

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**  
*(Operating as PRISMA)*  
**Financial Statements**  
**Year Ended September 30, 2018**  
*(Unaudited - See Notice To Reader)*

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**

***(Operating as PRISMA)***

**Index to Financial Statements**

**Year Ended September 30, 2018**

*(Unaudited - See Notice To Reader)*

---

	Page
NOTICE TO READER	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Expenses <i>(Schedule 1)</i>	4
In-Kind Revenues and Expenses <i>(Schedule 2)</i>	5
Statement of Changes in Net Assets	6
Notes to Financial Statements	7 - 9



\*incorporated professionals  
Kelvin Reid Inc.  
Amanda Hunter Inc.

Suite D, 7061 Duncan Street, Powell River, BC V8A 1W1  
Telephone (604) 485-9790  
Fax (604) 485-4787

---

## NOTICE TO READER

---

On the basis of information provided by management, we have compiled the statement of financial position of Pacific Region International Summer Music Academy Association, (Operating as PRISMA) as at September 30, 2018 and the statements of operations and changes in net assets for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

A handwritten signature in blue ink that reads 'REID HUNTER'. The signature is written in a cursive style with a large 'R' and 'H'.

Powell River, British Columbia  
December 24, 2018

REID HUNTER  
CHARTERED PROFESSIONAL ACCOUNTANTS

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**

*(Operating as PRISMA)*


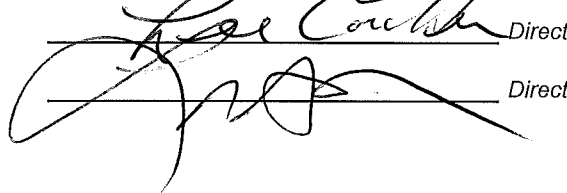
**Statement of Financial Position**

**September 30, 2018**

*(Unaudited - See Notice To Reader)*

	2018	2017 (Note 3)
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 56,529	\$ 57,878
Restricted cash (Note 4)	32,552	45,514
Accounts receivable	-	3,862
Goods and services tax recoverable	4,682	4,427
Prepaid expenses	5,362	775
	<u>99,125</u>	<u>112,456</u>
EQUIPMENT (Note 5)	<u>26,263</u>	<u>25,965</u>
	<u>\$ 125,388</u>	<u>\$ 138,421</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT</b>		
Accounts payable	\$ 9,248	\$ 6,077
Employee deductions payable	478	4,080
	<u>9,726</u>	<u>10,157</u>
<b>NET ASSETS</b>		
General fund	83,110	82,750
Restricted fund (Notes 3, 6)	7,500	20,000
BC Community Gaming fund	25,052	25,514
	<u>115,662</u>	<u>128,264</u>
	<u>\$ 125,388</u>	<u>\$ 138,421</u>

ON BEHALF OF THE BOARD

 Director / Treasurer  
 Director / Vice-President

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**  
*(Operating as PRISMA)*  
**Statement of Operations**  
**Year Ended September 30, 2018**  
*(Unaudited - See Notice To Reader)*

	General Fund	Restricted		2018	2017
		Restricted Fund	BCC Gaming Fund		
<b>REVENUE</b>					
Fees	\$ 125,704	\$ -	\$ -	<b>\$ 125,704</b>	\$ 102,306
Donations	136,787	-	-	<b>136,787</b>	165,295
Tickets and programs	75,869	-	-	<b>75,869</b>	75,627
Government grants <i>(Note 7)</i>	91,550	-	25,000	<b>116,550</b>	109,373
Fundraising	3,649	-	-	<b>3,649</b>	11,422
Concessions and merchandise	6,240	-	-	<b>6,240</b>	6,048
Wage subsidy	-	-	-	-	4,364
Interest	-	-	8	<b>8</b>	15
In-Kind <i>(Schedule 2)</i>	109,481	-	-	<b>109,481</b>	121,785
	<u>549,280</u>	<u>-</u>	<u>25,008</u>	<b><u>574,288</u></b>	<u>596,235</u>
<b>EXPENSES <i>(Schedule 1)</i></b>	561,420	-	25,470	<b>586,890</b>	551,174
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES FROM OPERATIONS</b>	<b>\$ (12,140)</b>	<b>\$ -</b>	<b>\$ (462)</b>	<b>\$ (12,602)</b>	<b>\$ 45,061</b>
<b>OTHER INCOME</b>					
Dividend income	-	-	-	-	564
Gain on disposal of investments	-	-	-	-	36
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600</u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>\$ (12,140)</b>	<b>\$ -</b>	<b>\$ (462)</b>	<b>\$ (12,602)</b>	<b>\$ 45,661</b>

