
DEER CROSSING - THE ART FARM SOCIETY

FINANCIAL STATEMENTS

December 31, 2022

(Unaudited - See Notice to Reader)

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NOTICE TO READER

On the basis of information provided by management, we have compiled the Statement of Financial Position of **DEER CROSSING - THE ART FARM SOCIETY** as at December 31, 2022, and the Statement of Net Assets, Statement of Operations and Statement of Cash Flows for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Office Alternatives

OFFICE ALTERNATIVES
Roberts Creek, B.C.
March 31, 2023

DEER CROSSING - THE ART FARM SOCIETY

STATEMENT OF FINANCIAL POSITION

As at December 31, 2022

(Unaudited - See Notice to Reader)

	General Fund	Gaming Fund	Total 2022	Total 2021
	\$	\$	\$	\$
ASSETS				
Current				
Cash - General fund	169,427	-	169,427	50,321
Cash - Gaming fund	-	454	454	154
	169,427	454	169,881	50,475
GST Rebate Receivable	4,613	-	4,613	-
	174,040	454	174,494	50,475
Capital assets (Note 4)	157,920	8,434	166,354	157,589
	331,960	8,888	340,848	208,064
LIABILITIES				
Current				
Accounts payable	9,510	-	9,510	6,042
Payroll deductions	9,983	-	9,983	6,936
Current portion of long term debt	5,786	-	5,786	5,786
Deferred revenue (Note 7)	120,000	-	120,000	98,000
	145,279	-	145,279	116,764
Canada Emergency Business Account Loan (Note 8)	40,000	-	40,000	40,000
Long term debt (Note 9)	18,891	-	18,891	25,387
NET ASSETS				
Invested in capital assets	157,920	8,434	166,354	157,589
Unrestricted	(30,130)	454	(29,676)	(131,676)
	127,790	8,888	136,678	25,913
	331,960	8,888	340,848	208,064

Approved by the Board of Directors:

Director

Director

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

DEER CROSSING - THE ART FARM SOCIETY

STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2022

(Unaudited - See Notice to Reader)

	Invested in capital assets	Unrestricted	2022	2021
	\$	\$	\$	\$
Balance, beginning of year	157,589	(131,676)	25,913	17,029
Purchase of capital assets	40,734	(40,734)	-	-
Amortization of capital assets	(31,969)	31,969	-	-
Excess (deficiency) of revenues over expenditures	-	110,765	110,765	8,884
Balance, end of year	166,354	(29,676)	136,678	25,913

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

DEER CROSSING - THE ART FARM SOCIETY

STATEMENT OF OPERATIONS

(Unaudited - See Notice to Reader)

	General Fund	Gaming Fund	Total 2022	Total 2021
	\$	\$	\$	\$
Revenues				
Fees, contract revenue & other earned income	263,440	1	263,441	269,434
Public sector grants <i>(Note 10)</i>				
Federal funding	294,122	-	294,122	139,609
Provincial funding	43,000	-	43,000	18,000
Municipal funding	8,500	-	8,500	11,000
Vancouver Coastal Health	10,000	-	10,000	-
Province of BC, Direct Access Community Gaming Grant	-	30,000	30,000	48,400
Canada Emergency Subsidy	82,575	-	82,575	149,027
Foundations	50,000	-	50,000	-
GST rebates	4,203	-	4,203	1,066
Memberships	971	-	971	-
Donations	150	-	150	-
Workshops & education programming	6,515	-	6,515	440
	763,476	30,001	793,477	636,976
Expenditures				
Wages and benefits	448,559	9,591	458,150	299,372
Contract fees	87,824	18,657	106,481	163,829
Repairs and maintenance	23,078	2,500	25,578	25,289
Administrative and meeting expenses	17,014	275	17,289	15,402
Rent	12,950	1,200	14,150	13,800
Supplies & production expenses	9,904	-	9,904	54,073
Insurance	5,906	-	5,906	4,716
Vehicle expenses	4,173	-	4,173	3,231
Marketing & fundraising	3,447	-	3,447	3,585
Bank charges & interest	1,775	125	1,900	1,705
Travel	1,707	-	1,707	14,137
Professional fees	1,382	-	1,382	904
GST expense	674	2	676	8,405
	618,393	32,350	650,743	608,448
Net operating revenue (loss)	145,083	(2,349)	142,734	28,528
Other expenses				
Amortization	26,695	5,274	31,969	19,644
Excess (Deficiency) of revenues over expenditures	118,388	(7,623)	110,765	8,884

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

DEER CROSSING - THE ART FARM SOCIETY

STATEMENT OF CASH FLOWS

For the year ended December 31, 2022

(Unaudited - See Notice to Reader)

