

**FOUNDATION FOR WOMEN IN FILM AND TELEVISION-
TORONTO**

Financial Statements
December 31, 2019

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Financial Statements
For the year ended December 31, 2019

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Independent Auditors' Report

To the Directors of Foundation for Women in Film and Television-Toronto

Qualified Opinion

We have audited the financial statements of **Foundation for Women in Film and Television-Toronto**, which comprise the statement of financial position as at December 31, 2019, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements present fairly, in all material respects, the financial position of Foundation for Women in Film and Television-Toronto as at December 31, 2019 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.

Basis for Qualified Opinion

Foundation in Women In Film and Television - Toronto, 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 Foundation Women In Film and Television - Toronto and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenues over expenditures, assets and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Independent Auditors' Report (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- ♦ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Toronto, Canada
May 4, 2020

Fruitman Kates LLP
Chartered Professional Accountants
Licensed Public Accountants

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Statement of Financial Position As at December 31, 2019

	2019	2018
Assets		
Cash	\$ 57,616	\$ 75,124
Accounts receivable	5,760	9,410
Government remittances receivable	2,369	6,160
Prepaid expenses and sundry assets	5,962	5,962
	\$ 71,707	\$ 96,656
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	\$ 2,600	\$ 1,500
Advances from related entity (note 2)	29,370	52,846
	31,970	54,346
Commitment (note 3)		
Net assets	39,737	42,310
	\$ 71,707	\$ 96,656

Approved on behalf of the board

_____ Director

_____ Director

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Statement of Operations For the year ended December 31, 2019

	2019	2018
Revenues		
Donations	\$ 38,556	\$ 44,890
Fundraising	10,565	8,400
	<u>49,121</u>	<u>53,290</u>
Expenditures		
Occupancy costs	49,632	45,503
Education and professional development	44,271	31,880
Professional fees	3,643	2,460
Interest and bank charges	1,666	2,286
	<u>99,212</u>	<u>82,129</u>
Expense recoveries	47,518	43,672
	<u>51,694</u>	<u>38,457</u>
Excess (deficiency) of revenues over expenditures	\$ (2,573)	\$ 14,833

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Statement of Changes in Net Assets For the year ended December 31, 2019

	2019	2018
Net assets, beginning of year	\$ 42,310	\$ 27,477
Excess (deficiency) of revenues over expenditures	(2,573)	14,833
Net assets, end of year	\$ 39,737	\$ 42,310

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Statement of Cash Flows For the year ended December 31, 2019

	2019	2018
Cash flows from (used in):		
Operating activities		
Excess (deficiency) of revenues over expenditures	\$ (2,573)	\$ 14,833
Change in non-cash working capital items		
Accounts receivable	3,650	(288)
Government remittances receivable	3,791	(1,819)
Accounts payable and accrued liabilities	1,100	-
	<u>5,968</u>	<u>12,726</u>
Financing activity		
Advances from related entity	(23,476)	28,872
	<u>(17,508)</u>	<u>41,598</u>
Increase (decrease) in cash	(17,508)	41,598
Cash, beginning of year	75,124	33,526
Cash, end of year	\$ 57,616	\$ 75,124

FOUNDATION FOR WOMEN IN FILM AND TELEVISION-TORONTO

Notes to Financial Statements
For the year ended December 31, 2019

General

The Foundation for Women in Film and Television-Toronto (the "Foundation") was incorporated without share capital as a charitable organization under the provisions of the Corporations Act (Ontario). The Foundation'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 Foundation 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 accounting policies are detailed as follows:

(a) Revenue recognition

The Foundation 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.

(b) Capital assets

Capital assets are expensed in year they are acquired as the Foundation is deemed a small non-profit organization.

(c) Donated material and services

Members of the Foundation's board of directors and other officers donate 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.

Donated materials are not recorded because the fair market value is not readily determinable.

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1. Significant accounting policies (continued)

(d) Financial instruments

Measurement of financial instruments

The Foundation 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 and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and advances from related entity.

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.

(e) 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 financial position date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

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2. Advances from related entity

The advances from Women in Film and Television-Toronto Inc. ("Association"), related by virtue of common board members, are non-interest bearing and have no specific terms of repayment.

During the year, the Foundation provided educational and professional development of approximately \$44,000 (2018 - \$32,000) to, and recovered occupancy costs of \$47,500 (2018- \$43,500) from the Association. The occupancy cost was a reimbursement of the office rent paid by the Foundation to an 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.

3. Commitment

The Foundation has entered into a lease for premises expiring October 31, 2024.

The approximate future minimum annual lease payments are approximately as follows:

2020	\$	50,000
2021		50,000
2022		50,000
2023		50,000
2024		50,000

4. Financial instruments

It's management's opinion that the Foundation has no material risks associated with its financial instruments.