft - August 20, 2014 4:26 PM