The accompanying notes are a part of these financial statements

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**  
**(Operating as PRISMA)**

**Expenses**

**(Schedule 1)**

**Year Ended September 30, 2018**

*(Unaudited - See Notice To Reader)*

	General Fund	Restricted		2018	2017
		Restricted Fund	BCC Gaming Fund		
<b>EXPENSES</b>					
Advertising and promotion	\$ 31,759	\$ -	\$ 3,037	\$ <b>34,796</b>	\$ 33,158
Amortization	6,872	-	-	<b>6,872</b>	4,788
Bank charges	305	-	41	<b>346</b>	491
Business taxes, licenses, memberships	1,326	-	-	<b>1,326</b>	945
Credit card charges	13,670	-	-	<b>13,670</b>	14,189
Donations	2,000	-	-	<b>2,000</b>	-
Equipment rentals	2,670	-	-	<b>2,670</b>	7,115
Exchange gain (loss)	(2,214)	-	-	<b>(2,214)</b>	(2,355)
Festival catering	10,222	-	-	<b>10,222</b>	11,038
Fundraising	3,073	-	-	<b>3,073</b>	2,325
Guest artists	88,826	-	8,558	<b>97,384</b>	109,877
Insurance	3,317	-	150	<b>3,467</b>	2,098
Master conductors	16,796	-	-	<b>16,796</b>	13,238
Merchandise	2,262	-	-	<b>2,262</b>	2,191
Office and supplies	5,695	-	1,098	<b>6,793</b>	7,617
Professional fees	402	-	1,950	<b>2,352</b>	3,603
Rent	4,534	-	1,050	<b>5,584</b>	3,291
Repairs and maintenance	281	-	-	<b>281</b>	767
Salaries and wages	90,215	-	1,274	<b>91,489</b>	75,060
Student related expenses	89,096	-	-	<b>89,096</b>	70,904
Sub-contractors	55,893	-	5,930	<b>61,823</b>	38,133
Technical and ticketing	7,399	-	1,545	<b>8,944</b>	11,872
Telephone	2,065	-	157	<b>2,222</b>	1,641
Travel	7,208	-	680	<b>7,888</b>	8,203
Volunteer related expenses	8,267	-	-	<b>8,267</b>	9,200
In-Kind (Schedule 2)	109,481	-	-	<b>109,481</b>	121,785
	<b>\$ 561,420</b>	<b>\$ -</b>	<b>\$ 25,470</b>	<b>\$ 586,890</b>	<b>\$ 551,174</b>

The accompanying notes are a part of these financial statements

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**

**(Operating as PRISMA)**

**In-Kind Revenues and Expenses**

**(Schedule 2)**

**Year Ended September 30, 2018**

*(Unaudited - See Notice To Reader)*

	2018	2017
<b>REVENUE</b>		
Facilities and transportation in kind	\$ 27,655	\$ 33,053
Corporate donations in kind	81,080	88,040
Private donations in kind	746	692
	<u>109,481</u>	<u>121,785</u>
<b>EXPENSES</b>		
Accounting	1,000	-
Advertising	16,608	16,650
Catering	2,286	6,516
Freight	-	1,000
Fundraising	2,075	-
Equipment rental	1,000	-
Instrument rental	1,000	-
Merchandise	-	1,920
Office	1,700	12,846
Rental facilities	42,375	30,735
Services	-	7,250
Student accommodation and transportation	27,836	27,388
Supplies	560	2,000
Technical	-	2,318
Travel	13,041	13,162
	<u>109,481</u>	<u>121,785</u>
	<u>\$ -</u>	<u>\$ -</u>

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**  
*(Operating as PRISMA)*  
**Statement of Change in Net Assets**  
**Year Ended September 30, 2018**  
*(Unaudited - See Notice To Reader)*

