

ARTS ETOBICOKE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2015

ARTS ETOBICOKE

JUNE 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Arts Etobicoke

I have audited the accompanying financial statements of Arts Etobicoke (the "Organization") which comprise the statement of financial position as at June 30, 2015 and the statements of operations and changes in 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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 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 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.

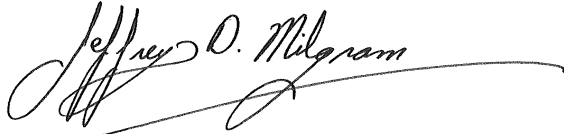
I believe that the audit evidence I have obtained in my audit is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualification

In common with many charitable organizations, the Organization derives revenue from the general public in the form of donations and fundraising, the completeness of which is not susceptible of satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Organization and I was not able to determine whether any adjustments might be necessary to donations or fundraising revenue, excess of revenue over expenditures, assets and net assets.

Qualified Opinion

In my opinion, except for the effect of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself concerning the completeness of the revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Arts Etobicoke as at June 30, 2015 and the results of its operations and cash flows for the year ended in accordance with Canadian accounting standards for not-for-profit organizations.

A handwritten signature in black ink that reads "Jeffrey D. Milgram". The signature is written in a cursive style with a long horizontal flourish extending to the right.

**CHARTERED ACCOUNTANT
LICENSED PUBLIC ACCOUNTANT
TORONTO, ONTARIO
AUGUST 26, 2015**

**Jeffrey D. Milgram
CHARTERED ACCOUNTANT
LICENSED PUBLIC ACCOUNTANT**

ARTS ETOBICOKE
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
ASSETS		
CURRENT		
Cash and cash equivalents (Note 3)	464,898	2,426
Short-term investments (Note 4)	137,446	172,714
Accounts receivable	24,646	29,504
Prepaid expenses and other assets	<u>8,286</u>	<u>7,568</u>
	635,276	212,212
CAPITAL (Note 5)	<u>15,927</u>	<u>29,052</u>
OTHER		
Collection (Note 6)	<u>1</u>	<u>-</u>
TOTAL ASSETS	<u>651,204</u>	<u>241,264</u>
LIABILITIES		
CURRENT		
Bank indebtedness (Note 13)	-	18,245
Accounts payable and accrued liabilities	36,853	25,900
Government remittances payable	<u>6,468</u>	<u>4,985</u>
	<u>43,321</u>	<u>49,130</u>
DEFERRED REVENUE (Note 7)		
Deferred grants	424,946	48,582
Deferred revenue	1,777	1,052
Deferred contributions pertaining to capital assets	<u>14,654</u>	<u>29,052</u>
	<u>441,377</u>	<u>78,686</u>
TOTAL LIABILITIES	<u>484,698</u>	<u>127,816</u>
SURPLUS		
Management reserves (Note 8)	13,341	20,230
Net assets – unrestricted	<u>153,165</u>	<u>93,218</u>
ACCUMULATED SURPLUS	<u>166,506</u>	<u>113,448</u>
TOTAL LIABILITIES AND SURPLUS	<u>651,204</u>	<u>241,264</u>

APPROVED ON BEHALF OF THE BOARD:

_____ **DIRECTOR** _____ **DATE**

_____ **DIRECTOR** _____ **DATE**

The accompanying notes are an integral part of these financial statements.

ARTS ETOBICOKE
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2015

	2015			2014
	<u>Operations</u>	<u>Mgmt Reserve</u>	<u>Total</u>	<u>Total</u>
	\$	\$	\$	\$
BALANCE, at beginning of year	93,218	20,230	113,448	144,945
Net revenue over expenses for the year	53,058	-	53,058	(31,497)
Management reserve transfers (Note 8)	<u>6,889</u>	<u>(6,889)</u>	-	-
BALANCE, end of year	<u>153,165</u>	<u>13,341</u>	<u>166,506</u>	<u>113,448</u>

The accompanying notes are an integral part of these financial statements.

