



## GOOD REDDEN KLOSLER

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Chartered Professional Accountants

### INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of **TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)**:

We have reviewed the accompanying financial statements of Tillsonburg District Craft Guild that comprise the statement of financial position as at May 31, 2018, and the statements of operations and net assets 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.

#### Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

#### Basis for Qualified Conclusion

In common with many not-for-profit organizations, Tillsonburg District Craft Guild derives revenue from fundraising activities, the completeness of which is not susceptible to us obtaining evidence we considered necessary for the purpose of the review. Accordingly, the evidence obtained of these revenues was limited to the amounts recorded in the records of Tillsonburg District Craft Guild. We were unable to determine whether any adjustments might have been necessary with respect to the statements of financial position, operations and net assets for the years ended May 31, 2018 and May 31, 2017.

The Tillsonburg District Craft Guild prepares its financial statements on the cash basis which constitutes a departure from the requirements of Canadian Accounting Standards for Not-for-Profit Organizations. The effect of this departure on these financial statements is not determinable.

#### Qualified Conclusion

Based on our review, except for the possible effects of the matters described in the Basis for Qualified Conclusion, nothing has come to our attention that causes us to believe that these financial statements do not present fairly, in all material respects, the financial position of Tillsonburg District Craft Guild as at May 31, 2018, and the results of its operations for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

*Good Redden Klosler LLP*

CHARTERED PROFESSIONAL ACCOUNTANTS

Licensed Public Accountants

[goodcas.com](http://goodcas.com)

Tillsonburg, Ontario

September 27, 2018

Integrating Accounting, Advisory & Wealth Management Services

84 Colborne Street North, Simcoe, ON N3Y 3V1

T 519.426.5160 F 519.426.5174

38 Brock Street East, Tillsonburg, ON N4G 1Z5

T 519.842.4246 F 519.842.6656

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# **TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)**

## **STATEMENT OF FINANCIAL POSITION**

**As at May 31, 2018**

**(With comparative figures as at May 31, 2017)**

**(Unaudited)**

	<b>2018</b>	<b>2017</b>
<b>ASSETS</b>	<b>\$</b>	<b>\$</b>
Cash	20,640	11,846
Investments	60,004	50,213
<b>Total Assets</b>	<b>80,644</b>	<b>62,059</b>
<b>FUND BALANCE</b>		
<b>Total General Fund Balance</b>	<b>80,644</b>	<b>62,059</b>

Approved by: \_\_\_\_\_



# TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)

## STATEMENT OF OPERATIONS

For the year ended May 31, 2018

(With comparative figures for the year ended May 31, 2017)

(Unaudited)

	2018 \$	2017 \$
<b>Cash Receipts</b>		
Grants	61,827	45,346
Workshops and classes	46,869	23,615
Auction sales	35,229	35,135
Shows and other fundraising events	25,927	21,020
Donations	30,050	31,828
DHCC - craft sale and raffle	15,910	16,793
Recycling proceeds	14,228	7,634
Memberships	7,343	3,438
Interest and miscellaneous	9,461	7,430
Rental income and commissions	5,564	4,389
<b>Total receipts</b>	<b>252,408</b>	<b>196,628</b>
<b>Cash Disbursements</b>		
Wages, benefits and contract work	90,008	78,156
DHCC and silent auction expenses	34,437	29,143
Show and other fundraising event expenses	23,867	19,608
Repairs and maintenance	14,396	11,515
Workshop expenses	19,471	13,207
HST paid out	12,897	15,114
Office supplies	7,089	3,193
Utilities	9,351	10,290
Dues, Insurance and professional fees	9,381	7,714
Restoration expenses	7,252	25,789
Advertising and marketing	2,431	1,850
Bank charges and licences	1,915	1,662
Other fundraising expenses	1,326	1,304
<b>Total disbursements</b>	<b>233,821</b>	<b>218,545</b>
<b>Cash Surplus (Deficiency) for the Year</b>	<b>18,587</b>	<b>(21,917)</b>



# **TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)**

## **STATEMENT OF NET ASSETS**

**For the year ended May 31, 2018**

**(With comparative figures for the year ended May 31, 2017)**

**(Unaudited)**

	<b>2018</b>	<b>2017</b>
	<b>\$</b>	<b>\$</b>
<b>Cash Surplus (Deficiency) for the Year</b>	<b>18,587</b>	<b>(21,917)</b>
<b>Opening Bank Balances</b>	<b>62,057</b>	<b>83,974</b>
<b>Closing Bank Balances</b>	<b>80,644</b>	<b>62,057</b>
<b>Closing Bank Balances Comprised of:</b>		
General interest account	60,004	50,213
Events account	7,119	4,469
General account	9,362	4,997
Oxford Studio account	4,159	2,385
Lotto trust account	-	(7)
	<b>80,644</b>	<b>62,057</b>



# **TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended May 31, 2018**

**(Unaudited)**

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### **1. OPERATIONS**

The organization, known as Tillsonburg District Craft Guild (o/a Station Arts Centre), is a registered charitable organization.

The organization was established to restore and maintain a historical building, provide an outlet for art works created by members, and involve the community by providing artistic and cultural activity classes and workshops.

### **2. CASH BASIS**

The organization prepares its financial statements on the cash basis. The Canadian accounting standards for not-for-profit organizations requires organizations to prepare financial statements on the accrual basis. Therefore, no year end accounts receivable, prepaids or accounts payables and accrued liabilities have been recorded. As a result the conclusion has been modified.

### **3. SIGNIFICANT ACCOUNTING POLICY**

The organization follows Canadian accounting standards for not-for-profit organizations, significant aspects of the accounting policies adopted are as follows:

#### **(a) Fund Accounting**

The organization operates using only one fund, the general fund. This fund is used to record receipts and expenses for the day to day operations of the organization.

#### **(b) Cash Basis of Accounting**

Revenues and expenses are recorded on the cash basis, whereby revenue is recorded when received and expenses are recorded when paid.

#### **(d) Property and Equipment**

Consistent with many organizations of this size, any property and equipment is expensed in the year it is purchased.

#### **(e) Revenue Recognition**

The organization recognizes revenue when received and follows the deferral method of accounting for revenue. Since there is only one fund, revenue is recognized when received in the general fund.

Restricted contributions (if any), for which there is no specific fund, would be deferred and recognized as revenue at the same time the expense is incurred.

#### **(f) Estimates**

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires that management makes estimates and assumptions that effect the amounts reported and the disclosures in the notes. The actual results may differ from these estimates.

# **TILLSONBURG DISTRICT CRAFT GUILD (A NON-PROFIT ORGANIZATION)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended May 31, 2018**

**(Unaudited)**

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### **3. FINANCIAL INSTRUMENTS**

The organization holds its assets in the form of cash. The organization is not exposed to any foreign exchange, credit or interest rate risk.

Investments are comprised of cash balances held in a savings account at a financial institution.

### **4. STATEMENT OF CASH FLOWS**

The financial statements have been prepared based on the cash basis. Therefore a statement of cash flows has not been included with the financial statement as it would provide no additional information.

### **5. RELATED PARTY TRANSACTIONS**

During the year a member of the board was paid \$5,100 (2017 - \$5,000) on a contract basis to manage the station and organize certain fundraising events including, the Down Home Country Christmas craft show. These transactions were approved by the board and were measured at the exchange amount.

