

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Financial Statements

December 31, 2017

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Financial Statements
For the year ended December 31, 2017

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Independent Auditors' Report

To the Members of Women In Film and Television - Toronto Inc.

We have audited the accompanying financial statements of ***Women In Film and Television - Toronto Inc.***, which comprise the statement of financial position as at December 31, 2017, 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.

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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors' judgment, 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 auditors consider internal control relevant to the Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by , as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

Women In Film and Television - Toronto Inc., in common with many not-for-profit organizations, derives revenue from various sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of revenues was limited to the amounts recorded in the records of Women in Film and Television-Toronto Inc. and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, assets and net assets.

Independent Auditors' Report (continued)

Qualified Opinion

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Women in Film and Television-Toronto Inc. as at December 31, 2017 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Toronto, Canada
April 10, 2018

Fruitman Kates LLP
Chartered Professional Accountants
Licensed Public Accountants

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Statement of Financial Position As at December 31, 2017

	2017	2016
Assets		
Current		
Cash	\$ 126,849	\$ 119,756
Short term investments	235,000	150,000
Accounts receivable	35,463	32,066
Prepaid expenses and sundry assets	3,332	3,254
Advances to related entity (note 2)	23,974	7,066
	424,618	312,142
Capital assets (note 3)	8,942	5,089
	\$ 433,560	\$ 317,231

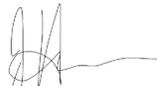
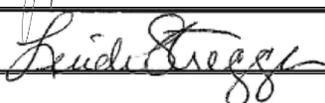
Liabilities and Net Assets

Liabilities

Current

Accounts payable and accrued liabilities	\$ 23,798	\$ 11,835
Deferred revenue (note 4)	148,123	71,200
Government remittances payable	12,283	4,963
	184,204	87,998
Net assets	249,356	229,233
	\$ 433,560	\$ 317,231

Approved on behalf of the board

 <hr style="border: 0.5px solid black;"/>	Director
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WOMEN IN FILM AND TELEVISION - TORONTO INC.

Statement of Operations For the year ended December 31, 2017

	2017	2016
Revenues		
Sponsorships	\$ 259,896	\$ 400,800
Programming and events	135,656	138,754
Government funding	99,000	103,000
Membership	77,483	69,109
	<u>572,035</u>	<u>711,663</u>
Expenditures		
Salaries and benefits	283,738	275,765
Programming and events	162,426	222,456
Occupancy costs	43,059	40,446
Office and general	20,098	19,119
Interest and bank charges	11,810	9,278
Telephone and communications	10,099	10,367
Professional fees	6,190	5,900
Contract services	5,000	3,000
Amortization	5,433	2,661
Insurance	2,847	3,025
Committees and meetings	1,212	1,077
	<u>551,912</u>	<u>593,094</u>
Excess of revenues over expenditures	\$ 20,123	\$ 118,569

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Statement of Changes in Net Assets
For the year ended December 31, 2017

	2017	2016
Net assets, beginning of year	\$ 229,233	\$ 110,664
Excess of revenues over expenditures	20,123	118,569
Net assets, end of year	\$ 249,356	\$ 229,233

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Statement of Cash Flows
For the year ended December 31, 2017

	2017	2016
Cash flows from (used in):		
Operating activities		
Excess of revenues over expenditures	\$ 20,123	\$ 118,569
Adjustment for		
Amortization	5,433	2,661
	25,556	121,230
Change in non-cash working capital items		
Short term investments	(85,000)	(70,000)
Accounts receivable	(3,397)	20,594
Prepaid expenses and sundry assets	(78)	5,386
Advances to related entity	(16,908)	10,753
Accounts payable and accrued liabilities	11,962	4,132
Deferred revenue	76,923	6,980
Government remittances payable	7,320	(22,771)
	16,378	76,304
Investing activity		
Capital assets	(9,285)	(335)
Increase in cash	7,093	75,969
Cash, beginning of year	119,756	43,787
Cash, end of year	\$ 126,849	\$ 119,756

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Notes to Financial Statements
For the year ended December 31, 2017

General

Women in Film and Television-Toronto Inc. (the "Association") was incorporated without share capital under the provisions of the Ontario Corporations Act as a not-for-profit corporation. The Association's principal objective is to promote women in film and television to its membership, without monetary gain.