ARTS ETOBICOKE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
REVENUE (Schedule 1)		
Earned	54,548	63,338
Private sector	269,548	136,791
Fundraising	6,777	6,426
Government	<u>489,268</u>	<u>410,108</u>
Total Revenue	<u>820,141</u>	<u>616,663</u>
EXPENSES (Schedule 2)		
Artist fees	122,110	68,667
Artistic salaries and benefits	94,871	87,832
Program	214,120	211,694
Facility	67,115	62,762
Administrative	153,967	138,886
Marketing and promotion	54,806	36,875
Fundraising	<u>60,094</u>	<u>41,444</u>
Total Expenses	<u>767,083</u>	<u>648,160</u>
Net revenues over expenses (expenses over revenue) for the year	<u>53,058</u>	<u>(31,497)</u>

The accompanying notes are an integral part of these financial statements.

ARTS ETOBICOKE
STATEMENT OF CHANGES IN CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>	<u>2014</u>
	\$	\$
OPERATING ACTIVITIES		
Net revenues over expenses (expenses over revenue) for the year	53,058	(31,497)
Add: Items not requiring an immediate outlay of cash:		
Amortization of capital assets	15,671	18,492
Amortization of capital grants	(14,398)	(29,142)
Deferred contributions recognized	(1,052)	(3,308)
Deferred grants recognized	(48,582)	(10,000)
Unrealized (loss) gain on investments – adjustment to fair value	(7,711)	(2,890)
 Increase in deferred contributions pertaining to operations	 1,777	 1,052
Increase in deferred contributions pertaining to grants	<u>424,946</u>	<u>48,582</u>
	423,709	(8,711)
 Net change in non-cash working capital	 <u>16,575</u>	 <u>(2,139)</u>
 Net cash provided (used) by operations	 <u>440,284</u>	 <u>(10,850)</u>
INVESTING ACTIVITIES		
Short-term investment	42,979	(87,798)
Capital asset additions	<u>(2,546)</u>	<u>(43,450)</u>
 Net cash provided (used) by investing activities	 <u>40,433</u>	 <u>(131,248)</u>
FINANCING ACTIVITIES		
Bank indebtedness	(18,245)	<u>18,245</u>
 Net cash provided (used) by financing activities	 <u>(18,245)</u>	 <u>18,245</u>
 Increase (decrease) in cash and cash equivalents for the year	 462,472	 (123,853)
Cash and cash equivalents at beginning of year	<u>2,426</u>	<u>126,279</u>
Cash and cash equivalents at end of year (Note 3)	<u>464,898</u>	<u>2,426</u>

The accompanying notes are an integral part of these financial statements.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

1. Operations

Organization - Arts Etobicoke (“the Organization”) was incorporated on February 16, 1973 under the laws of the Province of Ontario. As a registered charitable organization, Arts Etobicoke may issue tax-deductible receipts to donors and is exempt from taxation under Section 149(1) of the Income Tax Act (Canada).

Mission - The mission of Arts Etobicoke is to engage all people in West Toronto with the arts and artists in their own community.

Arts Etobicoke’s programs, operating expenses and fundraising activities are evaluated on an ongoing basis by management and the Board of Directors. The Organization generates revenues from Federal, Provincial and Municipal grants, fundraising activities and fees for membership programs and services.

Accounting Framework - The Organization prepares its financial statements in accordance with the Chartered Professional Accountants of Canada (CPA, Canada) (formerly the Institute of Chartered Accountants (CICA)) Handbook, Part III, Canadian accounting standards for not-for-profit organizations (ASNPO).

2. Summary of Significant Accounting Policies

The accounting policies of the organization are in accordance with Canadian accounting standards for not-for-profit organizations applied on a basis consistent with that of the preceding year. Outlined below are those policies considered particularly significant.

Basis of Accounting

These financial statements were prepared using the accrual basis of accounting. The accrual basis recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipts of goods or services and the creation of a legal obligation to pay.

Cash and Cash Equivalents

Cash includes cash on hand, current bank deposits, segregated gaming bank deposits and investments with a maturity date of less than 90 days from the year end date.

