

*PLATFORM: CENTRE FOR PHOTOGRAPHIC
& DIGITAL ARTS INC.*

FINANCIAL STATEMENTS

March 31, 2024





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RYAN J. MARSHALL, CHARTERED PROFESSIONAL ACCOUNTANT INC.
61 GLEN AVENUE ♦ WINNIPEG, MANITOBA ♦ R2M 1V4 ♦ (204) 291-2306 ♦ RYANJMARSHALL@CPAINC.NET

Independent Practitioner's Review Engagement Report

To the Board of Directors,

I have reviewed the accompanying financial statements of **PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.** that comprise the Statement of Financial Position as at March 31, 2024 and the Statements of Operations, Changes in Net Assets and 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.

Practitioner's Responsibility

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me 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, I do not express an audit opinion on these financial statements.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that these financial statements do not present fairly, in all material respects, the financial position of **PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.** as at March 31, 2024, and the results of its operations, changes in net assets and cash flows for the year then ended, in accordance with Canadian accounting standards for not-for-profit organizations.

Other Matter

The financial statements of **PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.** for the year ended March 31, 2023 were prepared by another firm of public accountants.

R Marshall CPA Inc

October 30th, 2024
Winnipeg, Manitoba

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

STATEMENT OF FINANCIAL POSITION

March 31st

2024

2023

ASSETS

CURRENT:

Cash (<i>note 3</i>)	\$ 42,223	\$ 52,250
Accounts receivable (<i>note 4</i>)	1,566	471
Prepaid expenses (<i>note 5</i>)	6,990	5,687
	<u>\$ 50,779</u>	<u>\$ 58,408</u>

LIABILITIES

CURRENT:

Accounts payable and accrued liabilities	\$ 9,750	\$ 7,776
Deferred contributions (<i>note 7</i>)	16,300	925
Deferred revenue – Gallery rentals	-	250
	<u>\$ 26,050</u>	<u>\$ 8,951</u>

NET ASSETS

INTERNALLY RESTRICTED FUND (<i>page 4</i>)	\$ 16,350	\$ 30,000
UNRESTRICTED FUND (<i>page 4</i>)	8,379	19,457
	<u>\$ 24,729</u>	<u>\$ 49,457</u>
	<u>\$ 50,779</u>	<u>\$ 58,408</u>

Approved on behalf of the board:

CR Tenyon: Director

John H: Director

The accompanying notes are an integral part of this Statement

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

STATEMENT OF OPERATIONS

Year ended March 31st

	<u>2024</u>	<u>2023</u>
REVENUE (page 10):		
Earned revenue	\$ 2,694	\$ 2,437
Registration fees	590	465
Ancillary fees	4,275	1,700
Private sector	17,632	15,328
Municipal	26,000	25,063
Provincial	55,475	59,275
Federal	45,000	45,455
	<u>\$ 151,666</u>	<u>\$ 149,723</u>
EXPENSES:		
Salaries and fees (page 11)	\$ 93,664	\$ 85,857
Operating (page 12)	53,224	39,679
Marketing and promotion (page 13)	11,538	3,418
Fundraising and development	10,944	5,585
Ancillary services (page 13)	7,024	3,909
	<u>\$ 176,394</u>	<u>\$ 138,448</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (24,728)</u>	<u>\$ 11,275</u>

The accompanying notes are an integral part of this Statement

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

STATEMENT OF CHANGES IN NET ASSETS

Year ended March 31st

	Unrestricted Fund	Internally Restricted Fund	<u>2024</u>	<u>2023</u>
Fund balances				
- Beginning of year	\$ 19,457	\$ 30,000	\$ 49,457	\$ 38,182
Excess (deficiency) of revenues over expenditures	(24,728)	-	(24,728)	11,275
Interfund transfers	<u>13,650</u>	<u>(13,650)</u>	<u>-</u>	<u>-</u>
Fund balances				
- End of year	<u>\$ 8,379</u>	<u>\$ 16,350</u>	<u>\$ 24,729</u>	<u>\$ 49,457</u>

