

XPACE CULTURAL CENTRE
YEAR ENDED AUGUST 31, 2017
(Unaudited)

TABLE OF CONTENTS

	Page
Review engagement report	1
Financial statements:	
Statement of revenue and expenses	2
Statement of changes in net assets	3
Statement of cash flow	4
Statement of financial position	5
Notes to financial statements	6 - 8



REVIEW ENGAGEMENT REPORT

To the directors of

XSPACE CULTURAL CENTRE

We have reviewed the statement of financial position of Xspace Cultural Centre as at August 31, 2017 and the statements of revenue and expenses, changes in net assets and cash flow for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of inquiry, analytical procedures and discussion related to information supplied to us by the organization.

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

Based on our review, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian accounting standards for not-for-profit organizations.

Stern Cohen LLP

Chartered Professional Accountants
Chartered Accountants
Licensed Public Accountants
Toronto, Canada
March 6, 2018

XPACE CULTURAL CENTRE
STATEMENT OF REVENUE AND EXPENSES

(Unaudited)

For the year ended August 31,	2017 \$	2016 \$
Revenue		
OCAD SU External Space fees	245,061	220,078
OCAD U Pride 2017	7,500	-
IWSP grants	1,254	3,478
Government grants	32,887	17,870
Fundraising and donations	6,737	4,210
Other income	5,918	2,878
	299,357	248,514
Expenses		
Salaries	125,749	120,339
IWSP wages	2,589	5,844
Employee benefits	15,863	16,736
Professional development	1,184	1,579
Programming - reception expenses	53,092	28,078
Programming - hospitality expenses	6,854	4,673
Programming - Pride 2017	7,544	-
Rent	47,307	44,422
Utilities	5,518	3,592
Telephone and internet	1,602	1,295
Repairs and maintenance	2,056	1,130
Office and general	5,248	3,633
Professional fees	4,121	2,500
Security	517	737
Website	953	1,323
Amortization	1,474	1,027
	281,671	236,908
Excess of revenue over expenses for the year	17,686	11,606

See accompanying notes.

XPACE CULTURAL CENTRE
STATEMENT OF CHANGES IN NET ASSETS

(Unaudited)

For the year ended August 31,	2017	2016
	\$	\$
Beginning of year	48,616	37,010
Excess of revenue over expenses for the year	17,686	11,606
Surplus, end of year	66,302	48,616

See accompanying notes.

XPACE CULTURAL CENTRE
STATEMENT OF CASH FLOW

(Unaudited)

For the year ended August 31,	2017 \$	2016 \$
Operating activities		
Excess of revenue over expenses for the year	17,686	11,606
Items not involving cash		
Amortization	1,474	1,027
Working capital from operations	19,160	12,633
Net change in non-cash working capital balances related to operations	7,840	(13,929)
Cash from (required) by operations	27,000	(1,296)
Investing activities		
Purchase of capital assets	(2,636)	(2,401)
Change in cash during the year	24,364	(3,697)
Cash		
Beginning of year	30,100	33,797
End of year	54,464	30,100

Other information:

See accompanying notes.

XPACE CULTURAL CENTRE
STATEMENT OF FINANCIAL POSITION

(Unaudited)

As at August 31,	2017	2016
	\$	\$
ASSETS		
Current assets		
Cash	54,464	30,100
Accounts receivable	5,496	10,445
Prepaid expenses and deposits	3,402	6,975
	63,362	47,520
Capital assets (Note 2)	4,758	3,596
	68,120	51,116
LIABILITIES		
Current liabilities		
Accounts payable	1,818	2,500
NET ASSETS	66,302	48,616
	68,120	51,116

Other information (Note 3)

See accompanying notes.

Approved on behalf of the Board: _____
Director

XPACE CULTURAL CENTRE
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

AUGUST 31, 2017

Xpace Cultural Centre is a not-for-profit organization incorporated without share capital under the Canada Not-for-Profit Corporations Act (CNCA). The organization is exempt from income taxes under the Income Tax Act of Canada. Xpace Cultural Centre is a membership driven artist-run centre supported by the OCAD Student Union and is dedicated to providing emerging student artists and designers with the opportunity to showcase their work in a professional setting.

1. Significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFP) and include the following significant accounting policies:

(a) 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 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 income consists of government grants and the OCAD University International Work Study Program (IWSP) grant.

Unrestricted income consists of the OCAD SU External Space fees which are derived from the students enrolled at OCAD University and are recognized over the academic year. Fundraising and donation revenues and other income is recognized when the services have been rendered or the event has occurred.

(b) Amortization

Capital assets are stated at cost. Amortization is recorded at rates calculated to charge the cost of the assets to operations over their estimated useful lives. Maintenance and repairs are charged to operations as incurred. Gains and losses on disposals are calculated on the remaining net book value at the time of disposal and included in income.

Amortization is charged to operations at the following annual rates:

Computer equipment - 30%

XPACE CULTURAL CENTRE
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

AUGUST 31, 2017

1. Significant accounting policies (cont'd)

(c) *Use of estimates*

The preparation of financial statements in conformity with accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenditures during the year. Actual results could differ from these estimates.

(d) *Financial instruments*

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

The organization subsequently measures all its financial assets and financial liabilities at amortized cost except for investments, which are measured at fair value.

The organization's financial instruments that are measured at amortized cost consist of cash, accounts receivable and accounts payable.

2. Capital assets

	Cost \$	Accumulated amortization \$	Net	
			2017 \$	2016 \$
Computer equipment	9,007	4,249	4,758	3,596

XPACE CULTURAL CENTRE
NOTES TO FINANCIAL STATEMENTS

(Unaudited)

AUGUST 31, 2017

3. Other information

(a) *Commitments*

The organization is committed under a net lease for premises until January 2023. Annual rents are approximately as follows:

	\$
2018	47,100
2019	47,100
2020	47,100
2021	47,100
2022	47,100
Thereafter	19,600
	<u>255,100</u>

(b) *Financial instruments*

The organization is exposed to the following significant risks:

i) *Liquidity risk*

Liquidity risk is the risk that the organization may not be able to meet its financial obligations as they become due. The organization manages its liquidity risk by monitoring and managing the cash requirements to ensure the organization has sufficient funds to meet its operational requirements.

ii) *Credit risk*

The organization is exposed to credit risk in the event of non-payment by members in connection with its accounts receivable. The exposure to credit risk is the carrying value of accounts receivable on the statement of financial position.

XSPACE CULTURAL CENTRE
STATEMENT OF FINANCIAL POSITION

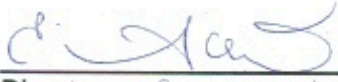
(Unaudited)


As at August 31,	2017 \$	2016 \$
ASSETS		
Current assets		
Cash	54,464	30,100
Accounts receivable	5,496	10,445
Prepaid expenses and deposits	3,402	6,975
	<u>63,362</u>	<u>47,520</u>
Capital assets (Note 2)	4,758	3,596
	<u>68,120</u>	<u>51,116</u>
LIABILITIES		
Current liabilities		
Accounts payable	1,818	2,500
NET ASSETS	<u>66,302</u>	<u>48,616</u>
	<u>68,120</u>	<u>51,116</u>

Other information (Note 3)

See accompanying notes.

Approved on behalf of the Board:


 Director of Operations
 Lizz Aston
 09/04/2018


 Faculty of Art's Rep
 Kais Padamshi
 09/04/2018