

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE**

Financial Statements

June 30, 2022

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE**

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Amstutz Inc.
Comptables Professionnels Agréés
INDEPENDENT AUDITORS' REPORT

To the Members of
THÉÂTRE TEESRI DUNIYA/TEESRI DUNIYA THEATRE

Qualified Opinion - We have audited the financial statements of THÉÂTRE TEESRI DUNIYA/TEESRI DUNIYA THEATRE (the Entity), which comprise the statement of financial position as at June 30, 2022, 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 possible effects of the matter described in the "*Basis for Qualified Opinion*" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2022, 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 - In common with many not-for-profit organizations, the Entity derives revenue from fundraising activities the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Entity. Therefore, we were not able to determine whether any adjustments might be necessary to fundraising revenue, excess of revenues over expenses, and cash flows from operations for the years ended June 30, 2022 and 2021, current assets as at June 30, 2022 and 2021, and net assets as at July 1 and June 30 for both 2022 and 2021 years. Our audit opinion on the financial statements for the year ended June 30, 2021 was modified accordingly because of the possible effects of this limitation in scope.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Financial Statements*" section of our report. We are independent of the Entity 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 audit 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Entity 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.



By: R. Amstutz, CPA auditor
November 22, 2022
Montreal, Quebec
Permit No: A105202

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
STATEMENT OF FINANCIAL POSITION
as at June 30, 2022**

	<u>2 0 2 2</u>	<u>2 0 2 1</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 336,927	\$ 385,974
Accounts receivable (Note 3)	125,922	4,043
Prepaid expenses	<u>28,289</u>	<u>4,497</u>
	<u>\$ 491,138</u>	<u>\$ 394,514</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued charges (Note 5)	\$ 25,459	\$ 16,840
Deferred contributions (Note 6)	<u>310,333</u>	<u>230,912</u>
	<u>335,792</u>	<u>247,752</u>
NET ASSETS		
Internally restricted funds (Note 7)	20,000	20,000
Unrestricted	<u>135,346</u>	<u>126,762</u>
	<u>155,346</u>	<u>146,762</u>
	<u>\$ 491,138</u>	<u>\$ 394,514</u>

ON BEHALF OF THE BOARD

Aduanne PiggottDirector

Jusid HantsDirector

The accompanying notes form an integral part of the financial statements.

**THÉÂTRE TEESRI DUNIYA/
 TEESRI DUNIYA THEATRE
 STATEMENT OF CHANGES IN NET ASSETS
 as at June 30, 2022**

			<u>2 0 2 2</u>	<u>2 0 2 1</u>
	Internally restricted funds (Note 7)	Un- restricted	<u>Total</u>	<u>Total</u>
Balance, beginning of year	\$ 20,000	\$ 126,762	\$ 146,762	\$ 136,658
Excess of revenues over expenses	<u>-</u>	<u>8,584</u>	<u>8,584</u>	<u>10,104</u>
Balance, end of year	\$ <u>20,000</u>	\$ <u>135,346</u>	\$ <u>155,346</u>	\$ <u>146,762</u>

The accompanying notes form an integral part of the financial statements.

THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
STATEMENT OF OPERATIONS
year ended June 30, 2022

	<u>2 0 2 2</u>	<u>2 0 2 1</u>
REVENUES (APPENDIX A)		
Government contributions (operating)	\$ 110,000	\$ 110,000
Production and publication projects	98,765	96,163
Earned revenues	5,372	-
Fundraising	78,003	23,672
Investment income	<u>1,043</u>	<u>967</u>
	<u>293,183</u>	<u>230,802</u>
EXPENSES (APPENDIX B)		
Administration	93,555	93,348
Theatrical Production	187,515	116,715
Publication Project	-	2,580
Marketing	<u>3,529</u>	<u>8,055</u>
	<u>284,599</u>	<u>220,698</u>
EXCESS OF REVENUES OVER EXPENSES	\$ <u>8,584</u>	\$ <u>10,104</u>

The accompanying notes form an integral part of the financial statements.

THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
STATEMENT OF CASH FLOWS
year ended June 30, 2022

	<u>2 0 2 2</u>	<u>2 0 2 1</u>
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 8,584	\$ 10,104
Changes in non cash operating working capital		
Accounts receivable	(121,879)	33,557
Prepaid expenses	(23,792)	(192)
Accounts payable and accrued charges	8,619	2,357
Deferred contributions	<u>79,421</u>	<u>(16,880)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(49,047)	28,946
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>385,974</u>	<u>357,028</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ <u>336,927</u>	\$ <u>385,974</u>

Cash and cash equivalents are comprised of cash.

The accompanying notes form an integral part of the financial statements

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
NOTES TO THE FINANCIAL STATEMENTS
as at June 30, 2022**

1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES

The organization is incorporated under Part III of the Québec Companies Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

The organization strives for a stage that fosters critical thinking, connects communities, reflects our country and invites social-action. The organization has a demonstrated commitment to giving voice to Quebecers of Asian, African, Middle Eastern, Latino, mixed-race, First Nations and European origin and create cross-cultural bridges. The organization has a demonstrated commitment to give agency to women of all cultures and age groups.

The organization's plays are situated at the intersection of culture, class and gender while always remaining rooted in concerns of social justice and secularism.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Accounting estimates

The preparation of financial statements in conformity with Canadian accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from these estimates.

Revenue recognition

The organization follows the deferral method of accounting for contributions. Restricted contributions related to general operations 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 to be received can be reasonably estimated and collection is reasonably assured.

Self-financing

Revenues from self-financing activities are recognized when the services are rendered or when the events have taken place.