The accompanying notes are an integral part of this Statement

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

STATEMENT OF CASH FLOWS

Year ended March 31st

	<u>2024</u>	<u>2023</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses (<i>page 3</i>)	\$ (24,728)	\$ 11,275
Net changes in working capital balances		
Accounts receivable	\$ (1,095)	\$ 1,700
Prepaid expenses	(1,303)	(701)
Accounts payable and accrued liabilities	1,974	1,373
Deferred contributions	15,375	(17,638)
Deferred revenue – Gallery rentals	(250)	50
	<u>\$ (10,027)</u>	<u>\$ (3,941)</u>
INCREASE (DECREASE) IN CASH, during the year	\$ (10,027)	\$ (3,941)
CASH, beginning of year	<u>52,250</u>	<u>56,191</u>
CASH, end of year	<u>\$ 42,223</u>	<u>\$ 52,250</u>

The accompanying notes are an integral part of this Statement

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2024

1. FORM AND PURPOSE OF THE ORGANIZATION

Platform: Centre for Photographic & Digital Arts Inc. (formerly named The Floating Gallery Inc.) qualifies for tax exempt status as a registered charity under paragraph 149(1)(f) of the Income Tax Act and was incorporated in 1981 as a corporation without share capital. The gallery is a venue for exhibition, production, and education pertaining to all aspects of photo-based media.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

These financial statements include the following funds:

Internally Restricted Funds – Represents funds available for payment of future salaries and rent in the event of a cash shortfall. Any use of these funds requires explicit approval by the Board of Directors.

Unrestricted Fund – Represents funds available for program delivery and reports on funds available for immediate use.

Revenue Recognition:

The organization follows the deferral method of accounting for contributions. Under this method, restricted contributions are deferred and recognized as revenue in the period 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.

In-kind donations are recorded at fair value at time of receipt.

Ancillary and registration fees are recognized as revenue at the time the service is rendered.

Earned revenue is recognized as revenue at time of transaction.

Use of Estimates in the Preparation of Financial Statements:

Preparation of financial statements in conformity with Canadian accepted accounting principles require management to make estimates and assumptions about future events that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

2. SIGNIFICANT ACCOUNTING POLICIES, continued

Financial Instruments:

It is management's opinion that the organization is not exposed to significant credit, currency, interest, liquidity, market or other price risk.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization is exposed to less than significant credit risk.

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency rates. The organization is not exposed to currency risk as nearly all transactions occur in Canadian currency.

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The organization is exposed to less than significant interest rate risk.

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization has maintained positive working capital that minimizes its exposure to liquidity risk.

Market risk and other price risk are the risks that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. The organization is not exposed to market risk as it has no material assets exposed to market fluctuations.

Management believes these risks are manageable and do not represent a threat to the organization's ability to continue as a going concern.

Capital Assets:

All capital assets are expensed in the year of acquisition. Office and Production equipment purchases charged to operations in the year \$9,579 (2023 - \$604).

3. CASH

Cash consists of the following:

	<u>2024</u>	<u>2023</u>
Chequing account	\$ 10,063	\$ 18,308
Savings (reserve) account	<u>32,160</u>	<u>33,942</u>
	<u>\$ 42,223</u>	<u>\$ 52,250</u>

The organization has established a \$15,000 bank account overdraft which bears interest at 10.20% (2023 - 9.70%) and is unsecured.

4. ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

	<u>2024</u>	<u>2023</u>
Goods and services tax recoverable	\$ 1,021	\$ 339
Sundry	<u>545</u>	<u>132</u>
	<u>\$ 1,566</u>	<u>\$ 471</u>

5. PREPAID EXPENSES

Prepaid expenses consist of the following:

	<u>2024</u>	<u>2023</u>
Prepaid insurance	\$ 1,963	\$ 1,924
Prepaid rent	1,002	1,002
Prepaid other	<u>4,025</u>	<u>2,761</u>
	<u>\$ 6,990</u>	<u>\$ 5,687</u>

6. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following:

	<u>2024</u>	<u>2023</u>
Winnipeg Arts Council – Operating Grant	\$ 1,300	\$ 925
Winnipeg Foundation – Education Coordinator	<u>15,000</u>	<u>-</u>
	<u>\$ 16,300</u>	<u>\$ 925</u>

7. LICENSE AGREEMENT

The premises (including gallery, darkroom and storage) are licensed on an annual basis.