Short Term Investments

Short term investments with a maturity date of 90 days or more, but less than one year from the year end date, are included in the short term investment balance at year end. Short term investments represent guaranteed investment certificates held at year end that are to be held on a short term basis in accordance with the Organization’s investment policy.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

2. Summary of Significant Accounting Policies – Continued

Capital Assets

Purchased capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. The Organization regularly reviews its capital assets to eliminate obsolete items. Amortization is provided on a straight-line basis over the assets' estimated useful lives as follows:

Leasehold improvements	Lease term, plus renewal
Computer equipment	2 years straight line

Collection

The Organization's collection of artworks consists of donated paintings and prints held for public exhibition and rental. The value of the works of art has been excluded from the statement of financial position except for a nominal value of \$1. Accessions of art for the collection, both purchased and those gifted, are expensed in the year of acquisition. Where the expertise does not exist internally, gifted works of art are valued for historical purposes based on appraisals by independent external appraisers.

Impairment of Loans, Capital and Collection Assets

Long-term assets are comprised of capital assets and the Organization's collection. The Organization recognizes an impairment loss for a long-term asset when events or changes in circumstances cause its carrying value to exceed the total undiscounted cash flows expected from its use and eventual disposition. An impairment loss is measured as the excess of the carrying value of the asset over its fair value. The Organization has not recorded any impairment charge for the current or prior fiscal years.

Revenue Recognition

The Organization follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Revenues generated from memberships and events are recognized as revenue when received.

Revenues generated from art rentals are recognized as revenue when earned.

Interest is recognized as earned. Dividends are recognized when declared. Capital gains and losses are recognized on the settlement date of the transaction, or, for unrealized gains and losses, periodically at year end by an adjustment to fair value which is included in the determination of net income.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

2. Summary of Significant Accounting Policies – Continued

Government Assistance

Government assistance related to current expenditures is reflected in the accounts as a revenue item in the current year. Assistance related and tied to a particular program or project is taken into income in proportion to the expenses incurred during the contractual period funded. Assistance related to the purchase of capital assets is deferred and brought into revenue in the year of the capital expenditure or as amortized to expenses, as applicable.

Contributed Materials and Services

Donations of materials which are not normally purchased by the Organization are not recorded in the accounts. The work of the Organization is also heavily dependent on the voluntary service of its members. Since these services are not normally purchased by the Organization, and because of the difficulty of determining their fair value, the value of donated volunteer services is not recognized in these statements.

Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

During the year, management booked estimates to the accounts pertaining to the allowance for doubtful accounts on receivables, prepaid expenses, certain accrued liabilities, deferred revenues, and the estimated useful life over which the capital assets are amortized to operations.

Financial Assets and Financial Liabilities

(i) Measurement of financial instruments

The Organization initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Organization subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments acquired primarily through donations that are based on public stock exchange transactions in an active market, which are measured at fair value. Changes in fair value are recognized in the statements of operations in the period incurred. Financial assets measured at amortized cost include cash, amounts receivable and fixed income investments. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

2. Summary of Significant Accounting Policies – Continued

Financial Assets and Financial Liabilities – Continued

(ii) Impairment

At the end of each reporting period, the Organization assesses whether there are any indications that a financial asset measured at amortized cost may be impaired.

When there is an indication of impairment, the Organization determines whether a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the financial asset.

When the Organization identifies a significant adverse change in the expected timing or amount of future cash flows from a financial asset, it reduces the carrying amount of the asset to the highest of the following:

- a) the present value of the cash flows expected to be generated by holding the asset discounted using a current market rate of interest appropriate to the asset;
- b) the amount that could be realized by selling the asset at the statement of financial position date; and,
- c) the amount the Organization expects to realize by exercising its rights to any collection action less the costs necessary to exercise those actions.

When the Organization determines an adjustment to the carrying value is required, the carrying amount of the asset is reduced directly or through the use of an allowance account. The amount of the reduction is recognized as an impairment loss in the statements of operations. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent of the improvement, directly or by adjusting the allowance account. The amount of the reversal is recognized in the statements of operations in the period the reversal occurs.

(iii) Transaction costs

Transaction costs are recognized in the statements of operations in the period incurred, except for financial instruments that will be subsequently measured at amortized cost. Transaction costs associated with the acquisition and disposal of fixed income investments are capitalized and are included in the acquisition costs or reduce proceeds on disposal. Investment management fees associated with managing of the Organization's portfolio investment holdings are expensed as incurred.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

2. Summary of Significant Accounting Policies – Continued

Income Tax Status

The Organization is a registered charitable organization pursuant to Section 149.1(1) of the Income Tax Act (Canada) and is, accordingly, exempt from tax.