Cash and cash equivalents

The organization's policy is to disclose cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
NOTES TO THE FINANCIAL STATEMENTS
as at June 30, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Financial instruments

The organization initially measures its financial assets and financial liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at cost or amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable. Financial liabilities measured at amortized cost include the the accounts payable and accrued charges.

3. ACCOUNTS RECEIVABLE	<u>2 0 2 2</u>	<u>2 0 2 1</u>
Grants receivable	\$ 121,077	\$ 1,650
Sales taxes receivable	3,345	2,393
Other	<u>1,500</u>	<u>-</u>
	\$ <u>125,922</u>	\$ <u>4,043</u>

4. LINE OF CREDIT

The organization has an approved bank line of credit in the amount of \$20,000 bearing interest at the rate of 9.20%.

The organization also has the use of credit facilities on a credit card totalling \$2,500 which bears interest at the rate of 9.20% per annum.

5. ACCOUNTS PAYABLE AND ACCRUED CHARGES	<u>2 0 2 2</u>	<u>2 0 2 1</u>
Accounts payable and accrued charges	\$ 13,290	\$ 9,033
Salaries and vacations payable	6,302	4,934
Government remittances	<u>5,816</u>	<u>2,873</u>
	\$ <u>25,408</u>	\$ <u>16,840</u>

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
NOTES TO THE FINANCIAL STATEMENTS
as at June 30, 2022**

6. DEFERRED CONTRIBUTIONS

	<u>Balance June 30, 2 0 2 1</u>	<u>Received during the year</u>	<u>Used during the year</u>	<u>Balance June 30, 2 0 2 2</u>
Canada Council for the Arts:				
Operating Projects	\$ - 21,000	\$ 110,000 24,650	\$ 110,000 23,650	\$ - 22,000
Conseil des arts et des lettres du Québec	-	80,000	20,985	59,015
CAM (Project)	18,250	236	18,486	-
Canadian Heritage Ministère de la Culture et des Communications	40,100 43,991	80,371 -	15,644 -	104,827 43,991
RBC Foundation	16,930	-	16,930	-
Cole Foundation	42,500	-	23,000	19,500
The Council for Business and the Arts in Canada	8,141	-	8,141	-
TD Bank Group	30,000	30,000	-	60,000
Brian Bronfman Family Foundation	<u>10,000</u>	<u>7,500</u>	<u>16,500</u>	<u>1,000</u>
	<u>\$ 230,912</u>	<u>\$ 332,757</u>	<u>\$ 253,336</u>	<u>\$ 310,333</u>

7. INTERNALLY RESTRICTED FUNDS

The board of directors internally restricted resources amounting to \$20,000. This amount is to be used for community events and fundraising.

These internally restricted amounts are not available for other purposes without prior approval of the board of directors.

8. FINANCIAL INSTRUMENTS

Risks and concentrations

The organization is exposed to various risks through its financial instruments. The following analysis provides a measure of the organization's risk exposure and concentrations at the balance sheet date, i.e. June 30, 2022.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued charges.

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
REVENUES
year ended June 30, 2022**

APPENDIX A

	<u>2 0 2 2</u>	<u>2 0 2 1</u>
Government contributions		
Canada Council for the Arts		
Operating	\$ <u>110,000</u>	\$ <u>110,000</u>
	<u>110,000</u>	<u>110,000</u>
Production and publication projects		
Canada Council for the Arts		
Projects	23,650	17,446
Conseil des arts et des lettres du Québec	20,985	30,000
Official languages	20,000	7,148
Conseil des arts de Montréal	18,486	14,914
Canadian Heritage	15,644	14,130
Emploi Québec	-	8,483
Canada CEWS	-	4,042
	<u>98,765</u>	<u>96,163</u>
Earned revenues		
Box office and community projects	<u>5,372</u>	<u>-</u>
	<u>5,372</u>	<u>-</u>
Fundraising		
Fundraising and donations	<u>78,003</u>	<u>23,672</u>
	<u>78,003</u>	<u>23,672</u>
Investment income		
Interest and miscellaneous	<u>1,043</u>	<u>967</u>
	<u>1,043</u>	<u>967</u>
Total revenues	\$ <u><u>293,183</u></u>	\$ <u><u>230,802</u></u>

**THÉÂTRE TEESRI DUNIYA/
TEESRI DUNIYA THEATRE
EXPENSES**
year ended June 30, 2022

APPENDIX B

	<u>2 0 2 2</u>	<u>2 0 2 1</u>
Administration		
Salaries, fees and fringe benefits	\$ 58,700	\$ 56,482
Rent	12,530	13,112
Professional and consulting fees	10,544	9,090
Other office costs	3,504	3,249
Insurance	2,980	2,688
Telecommunication	2,172	2,566
Research material and publicity	974	871
Supplies	736	903
Interest and bank charges	627	526
Utilities	543	485
Membership fees	245	305
Training	-	<u>3,071</u>
	<u>93,555</u>	<u>93,348</u>
Theatrical Production		
Artistic and production personnel	136,587	69,591
Salaries, fees and fringe benefits	26,143	39,728
Honorarium	11,883	6,288
Performance space rental	5,734	-
Rehearsal space rental	4,099	-
Other	930	-
Running costs	786	640
Costumes, props and sets	785	-
Transportation	368	468
Community events	<u>200</u>	<u>-</u>
	<u>187,515</u>	<u>116,715</u>
Publication Project		
Editor	<u>-</u>	<u>2,580</u>
	<u>-</u>	<u>2,580</u>
Marketing		
Publicist	2,000	-
Videography and photography	787	3,441
Website management	431	2,283
Advertising and advertising materials	224	750
Fundraiser	87	-
Translation	-	1,522
Postage and courier	<u>-</u>	<u>59</u>
	<u>3,529</u>	<u>8,055</u>
Total expenses	<u>\$ 284,548</u>	<u>\$ 220,698</u>