

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY

FINANCIAL STATEMENTS (Audited)

December 31, 2018

A Member of the



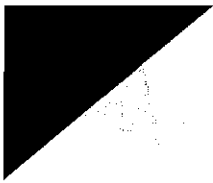
**FEDERATION OF
CALGARY COMMUNITIES**

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY

December 31, 2018

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MICHAEL IHEKUNA CPA
Chartered Professional Accountant

Independent Auditor's Report

To the Members of:
Alberta Playwrights' Network Society

Report on the Audit of the Financial Statements

Qualified Opinion

I have audited the Statement of Financial Position of the Alberta Playwrights' Network Society as at December 31, 2018 and the Statements of Operations, Net Assets and Cash Flows and a summary of significant accounting policies and other explanatory notes for the year ended December 31, 2018.

In my opinion, except for the effects of adjustments, if any, which I might have determined to be necessary had I been able to satisfy myself of the completeness of fundraising activities, these financial statements present fairly, in all material respects, the financial position of the Alberta Playwrights' Network Society as at December 31, 2018 and the results of its operations and cash flows for the year ended December 31, 2018 in accordance with Canadian accounting standards for not-for-profit associations.

Basis for Qualified Opinion

In common with many not-for-profit associations, the Alberta Playwrights' Network Society derives revenue from certain fundraising activities, the completeness of which is not subject to satisfactory audit verification. Accordingly, my verification of these revenues was limited to the amounts recorded in the records of the Alberta Playwrights' Network Society and I was not able to determine whether any adjustments might be necessary to revenue, excess of revenue over expenses, assets and net assets. I conducted my audit in accordance with Canadian auditing standards. I am independent of the Alberta Playwrights' Network Society in accordance with the ethical requirements that are relevant to my audit and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit associations and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Alberta

Playwrights' Network Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

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 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 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 judgement, 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, concluding on the appropriateness of management's use of the going concern basis of accounting as well as evaluating the overall presentation of the financial statements.

I communicate with those charged with governance regarding the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that I identify during my audit.

Other Matter

The prior year financials were audited by another Chartered Professional Accountant who expressed a qualified opinion on April 20, 2018.

Calgary, Alberta
April 2, 2019


Michael Ihekuna CPA
Chartered Professional Accountant


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ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
STATEMENT OF FINANCIAL POSITION
(Audited)


As at December 31, 2018

	2018	2017
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents, unrestricted	\$ 10,105	\$ 11,070
Accounts receivable, unrestricted	5,158	-
GST receivable	1,527	1,140
Prepaid expenses	4,669	6,138
Externally restricted assets (Note 3)	110,695	90,279
	132,154	108,627
	\$ 132,154	\$ 108,627
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 7,011	\$ 6,623
Payroll liabilities	1,987	993
Deferred cash contributions (Note 3)	110,695	90,279
	119,693	97,895
NET ASSETS		
Unrestricted	12,461	10,732
	12,461	10,732
	\$ 132,154	\$ 108,627

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS



Director



Director

See Notes to the Financial Statements

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
STATEMENT OF CHANGES IN NET ASSETS
(Audited)

For the Year Ended December 31, 2018

	2018 Totals	2017 Totals
Balances, beginning of the year	10,732	8,311
Increase	1,729	2,420
Balances, end of the year	12,461	10,732

See Notes to Financial Statements

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
STATEMENT OF OPERATIONS
(Audited)

For the Year Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE		
Grants (Note 5)	\$ 57,892	\$ 46,601
Casino contributions (Note 4)	52,576	43,323
Programs	17,011	9,789
Donations	11,212	21,019
Membership	5,200	4,970
Fundraising revenue	2,698	4,268
Advertising Revenue	600	-
Office revenue	142	342
Miscellaneous and refunds	988	150
Interest revenue	19	25
	<u>148,338</u>	<u>130,487</u>
EXPENSES		
Payroll	69,680	49,982
Program	50,167	38,388
Rental	6,590	8,573
Professional fees	6,484	5,590
Fundraising	2,660	10,827
Photocopy	2,115	2,635
Sub-contracts	1,625	-
Office supplies	1,435	1,043
Telephone and telecommunications	1,346	1,255
Insurance	1,041	4,747
Travel expenses	823	1,501
Interest and bank charges	557	213
Postage	524	843
Meetings & conventions	520	1,581
Unclaimable GST	339	428
Administration & management fees	323	276
Memberships and licenses	300	75
Repairs and maintenance	80	-
Books, subscriptions, reference	-	110
	<u>146,609</u>	<u>128,067</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 1,729</u>	<u>\$ 2,420</u>