Pursuant to the Income Tax Act (Canada), the Association is classified as a not-for-profit organization and therefore, is not subject to income tax.

1. Significant accounting policies

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

(a) Revenue recognition

The Association follows the deferral method of accounting for contributions.

Unrestricted contributions are recognized as revenue in the year when they are received or become receivable, are measurable, and collection is reasonably assured.

Restricted contributions are recorded as deferred contributions when received and recognized as revenue when the related expense is incurred.

Sponsorship are recognized as revenue when earned and collection is assured.

Memberships are recognized as revenue over the time period in which the service is provided and collection is reasonably assured.

Income from programming and events are recognized as revenue when the service is provided.

(b) Short term investments

Short term investments consist of guaranteed investment certificates with an initial maturity between three months and one year or less.

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Notes to Financial Statements
For the year ended December 31, 2017

1. Significant accounting policies (continued)

(c) Capital assets

Capital assets are recorded at cost and amortized on a declining balance basis, over their estimated useful lives at the following annual rates:

Computer equipment	55%
Computer software	100%
Furniture and fixtures	20%

(d) Impairment of long-lived assets

The Association tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected undiscounted future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds its fair value.

(e) Contributed services

Members of the Association's board of directors and other contribute their time or services without monetary compensation. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(f) Financial instruments

Measurement of financial instruments

The Association initially measures its financial assets and financial liabilities at fair value and subsequently measures its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash, short term investments, accounts receivable and advances to related entity.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

WOMEN IN FILM AND TELEVISION - TORONTO INC.

Notes to Financial Statements
For the year ended December 31, 2017

1. Significant accounting policies (continued)

(f) Financial instruments (continued)

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in excess of revenues over expenditures. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in excess of revenues over expenditures.

(g) Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

2. Advances to related entity

The advances to the Foundation for Women in Film and Television-Toronto ("Foundation"), related by virtue of common board members, are non-interest bearing and have no fixed terms of repayment.

During the year, the Association received sponsorships of \$29,000 (2016 - \$30,000) from and paid \$43,000 (2016 - \$40,000) occupancy costs to the Foundation. The occupancy cost was a reimbursement of the office rent paid by the Foundation to a non-arm's length party.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

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Notes to Financial Statements
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3. Capital assets

	2017		2016	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 12,985	\$ 4,625	\$ 40,343	\$ 35,512
Computer software	753	377	1,053	1,053
Furniture and fixtures	3,000	2,794	3,000	2,742
	16,738	7,796	44,396	39,307
Net book value	\$ 8,942		\$ 5,089	

4. Deferred revenue

	Balance Beginning of year	Received During year	Recognized as revenue	Balance End of year
Bell Media	\$ -	\$ 60,000	\$ -	\$ 60,000
Corus Entertainment	1,200	20,000	1,200	20,000
Membership	-	89,896	77,483	12,503
NBC Universal	70,000	10,000	35,000	45,000
Program fees	-	64,538	53,918	10,620
	\$ 71,200	\$ 244,434	\$ 167,601	\$ 148,123

5. Banking facilities

The Association has an operating credit facility of \$60,000 which bears interest at bank's prime rate plus 1.55% per annum and is secured by a general security agreement over the assets of the Association. The balance as at December 31, 2017 was \$Nil (2016-\$Nil).

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6. Financial instruments

The Association is exposed to the following risk in respect of certain of the financial instruments held:

Credit risk

Financial instruments that potentially expose the Association to concentrations of credit risk consist primarily of accounts receivable. The Association performs periodic credit evaluations of the financial condition of its members. If necessary, allowances are maintained for potential credit losses consistent with the credit risk of specific members.