	2022	2021
	\$	\$
Cash provided by (used for)		
Operating activities		
Excess of revenues over expenditures	110,765	8,884
Non-Cash Items:		
Amortization	31,969	19,644
	142,734	28,528
Changes in non-cash working capital accounts:		
Accounts receivable	-	29,584
GST rebate receivable	(4,613)	-
Prepaid expenses	-	450
Accounts payable	(3,468)	1,963
Payroll deductions payable	9,983	1,492
Deferred revenue	22,000	33,000
Long term debt	(6,496)	31,173
	17,406	97,662
INVESTING ACTIVITIES		
Purchase of capital assets	(40,734)	(164,788)
		(164,788)
Increase (Decrease) in Cash	119,406	(38,598)
Cash, beginning of year	50,475	89,073
Cash, end of year	169,881	50,475

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

DEER CROSSING - THE ART FARM SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

(Unaudited - See Notice to Reader)

1. Organization

The Society was incorporated on March 11, 2008 under the *Society Act* (British Columbia) to create positive change in people and communities through a combination of cutting edge arts and and nature-driven programming.

The Society is exempt from income taxation under the *Income Tax Act* as long as certain criteria are met on a continuing basis.

2. Accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting standards for not-for-profit organizations. The financial statements have, in management's opinion been properly prepared within reasonable limits of materiality and within the framework of significant accounting policies.

Use of Estimates

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of these financial statements and the reported amounts of revenues and expenses during the years.

Capital assets

Capital assets are recorded at cost in the year of purchase. Amortization of the capital assets is provided based on rates that closely reflect the useful lives of the assets.

3. Canada Emergency Wage Subsidy

During the year, the Society received Canada Emergency Wage Subsidies (CEWS) totalling \$82,575 (2021 - \$149,027).

4. Capital assets

	2022			2021	
	Cost	Accumulated amortization	Net	Net	
Equipment - General	\$ 45,711	\$ 32,932	\$ 12,779	\$ 11,608	
Equipment - Gaming	17,172	8,738	8,434	13,708	
Motor vehicle	44,111	17,865	26,246	37,494	
Leasehold Improvements	152,896	34,001	118,895	94,779	
	\$ 259,890	\$ 93,536	\$ 166,354	\$ 157,589	

5. Comparative figures

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2022 financial statements.

DEER CROSSING - THE ART FARM SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

(Unaudited - See Notice to Reader)

6. Credit facility

The Society has an operating line of credit of \$ 5,000 to accommodate account overdraft. As at December 31, 2022 overdraft balance was \$ 0. (2021 - \$ 0.).

7. Deferred Revenue

Contributions restricted for specific projects by the contributors are deferred and recorded as revenue in the period in which the related expenses are incurred.

	2022	2021
Beginning balance		
Canada Council for the Arts	\$ 80,000	\$ 65,000
BC Arts Council	18,000	-
	98,000	65,000
Less: Amount recognized as revenue in the year	(93,000)	(65,000)
	5,000	-
Add: Amounts received related to the following year:		
Canada Council for the Arts	65,000	80,000
BC Arts Council	50,000	18,000
Ending balance	\$ 120,000	\$ 98,000

8. Canada Emergency Business Account Loan

In 2020 the Society borrowed \$40,000 under the Canada Emergency Business Account Program. The loan has an interest rate of 0% until December 31, 2023. No principal payments are required until December 31, 2023. \$10,000 loan forgiveness is available, provided \$30,000 is paid back not later than December 31, 2023. If any part of the balance is not paid by December 31, 2023, the remaining balance will be converted to a 2-year term loan at 5% annual interest, paid monthly, effective January 1, 2024. The full balance must be repaid no later than December 31, 2025.

9. Long term debt

Finance contract for purchase of motor vehicle at 2.49% interest, repayable in monthly blended interest and principal instalments of \$541.35 until January 2027.

10. Public sector grants

	2022	2021
Canada Council for the Arts	\$ 290,000	\$ 135,000
Government of Canada, other	4,122	4,609
BC Arts Council	43,000	18,000
Vancouver Coastal Health	10,000	-
District of Sechelt	5,000	5,000
Sunshine Coast Regional District	2,000	3,000
Town of Gibsons	1,500	3,000
	\$ 355,622	\$ 168,609

DEER CROSSING - THE ART FARM SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2022

(Unaudited - See Notice to Reader)

11. Societies Act Disclosures

As required by the Societies Act (British Columbia), the Society is required to disclose information regarding payments to directors, and employees or subcontractors paid in excess of \$ 75,000. For the year ended December 31, 2021, no amounts were paid to directors of the Society, and there were no employees or subcontractors paid in excess of \$ 75,000.