3. Cash and Cash Equivalents

Cash and cash equivalents are comprised of:

	<u>2015</u>	<u>2014</u>
	\$	\$
Cash on hand	1,858	368
Bank – current operating account	430,986	-
Bank – high interest savings account	1,716	1,700
Bank – segregated gaming deposits	338	358
Broker account – funds in transit	<u>30,000</u>	<u>-</u>
Total cash and equivalents at end of year	<u>464,898</u>	<u>2,426</u>

4. Investments

Investments are carried at fair market value. As at the end of the current year, the fair value of the financial investments held exceeded their cost by \$10,627 (2014 - cost exceeded the fair value by \$2,890).

As at June 30, 2015, short term investments consist of the following:

	<u>Maturity</u>	<u>Rate</u>	<u>Terms</u>	<u>Face Value</u>	<u>Fair Value</u>
				\$	\$
GIC:	Nov 12, 2015	0.80%	Redeemable	5,090	5,116
Mutual Funds:	N/A	N/A	Redeemable	<u>121,729</u>	<u>132,330</u>
				<u>126,819</u>	<u>137,446</u>

5. Capital Assets

	<u>2015</u>			<u>2014</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
	\$	\$	\$	\$
Office equipment	37,155	22,501	14,654	19,538
Computers	<u>46,167</u>	<u>44,894</u>	<u>1,273</u>	<u>9,514</u>
	<u>83,322</u>	<u>67,395</u>	<u>15,927</u>	<u>29,052</u>

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

6. Collection

During the 2015 fiscal year, the Organization accessioned \$108,100 worth of artwork to the Organization's collection which is held for exhibition, rental purposes and potential sale. In accordance with policy, Note 2, the artwork is carried at a historical cost of \$1. Total accessions to date aggregate \$108,100 (2014 - \$nil).

7. Deferred Revenue

	<u>2015</u>	<u>2014</u>
	\$	\$
Government Grants		
City of Toronto – Operating	374,805	-
Ontario Trillium Foundation - Capital	14,654	29,052
Programming Grants		
Ontario Trillium Foundation – Beats and Intentions	20,735	-
CIBC	5,000	-
Geoffrey Wood Foundation	10,000	-
Friends of Pan Am Path	4,677	-
Johansen – Larsen Foundation	-	10,000
Toronto Community Foundation	-	30,000
Qualcomm	9,729	8,583
Other		
Art Rental Revenue	<u>1,777</u>	<u>1,051</u>
	<u>441,377</u>	<u>78,686</u>

8. Management Reserve

Management has designated \$13,341 (2014 - \$20,230) towards the ongoing operations of the Organization's Exploring Creativity in Depth program (ECiD), a unique workshop program designed to stimulate creativity and imagination. Originally established and funded by The Milkweed Collective, management is committed to the continuation of this program over the remaining term over which the program is expected to operate.

9. Endowment Funds

The Organization has established the Arts Etobicoke Endowment Fund, which is administered by the OACF under the terms of the Arts Endowment Fund (AEF) Program. The AEF is a program of the Government of Ontario through the Ministry of Citizenship, Culture and Recreation. The funds raised by the Organization were matched on an ongoing basis until it had reached its maximum, or until all money allocated to a certain category was paid out. Money contributed and matched under the AEF program is held in perpetuity and is non-expendable. Accordingly, the assets in the endowment fund are excluded from these financial statements. Investment income earned is applied toward the Presidents' Legacy Scholarship Fund program. Investment income of \$12,454 (2014 - \$12,182) was received during the year.

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

10. Allocated Expenses

- (a) **Salaries** – During the 2015 fiscal year, the Organization allocated a total of \$186,993 (2014 - \$131,192) of administrative and executive salaries to various programs and fundraising activities. Of the total, \$29,567 (2014 - \$28,036) was allocated to Artistic Salaries, Benefits and Fees; \$22,257 (2014 - \$21,324) was allocated to Advocacy Salaries; \$53,983 (2014 - \$33,305) was allocated to Fundraising Expenses, \$41,677 (2014 - \$30,345) was allocated to Marketing and Promotion Expenses; and \$21,327 (2014 - \$18,182) was allocated to Facility Expenses. Allocation of these wages was based on estimated time allocation and staff placement on an employee-by-employee basis.
- (b) **Rent** – Rental costs are allocated between administrative and facility expense based on estimated square footage occupied. This allocation has resulted in a 45%/55% split between administrative space and program space respectively.
- (c) **In Kind Donation** – Donations in-kind received for advertising services were allocated to advertising (25%), membership development (65%) and advocacy expense (10%) based on the proportion share of the space utilized by each category within the advertising copy issued.