See Notes to Financial Statements

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
STATEMENT OF CASH FLOWS
(Audited)

For the Year Ended December 31, 2018

	2018	2017
FUNDS PROVIDED BY (USED IN) OPERATIONS:		
Excess of revenue over expenses	\$ 1,729	\$ 2,420
Charges not affecting cash outflow:		
Changes in non-cash operating working capital:		
Accounts receivable	(5,158)	1,243
GST	(387)	3,412
Prepaid expenses	1,467	2,280
Accounts payable and accrued charges	1,385	675
Net increase (decrease) in working capital	(964)	10,030
CASH FLOW FROM FINANCING ACTIVITIES:		
Deferred cash contributions	20,415	40,003
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	19,451	50,033
Cash and cash equivalents, beginning of the year	101,349	51,316
CASH AND CASH EQUIVALENTS, END OF THE YEAR	\$ 120,800	\$ 101,349
Consisting of:		
Unrestricted cash and cash equivalents	\$ 10,105	\$ 11,070
Externally restricted cash and cash equivalents (Note 3)	110,695	90,279
Total cash and cash equivalents	\$ 120,800	\$ 101,349

See Notes to Financial Statements

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2018

1. NATURE OF THE ORGANIZATION

The Alberta Playwrights' Network Society was incorporated in 1985 with the Province of Alberta as a not for profit organization.

The Society is currently a registered charity.

Alberta Playwrights' Network Society was established to nurture their member Alberta playwrights and provide support for the development of their plays. Alberta Playwrights Network promotes Alberta playwrights and their plays to the theatre community, while building and fostering a network of playwrights through education, advocacy and outreach.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are as follows:

(a) Externally Restricted Cash/Deferred cash contributions

Externally restricted cash consists of cash generated from holding Casinos that are restricted to spending by the Alberta Gaming and Liquor Commission. Under the terms of the Casino licence application, the Society is required to use these funds for specific purposes in the current or future periods. Unspent cash at the end of the fiscal year is recorded as externally restricted cash and deferred cash contributions, as it stays a liability until spent.

Grants and donations designated for goods or services in the next fiscal year are set up as externally restricted cash and deferred cash contributions (Note 3).

(b) Revenue recognition

Externally restricted revenue is recorded according to the deferral method where revenue is recognized when the related expense occurred.

Operating revenue is recognized according to the accrual method, where revenue is recorded when it is received or reasonable assurance is given that it is receivable. This recognizes the effects of transactions and events in the period in which the transactions and events occur, even if cash is not exchanged until later.

(c) Income Taxes

The Association is a not for profit organization under section 149.1(l) of the Income Tax act and is therefore not subject to income taxes as long as it maintains its not-for-profit status.

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2018

2. SIGNIFICANT ACCOUNTING POLICIES Continued....

(d) Property and Equipment

From 2018 on, the Society adopted the policy to capitalize purchases of a capital nature over \$1,000 and amortizing them over their estimated usable lives. There were no purchases of a capital nature during 2017 and 2018.

Amortization rate:

Furniture and equipment: 3years straight line depreciation

Computer hardware: 1- 2 years straight line depreciation.

(e) Contributed Services

A substantial number of volunteers have made significant contributions of their time to develop the Society's programs and carry out its activities. The value of this contributed time is not reflected in these financial statements.

(f) Financial Instruments

Measurement of Financial Instruments:

The Society initially measures its financial assets and financial liabilities at fair value. The Society subsequently measures all its financial assets and financial liabilities at cost or amortized cost. Changes in fair value of these financial instruments are recognized in net income. Financial instruments measured at amortized cost include cash, accounts receivable and accounts payable.

Financial Risk:

It is management's opinion that the Society is not exposed to significant interest, currency, price, market or credit risks arising from these financial instruments.

(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 amount of assets and liabilities, the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses for the periods covered. The main estimates relate to the collectability of receivables, the useful life of property and equipment and the amounts recorded as accrued liabilities. Amortized cost include cash, accounts receivable and accounts payable.

(h) Donated Goods

The Society periodically receives goods donated by individuals and businesses who assist the Society in achieving its mission. Only if a value of these goods can be established and the goods would otherwise have been purchased, are these goods set up in the financial statements.

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2018

(i) Basis of Accounting

Management has come to the conclusion that the going concern basis of accounting is appropriate for the Society.

