

**REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE**

**FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE**  
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**MARCH 31, 2015**

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Chartered Accountants

## INDEPENDENT AUDITOR'S REPORT

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To the Board of Directors of **Regent Park Focus Youth Media Arts Centre**

We have audited the accompanying financial statements of **Regent Park Focus Youth Media Arts Centre**, which comprise the statement of financial position as at March 31, 2015, the statement of operations and net assets and statement of 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 of 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 controls relevant to the entity'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 entity's internal controls. 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.

#### Basis for Qualified Opinion

In common with many charitable organizations, the organization derives part of its income from donations, the completeness of which is not susceptible to complete audit verification. Accordingly, our verification of these revenues were limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to donation revenue, deficiency of revenue over expenditures, assets and net assets.

#### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of **Regent Park Focus Youth Media Arts Centre** as at March 31, 2015, and the statement of operations and net assets and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Ontario  
February 25, 2016



Chartered Accountants  
Licensed Public Accountants

# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## STATEMENT OF FINANCIAL POSITION

MARCH 31, 2015

See Accompanying Notes

	2015	2014
	\$	\$
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	35,844	52,744
Accounts receivable	49,350	16,984
Prepaid expenses	2,236	4,905
	<b>87,430</b>	<b>74,633</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	41,017	16,318
<b>NET ASSETS:</b>		
<b>UNRESTRICTED NET ASSETS</b>	<b>46,413</b>	<b>58,315</b>
	<b>87,430</b>	<b>74,633</b>

**APPROVED BY THE BOARD:**

J. Esquivel Ian Esquivel, President  
M Gitterman M Gitterman, Treasurer

# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## STATEMENT OF OPERATIONS AND NET ASSETS YEAR ENDED MARCH 31, 2015

See Accompanying Notes

	2015	2014
	\$	\$
<b>REVENUE</b>		
Grants and donations (Schedule)	307,604	314,323
<b>EXPENDITURES</b>		
Equipment maintenance and purchases	3,477	4,550
General supplies	7,848	13,136
Office supplies	2,655	2,754
Printing	1,009	1,623
Professional fees	19,860	14,139
Rent - 38 Regent Street	32,109	10,141
Rent - administrative office	18,666	18,865
Salaries and benefits	225,313	248,427
Service contracts	925	2,335
Telephone	6,422	4,800
Travel	1,222	589
	319,506	321,359
<b>DEFICIENCY OF REVENUE OVER EXPENDITURES</b>	(11,902)	(7,036)
<b>UNRESTRICTED NET ASSETS, beginning of year</b>	58,315	65,351
<b>UNRESTRICTED NET ASSETS, end of year</b>	46,413	58,315



# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## STATEMENT OF CASH FLOWS YEAR ENDED MARCH 31, 2015

See Accompanying Notes

	2015	2014
	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operating activities:		
Deficiency of revenues over expenses	(11,902)	(7,036)
Changes in working capital		
Increase in accounts receivable	(32,366)	(16,484)
Decrease in prepaid expenses	2,670	(2,953)
Increase in accounts payable and accrued liabilities	24,698	11,032
<b>DECREASE IN CASH</b>	<b>(16,900)</b>	<b>(15,441)</b>
<b>CASH, beginning of year</b>	<b>52,744</b>	<b>68,185</b>
<b>CASH, end of year</b>	<b>35,844</b>	<b>52,744</b>

# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## SCHEDULE OF GRANTS AND DONATIONS YEAR ENDED MARCH 31, 2015

See Accompanying Notes

	2015	2014
	\$	\$
City of Toronto	75,999	85,448
Rogers Communications Inc.	38,500	38,000
Inspirit Foundation	31,351	-
Toronto Arts Council	30,000	30,000
Ontario Arts Council	30,000	30,000
Mozilla Foundation	19,133	-
Toronto Community Foundation	15,500	-
The Career Foundation	13,583	17,259
Ministry of Finance (Ignite Ontario Program)	9,000	-
The Law Foundation of Ontario	7,250	-
Toronto Artscape Inc	6,000	1,000
Employment & Social Development	4,419	-
Limestone District School Board	2,500	9,984
Toronto Arts Foundation	2,000	-
Evergreen (Centre for Green Cities)	1,600	-
Miziwe Biik Aboriginal Employment & Training	-	38,465
ETFO Humanity Funds	-	19,000
Tides Canada Initiative Society	-	13,670
Popular Education & Research Catalyst	-	9,928
Government of Canada	-	7,242
Hivewire Inc.	-	2,075
Don District Training Programme Inc.	-	1,800
University of Toronto - Multifaith Centre	-	1,000
Dixon Hall	-	939
Macleanna Jaunkalns Miller Architects Ltd.	-	800
Other	20,769	7,713
	<b>307,604</b>	<b>314,323</b>



# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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### PURPOSE OF THE ORGANIZATION

Regent Park Focus Youth Media Arts Centre ("Regent Park Focus") was incorporated on March 17, 2010 as a corporation without share capital. Prior to that date, it was run as a program of Centre for Addiction and Mental Health ("CAMH").

Regent Park Focus was established in 1990 to provide interventions to high risk youth living in the Regent Park area. Regent Park Focus is motivated by the belief that community arts and participatory media practices play a vital role in building and sustaining healthy communities, and today serves as a Community News Media, Radio and Television Arts Broadcasting Centre dedicated to training and mentorship of young people and the engagement of community residents.

For Canadian income tax purposes Regent Park Focus qualifies as a not-for-profit organization which is exempt from income tax under the *Income Tax Act*.

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) BASIS OF ACCOUNTING

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations.

#### (b) FUND ACCOUNTING

Regent Park Focus follows the deferral method of accounting.

The statement of operations and common surplus reports revenues and expenses related to the operations of Regent Park Focus.

#### (c) REVENUE RECOGNITION

Unrestricted donations are recognized when received. Restricted donations are deferred and recognized as revenue in the year in which the related expenses are recognized.

Grants are recognized as revenue in the year in which the related expenses are recognized under the terms of the respective grant agreements.

#### (d) PROPERTY AND EQUIPMENT

Purchases of property plant and equipment are expensed when the title passes to Regent Park Focus. Property and equipment that are not included in the Statement of Financial Position include radio and television equipment, computer equipment and office furniture and fixtures. The amount of property and equipment which has been expensed during the year is \$3,266 (2014 - \$nil; 2013 - \$180,706).

# REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### (e) CONTRIBUTED SERVICES AND MATERIALS

Regent Park Focus benefits greatly from services and materials donated by citizens interested in the programs. These invaluable services and materials are not recorded in these financial statements due to the difficulty in determining their fair value. However when the value of these items and services is ascertainable, the amounts thereof are reflected in the financial statements as revenue and expenses.

#### (f) MEASUREMENT OF FINANCIAL INSTRUMENTS

Regent Park Focus initially measures its financial assets and liabilities at fair value. Regent Park Focus subsequently measures all its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include accounts receivable. Financial liabilities measured at amortized cost include accounts payable. Regent Park Focus has not designated any financial asset or liability to be measured at fair value.

#### (g) 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 from management's best estimates as additional information becomes available in the future. Assumptions are used in estimating the collectibility of accounts receivable, and accounts payable and accrued liabilities.

### 2. COMMITMENTS

Regent Park Focus is committed under a five year lease for premises located at 38 Regency Street in Toronto, which commenced on January 7, 2011. Under the terms of the lease, Regent Park Focus has committed to pay a proportionate share of realty taxes and operating costs, which are determined on an annual basis and are estimated. The amount paid in 2015 was \$32,109 (2014 - \$10,141).

In addition, Regent Park Focus leases its administrative office on a month-to-month basis from a third party.

### 3. RELATED PARTY TRANSACTIONS

Regent Park Focus reimbursed \$25,143 (2014 - \$16,893) to an Officer of the Organization for credit card purchases of goods and services for use by the Organization. The transaction is in the normal course of operations and is measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

**REGENT PARK FOCUS YOUTH MEDIA ARTS CENTRE**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2015**

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4. **FINANCIAL INSTRUMENTS**

**LIQUIDITY RISK**

Regent Park Focus' exposure to liquidity risk is dependent on the collection of accounts receivable and raising of funds to meet commitments and sustain operations. Regent Park Focus controls liquidity risk by performing fundraising activities and management of working capital and cash flows. In the opinion of management, the liquidity risk exposure to Regent Park Focus is low and is not material. This risk is unchanged from prior year. There were no concentration risks in the liquidity risk.