11. Sponsorships and Gifts In-Kind

Included in revenue and expenses for the year is the amount of \$86,648 (2014 - \$79,192) in corporate non-cash gifts in-kind pertaining to advertising, publication services and fundraising goods and services.

12. Risk

General

The Organization holds financial assets in the form of cash, short term investments and accounts receivable. It is management's opinion that the fair value of these financial instruments approximates their stated value, plus accrued interest where applicable, due to the short term to maturity for the items held at year end.

The Organization also holds financial liabilities in the form of accounts payable and accrued liabilities, and deferred revenue. Except as noted below, as with the financial assets, fair value and stated value of the financial liabilities approximate each other at year end due to the short term to maturity of the liabilities and debts held at June 30, 2015.

Liquidity

The Organization manages its liquidity risk by monitoring actual and projected cash flows, from both operations and the gallery program, to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring

ARTS ETOBICOKE
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

12. Risk – Continued

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market price of the investments held. Market risk comprises three types of risk; currency risk, interest risk, and price risk. As the organization only operates in Canadian dollars, it has no exposure to currency risk in the year. Interest risk is discussed below. Over the past several years, the Organization has been exposed, in part, to price risk in that it maintains an investment portfolio of mutual fund positions or may receive equity investments through a donation in kind. While the Organization's investment policy is not to hold onto its equity investments over the long term thereby restricting its exposure to market risk and maintain liquidity, some investments may be held as at the year end date. As detailed in Note 4, these investments are carried at their current fair market value. Management does not believe it is exposed to any further market risk in excess of that provided for in the year and associated with the investments held.

Interest

Interest rate risk arises from the possibility that changes in interest rates will affect the future cash flows or the fair value of financial instruments. Interest rate risk arises when the Organization invests in interest-bearing financial instruments. The Organization is exposed to the risk that the value of such financial instruments will fluctuate due to the prevailing levels of market interest rates. As at June 30, 2015, the Organization held interest bearing investments in the form of a guaranteed investment certificate and accordingly, is subject to the risk associated with interest rate changes. While the risk of future cash flows from the investments will accordingly increase or decrease with the changes to the market rate of interest on similar investments, the current investment is invested for a short period which does not preclude management from reinvesting the investment in the near future at a more favourable rate, therefore minimizing the exposure to interest rate risk on these investment vehicles.

Credit Risk

Credit risk is the risk that a counterpart to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Organization. The organization currently holds trade receivables which represent a form of credit risk, however, as these amounts are primarily receivable from a government agency and the Organization's landlord, management considers that the risk of default is minimal as these organizations are reliable and financially secure. In addition, trade receivables are not material at year end and therefore do not represent a significant credit risk.

**ARTS ETOBICOKE
SCHEDULE 1
FOR THE YEAR ENDED JUNE 30, 2015**

13. Occupancy Lease

The Organization is committed to a lease agreement for its operating premises expiring on June 30, 2019. Minimum lease commitments over the next four years are as follows:

2016	\$ 49,200
2017	\$ 49,200
2018	\$ 49,200
2019	\$ 49,200

14. Credit Facilities

The Organization has a \$40,000 revolving demand loan available with the Royal Bank of Canada which is due on demand with interest at 3% per annum. As at year-end, the Organization had drawn on this line of credit in the amount of \$Nil (2014 – \$14,000).