(j) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, balances with banks and short term deposits with original maturities of three months or less.

3. EXTERNALLY RESTRICTED ASSETS/DEFERRED CASH CONTRIBUTIONS

	<u>2018</u>	<u>2017</u>
Casino bank	\$ 70,670	\$ 56,278
Unspent grants (Note 5)	40,025	34,001
	<u>\$ 110,695</u>	<u>\$ 90,279</u>

4. CONTRIBUTIONS FROM CASINO

	<u>2018</u>	<u>2017</u>
Casino cash balance, beginning of the year	\$ 56,278	\$ 27,598
Casino pooling revenue	67,315	68,461
Interest and fundraising proceeds	100	1,864
Casino advisor reimbursement	2,261	-
Casino advisor fees	(2,261)	-
Casino travel and accomodation	(447)	-
Funds owing from general cash balance	-	(1,678)
Casino cash balance, end of the year	(70,670)	(56,278)
Contributions to operations	<u>\$ 52,576</u>	<u>\$ 43,323</u>

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2018

5. GRANTS

	2018	2017
Alberta Foundation for the Arts	\$ 13,616	\$ 17,602
Deferred from previous year	10,601	3,000
Contributed to operations	(17,409)	(10,001)
Deferred to next year	6,808	10,601
 Calgary Arts Development Grant	 11,000	 11,000
Deferred from previous year	6,000	2,000
Contributed to operations	(10,583)	(7,000)
Deferred to next year	6,417	6,000
 Calgary Foundation	 8,000	 -
Deferred to next year	8,000	-
 Edmonton Community Foundation	 3,300	 -
Deferred to next year	3,300	-
 Edmonton Arts Council	 10,000	 10,000
Deferred from prior year	1,400	-
Contributed to operations	(8,900)	(8,600)
Deferred to next year	2,500	1,400
 RBC Foundation	 13,000	 16,000
Deferred from prior year	16,000	16,000
Contributed to operations	(16,000)	(16,000)
Deferred to next year	13,000	16,000
 Theatre Alberta	 5,000	 5,000
Contributed to Operations	(5,000)	(5,000)
 Total contributed to operations	 \$ 57,892	 \$ 46,601
 Total deferred to next year (Note 3)	 \$ 40,025	 \$ 34,001

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
(Audited)

December 31, 2018

6. PROPERTY AND EQUIPMENT

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net 2018</u>	<u>Net 2017</u>
Computer	\$ 1,299	1,299	-	-

7. FUNDRAISING EXPENSES

As required under section 7(2) of the Charitable Fundraising Regulation of Alberta, the following amounts are disclosed:

Direct costs incurred for the purpose of soliciting contributions \$Nil (2017- \$Nil)

Amounts paid as remuneration to employees whose principal duties involve fundraising \$Nil (2017 - \$Nil).

8. ECONOMIC DEPENDENCY

The Society is economically dependend on grant funding and casino contributions. Without these revenue sources they would not be able to operate.

ALBERTA PLAYWRIGHTS' NETWORK SOCIETY
SCHEDULE OF COMBINED AND NET AMOUNTS
December 31, 2018

	<u>2018</u>	<u>2017</u>
CASH AND CASH EQUIVALENTS - UNRESTRICTED:		
General	\$ 47,200	\$ 44,077
Paypal	2,530	994
Undeposited cash	400	-
	50,130	45,071
Less: Restricted grants held in General	(40,025)	(34,001)
	<u>\$ 10,105</u>	<u>\$ 11,070</u>

CASH AND CASH EQUIVALENTS - EXTERNALLY RESTRICTED:

Casino Account	\$ 70,670	\$ 56,279
Calgary Arts Development	6,417	6,000
Calgary Foundation	8,000	-
Edmonton Arts Council	2,500	1,400
Edmonton Community Foundation	3,300	-
RBC Foundation	13,000	16,000
Alberta Foundation for the Arts	6,808	10,601
	<u>\$ 110,695</u>	<u>\$ 99,080</u>

ACCOUNTS RECEIVABLE

Edmonton Community Foundation	\$ 3,300
Edmonton Public Library	368
Theatre Alberta Society	855
SkirtsAFire	635
	<u>\$ 5,158</u>

PREPAID EXPENSE:

CAEA Bond	4,669
	<u>\$ 4,669</u>

ACCOUNTS PAYABLE:

Audit accrual	\$ 6,484
Canadian Actors Equity Association	223
Mastercard	304
Payroll Liabilities	1,987
	<u>\$ 8,998</u>