	General Fund	Restricted		2018	2017
		Restricted Fund	BCC Gaming Fund		
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 82,750	\$ 20,000	\$ 25,514	<b>\$ 128,264</b>	\$ 82,603
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(12,140)	-	(462)	<b>(12,602)</b>	45,661
INTERFUND TRANSFERS	12,500	(12,500)		-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 83,110</b>	<b>\$ 7,500</b>	<b>\$ 25,052</b>	<b>\$ 115,662</b>	<b>\$ 128,264</b>

The accompanying notes are a part of these financial statements



# PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION

*(Operating as PRISMA)*

## Notes to Financial Statements

Year Ended September 30, 2018

*(Unaudited - See Notice To Reader)*

---

### 1. PURPOSE OF THE ASSOCIATION

Pacific Region International Summer Music Academy Association (the "Association") was incorporated provincially under the Society Act of British Columbia on October 29, 2012. As a non-profit organization the association is exempt from the payment of income tax under Section 149(1) of the Income Tax Act. Accordingly, no provision for income taxes has been recognized in these financial statements. The Association is also a registered charity.

The purposes of the Association are: To advance education by establishing and operating a music academy; to educate and advance knowledge or abilities of students and to increase the public's appreciation of music by providing courses, seminars, recitals and workshops; and to operate an arts festival involving symphonic, orchestral, opera and classical music performances.

---

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Contributed services

Volunteers contribute a significant amount of their time each year. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements.

#### Equipment

Equipment is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a declining balance basis at the following rates and methods:

Computer equipment	30%
Equipment	30%
Furniture and fixtures	20%

Property and equipment acquired during the year is amortized at half the annual rate.

---

### 3. PRIOR PERIOD ADJUSTMENT

The Association's financial statements for the year ended September 30, 2018 have been retrospectively adjusted to correct the presentation of funds paid to the Royal Bank Endowment Fund. Upon further investigation management has determined that these funds were in fact a donation to the Endowment Fund, and are no longer controlled by the Association. Accordingly, the 2017 financial statements Restricted funds have been decreased to the amount of the Scholarship fund (See Note 6), and the Marketable securities have been written down to nil.

---

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**

*(Operating as PRISMA)*

**Notes to Financial Statements**

**Year Ended September 30, 2018**

*(Unaudited - See Notice To Reader)*

4. RESTRICTED CASH

BC Community Gaming accounts held with First Credit Union

Chequing	\$ 42	\$ 512
Savings	<u>25,010</u>	<u>25,002</u>
	<u>25,052</u>	<u>25,514</u>
Scholarships	<u>7,500</u>	<u>20,000</u>
Grand total	<u>\$ 32,552</u>	<u>\$ 45,514</u>

5. EQUIPMENT

	2018		2017	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 6,365	\$ 921	\$ 1,803	\$ 870
Equipment	12,272	8,694	12,272	7,161
Furniture and fixtures	27,535	10,294	24,928	5,007
	<u>\$ 46,172</u>	<u>\$ 19,909</u>	<u>\$ 39,003</u>	<u>\$ 13,038</u>
Net book value	<u>\$ 26,263</u>		<u>\$ 25,965</u>	

6. RESTRICTED FUND

The Restricted Fund represents amounts set aside by the Association for future specific purposes and are summarized as follows:

	2018	2017
Scholarships	\$ -	\$ -
	<u>7,500</u>	<u>20,000</u>
	<u>\$ 7,500</u>	<u>\$ 20,000</u>

**PACIFIC REGION INTERNATIONAL SUMMER MUSIC ACADEMY ASSOCIATION**

***(Operating as PRISMA)***

**Notes to Financial Statements**

**Year Ended September 30, 2018**

*(Unaudited - See Notice To Reader)*

---

7. GOVERNMENT GRANTS

	<u>2018</u>	<u>2017</u>
<u>Government grants</u>		
BC Art Council	\$ 51,550	\$ 20,000
BC Community Gaming	25,000	25,000
City of Powell River	15,000	20,000
Community Forest	-	19,373
Regional District of Powell River	20,000	20,000
Tla'amin Nations	5,000	5,000
	<u>\$ 116,550</u>	<u>\$ 109,373</u>

---