**ARTS ETOBICOKE
SCHEDULE 1
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
	\$	\$
EARNED REVENUE		
Fees		
Fees - workshops	-	4,541
Fees - non-tax receipted memberships	2,465	2,600
Fees – project	8,959	5,353
Rental and service fees	4,679	4,494
Sales of works of art	<u>10,992</u>	<u>15,664</u>
	<u>27,095</u>	<u>32,652</u>
Interest and Miscellaneous		
Interest income	2,647	2,729
Unrealized (loss) gain on investments – adjustment to fair value (Note 4)	7,711	2,890
Gain on sale of investments	-	7,125
Trust and endowment income (Note 9)	12,454	12,182
Miscellaneous	<u>4,641</u>	<u>5,760</u>
	<u>27,453</u>	<u>30,686</u>
Total earned revenue	<u>54,548</u>	<u>63,338</u>
 PRIVATE SECTOR REVENUE		
Donations		
Individuals	63,695	12,699
Corporate	4,800	19,400
In-kind (Note 12)	86,648	79,192
Foundations	55,000	25,000
Sponsorships	<u>59,405</u>	<u>500</u>
	269,548	136,791
Fundraising	<u>6,777</u>	<u>6,426</u>
Total private sector revenue	<u>276,325</u>	<u>143,217</u>
 GOVERNMENT REVENUE		
Federal		
Employment grant	-	<u>2,136</u>
 Provincial		
Ontario Arts Council - operating	39,000	39,000
Ontario Trillium Foundation	<u>60,463</u>	<u>94,942</u>
	<u>99,463</u>	<u>133,942</u>
 Municipal		
City of Toronto - project	15,000	20,500
City of Toronto - operating	<u>374,805</u>	<u>253,530</u>
	<u>389,805</u>	<u>274,030</u>
Total government sector revenue	<u>489,268</u>	<u>410,108</u>
TOTAL REVENUE	<u>820,141</u>	<u>616,663</u>

**ARTS ETOBICOKE
SCHEDULE 2
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
	\$	\$
ARTISTIC SALARIES, BENEFITS AND FEES		
Artistic and professional fees		
Permanent staff	4,436	8,619
Contract staff	<u>117,674</u>	<u>60,048</u>
	<u>122,110</u>	<u>68,667</u>
Artistic salaries and benefits		
Permanent staff	84,851	77,973
Contract staff	<u>10,020</u>	<u>9,859</u>
	<u>94,871</u>	<u>87,832</u>
Total artistic salaries, benefits and fees	<u>216,981</u>	<u>156,499</u>
PROGRAM EXPENSES		
Advocacy	31,751	28,439
Exhibition, programming and production	32,847	50,242
Education and audience development and outreach	88,415	78,326
Member communications	<u>61,107</u>	<u>54,687</u>
Total program expenses	<u>214,120</u>	<u>211,694</u>
FACILITY EXPENSES		
Facility salaries and benefits	21,327	18,182
Repairs, maintenance and facility costs	17,269	17,188
Rent – program space	<u>28,519</u>	<u>27,392</u>
Total facility expenses	<u>67,115</u>	<u>62,762</u>
ADMINISTRATIVE EXPENSES		
Salaries and Benefits		
Permanent staff	57,218	51,557
Contract staff	<u>26,068</u>	<u>20,234</u>
Total salaries and benefits expenses	<u>83,286</u>	<u>71,791</u>
Office and general	31,676	26,191
Rent – administrative space	23,334	22,412
Amortization	<u>15,671</u>	<u>18,492</u>
	<u>70,681</u>	<u>67,095</u>
Total administrative expenses	<u>153,967</u>	<u>138,886</u>

**ARTS ETOBICOKE
SCHEDULE 2 - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>	<u>2014</u>
	\$	\$
MARKETING AND PROMOTION EXPENSES		
Advertising	7,159	3,257
Marketing and communications salaries and benefits	41,677	30,345
Marketing production	<u>5,970</u>	<u>3,273</u>
 Total marketing and promotion expenses	 <u>54,806</u>	 <u>36,875</u>
FUNDRAISING EXPENSES		
Salaries and benefits		
Permanent staff - salaries and benefits	<u>53,983</u>	<u>33,305</u>
 Other fundraising expenses		
Event costs	4,957	6,407
Other	<u>1,154</u>	<u>1,732</u>
	<u>6,111</u>	<u>8,139</u>
 Total fundraising expenses	 <u>60,094</u>	 <u>41,444</u>
 TOTAL EXPENSES	 <u>767,083</u>	 <u>648,160</u>