

GOLDEN DISTRICT ARTS COUNCIL

Financial Statements

Year Ended May 31, 2007

(Unaudited)

GOLDEN DISTRICT ARTS COUNCIL

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Year Ended May 31, 2007

(Unaudited)

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KM Cox & Company

Certified General Accountant
Box 1140, Golden, BC
V0A 1H0

OFFICE:

509 Main Street
Bus 250-344-5277
Fax 250-344-2705

REVIEW ENGAGEMENT REPORT

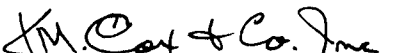
To the Members of Golden District Arts Council

I have reviewed the balance sheet of Golden District Arts Council as at May 31, 2007 and the statements of loss, fund balances and cash flow for the year then ended. My review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the society.

A review does not constitute an audit and consequently I do not express an audit opinion on these financial statements.

Based on my review, nothing has come to my attention that causes me to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Golden, British Columbia
August 7, 2007


KM COX & COMPANY INC.
CERTIFIED GENERAL ACCOUNTANT

GOLDEN DISTRICT ARTS COUNCIL

Balance Sheet

May 31, 2007

(Unaudited)

	2007	2006
ASSETS		
CURRENT		
Cash	\$ 15,585	\$ 28,558
Accounts receivable	1,300	5,600
Inventory (Note 2)	523	807
	<u>17,408</u>	34,965
EQUIPMENT (Note 2, 3)	3,944	3,382
	<u>\$ 21,352</u>	<u>\$ 38,347</u>
LIABILITIES AND MEMBERS' EQUITY		
CURRENT		
Accounts payable	\$ 2,199	\$ 7,417
Wages payable	1,513	(840)
Employee deductions payable	1,741	-
Deferred income (Note 4, 5)	1,463	6,488
	<u>6,916</u>	13,065
FUND BALANCES (Note 4)	14,436	25,282
	<u>\$ 21,352</u>	<u>\$ 38,347</u>

ON BEHALF OF THE BOARD

Director

Director

KM Cox & Company Inc.

GOLDEN DISTRICT ARTS COUNCIL

Statement of Loss

Year Ended May 31, 2007

(Unaudited)

	2007	2006
REVENUE		
Ice Kicks	\$ 998	\$ 839
Eye Kicks	7,265	104
Gift Kicks	5,089	4,972
Donations & sponsors	15,050	6,413
Grants	124,764	63,675
Membership fees	5,318	884
Live Kicks	31,504	30,431
	<u>189,988</u>	<u>107,318</u>
EXPENSES		
Board expenses	1,420	2,226
Community partner support	6,912	1,316
Amortization	1,314	651
Live Kicks	57,428	41,207
Ice Kicks	14,213	4,756
General & administration	1,596	1,015
CKCA Program 1	5,935	5,013
Eye Kicks	13,963	4,759
Insurance	1,020	720
Interest and bank charges	656	15
Gift Kicks	1,816	693
Advertising & promotion - non program	5,093	2,218
Office supplies	3,026	1,381
Professional fees	6,572	1,104
Rent	8,107	3,722
Salaries and wages	69,559	19,525
Telephone	1,987	1,242
Utilities	217	-
	<u>200,834</u>	<u>91,563</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (10,846)	\$ 15,755

GOLDEN DISTRICT ARTS COUNCIL

Statement of Fund Balances

Year Ended May 31, 2007

(Unaudited)

	<u>2007</u>	<u>2006</u>
FUND BALANCES - BEGINNING OF YEAR	\$ 25,282	\$ 9,254
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>(10,846)</u>	15,755
	39,720	34,536
PRIOR PERIOD ADJUSTMENTS	<u>-</u>	273
FUND BALANCES - END OF YEAR	<u>\$ 14,436</u>	<u>\$ 25,282</u>

GOLDEN DISTRICT ARTS COUNCIL

Statement of Cash Flow

Year Ended May 31, 2007

(Unaudited)

	<u>2007</u>	<u>2006</u>
OPERATING ACTIVITIES		
Net income (loss)	\$ (10,846)	\$ 15,755
Items not affecting cash:		
Amortization	1,314	651
Prior year's adjustments	-	273
	<u>(9,532)</u>	16,679
Changes in non-cash working capital:		
Inventory	284	1,034
Accounts payable	(5,218)	7,057
Deferred income	(5,025)	(3,300)
Wages payable	2,353	(840)
Employee deductions payable	1,741	-
Accounts receivable	<u>4,300</u>	<u>(5,400)</u>
Cash flow from (used by) operating activities	<u>(11,097)</u>	15,230
INVESTING ACTIVITY		
Purchase of equipment	<u>(1,876)</u>	(3,723)
Cash flow used by investing activity	<u>(1,876)</u>	(3,723)
INCREASE (DECREASE) IN CASH FLOW	(12,973)	11,507
CASH-BEGINNING OF PERIOD	<u>28,558</u>	17,051
CASH-END OF PERIOD	<u>\$ 15,585</u>	<u>\$ 28,558</u>

GOLDEN DISTRICT ARTS COUNCIL

Notes to Financial Statements

Year Ended May 31, 2007

(Unaudited)

1. PURPOSE OF ORGANIZATION

The Golden District Arts Council is organized as a society and has been dedicated to enriching community life for the community of Golden, British Columbia since 1970.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Inventory

Inventory is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis.

Equipment

Equipment is stated at cost less accumulated amortization. They are amortized over their estimated useful lives at the following rates and methods:

Equipment	4 years	straight-line method
Computer equipment	4 years	straight-line method

3. EQUIPMENT

	Cost	Accumulated amortization	2007 Net book value	2006 Net book value
Equipment	\$ 1,192	\$ 298	\$ 894	\$ -
Computer equipment	7,387	4,337	3,050	3,382
	<u>\$ 8,579</u>	<u>\$ 4,635</u>	<u>\$ 3,944</u>	<u>\$ 3,382</u>

4. FUND ACCOUNTING AND REVENUE RECOGNITION

The Council follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collections is reasonably assured.

5. DEFFERED INCOME

Artspod Board Development Grant in the amount of \$1,464. The board expects these funds to be expended within the next fiscal year.

GOLDEN DISTRICT ARTS COUNCIL

Notes to Financial Statements

Year Ended May 31, 2007

(Unaudited)

6. DONATED GOODS AND SERVICES

The Council records the value of donated goods and services when a fair value can be reasonably estimated.

7. FINANCIAL INSTRUMENTS

The Society's financial instruments consist of cash, accounts receivable, inventory, accounts payable, wages payable, employee deductions payable and deferred income. Unless otherwise noted, it is management's opinion that the Society is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

8. CONTRACTUAL OBLIGATIONS

The society has entered into a general services agreement with The Golden and Area Community Economic Development Society, at an all-inclusive fixed price of \$60,000. The society must provide the delivery of cultural services as outlined in this agreement to obtain the full amount of fees by May 31, 2008.

9. SOURCES OF FUNDING

Under a General Services Agreement between the society and the Golden and Area Community Economic Development Society, the society received \$60,000 in funding to provide the delivery of cultural services to the community of Golden during the year. This agreement has been renewed for the 2007/08 fiscal year.

10. COMPARATIVE FIGURES

Comparative figures have been restated where applicable in order to conform to presentation used in the current year. The prior year financial statement was audited by KM Cox & Company Inc. at the request of the society's board of director's.