8. ECONOMIC DEPENDENCE

The organization is economically dependent on funding from three levels of government (City of Winnipeg, Province of Manitoba and the Government of Canada) for its continued operations.

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

SCHEDULE OF REVENUE

Year ended March 31st

	<u>2024</u>	<u>2023</u>
EARNED REVENUE:		
Memberships	\$ 1,545	\$ 1,495
Publication sales	105	100
Interest and dividend income	<u>1,044</u>	<u>842</u>
	<u>\$ 2,694</u>	<u>\$ 2,437</u>
REGISTRATION FEES:		
Workshops	<u>\$ 590</u>	<u>\$ 465</u>
ANCILLARY FEES:		
Co-Productions	\$ 2,325	\$ 350
Darkroom rental	1,575	1,290
Gallery rental	<u>375</u>	<u>60</u>
	<u>\$ 4,275</u>	<u>\$ 1,700</u>
PRIVATE SECTOR:		
Donations – corporate/individuals	\$ 2,315	\$ 1,298
Fundraising	6,905	9,161
In-Kind Donations	<u>8,412</u>	<u>4,869</u>
	<u>\$ 17,632</u>	<u>\$ 15,328</u>
MUNICIPAL:		
Winnipeg Arts Council - operating	<u>\$ 26,000</u>	<u>\$ 25,063</u>
PROVINCIAL:		
Manitoba Arts Council - operating	\$ 55,000	\$ 55,000
Manitoba Arts Council – special project	<u>475</u>	<u>4,275</u>
	<u>\$ 55,475</u>	<u>\$ 59,275</u>
FEDERAL:		
Canada Council for the Arts	\$ 45,000	\$ 45,000
Canada Council for the Arts – other	<u>-</u>	<u>455</u>
	<u>\$ 45,000</u>	<u>\$ 45,455</u>

The accompanying notes are an integral part of this Schedule

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

SCHEDULE OF SALARIES AND FEES

Year ended March 31st

	<u>2024</u>	<u>2023</u>
Artist fees	\$ 27,774	\$ 20,050
Operations	65,140	64,792
Production and technical	750	1,015
	<u>\$ 93,664</u>	<u>\$ 85,857</u>

The accompanying notes are an integral part of this Schedule

PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

SCHEDULE OF OPERATING EXPENSES

Year ended March 31st

	<u>2024</u>	<u>2023</u>
PRODUCTION EXPENSES:		
Documentation	\$ 1,400	\$ -
Installation	5,683	673
Production equipment purchases	6,902	406
Travel	6,229	2,946
Shipping	1,535	2,847
	<u>\$ 21,749</u>	<u>\$ 6,872</u>
 ADMINISTRATION EXPENSES:		
Accounting and legal	\$ 6,653	\$ 5,953
Bad debt	-	179
Bank charges and interest	617	362
Equipment purchase	153	198
Hospitality - administrative	54	225
Insurance	3,886	3,816
Internet	854	854
Office supplies	1,931	1,948
Photocopies	-	7
Professional and gallery development	1,859	122
Sundry	200	4,855
Postage	94	94
Rent - gallery	13,731	13,420
Repairs and maintenance	1,058	390
Telephone	384	384
	<u>\$ 31,475</u>	<u>\$ 32,807</u>
	<u>\$ 53,224</u>	<u>\$ 39,679</u>

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PLATFORM: CENTRE FOR PHOTOGRAPHIC & DIGITAL ARTS INC.

SCHEDULE OF MARKETING, PROMOTION AND ANCILLARY SERVICES EXPENSES

Year ended March 31st

	<u>2024</u>	<u>2023</u>
MARKETING AND PROMOTION:		
Design	\$ 6,840	\$ -
Hospitality	1,935	1,995
Publicity	1,236	256
Web development	1,527	1,167
	<u>\$ 11,538</u>	<u>\$ 3,418</u>
 ANCILLARY SERVICES:		
Darkroom	\$ 2,896	\$ 285
Equipment and supplies	-	108
Maintenance	2,673	2,613
Rent	854	484
Utilities	601	419
Workshops	<u>\$ 7,024</u>	<u>\$ 3,909</u>

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