

JUMBLIES THEATRE

FINANCIAL STATEMENTS

JUNE 30, 2009

Marinucci & Company
Chartered Accountants

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AUDITORS' REPORT

To the Directors of
Jumbies Theatre

We have audited the statement of financial position of **Jumbies Theatre** as at June 30, 2009 and the statement of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the organization's management. 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 plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at June 30, 2009 and the results of its operations, changes in net assets and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
October 18, 2009

Marinucci & Company

Chartered Accountants
Licensed Public Accountants

JUMBLIES THEATRE

Statement of Financial Position as at June 30, 2009

	2009	2008
CURRENT ASSETS		
Cash and term deposits (Note 4)	\$ 72,870	\$ 98,074
Amounts receivable	11,228	26,920
Goods and services tax recoverable	<u>1,622</u>	<u>3,892</u>
	<u>\$ 85,720</u>	<u>\$ 128,876</u>
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 6,104	\$ 13,655
Deferred revenues (Note 5)	<u>55,791</u>	<u>102,000</u>
	<u>61,895</u>	<u>115,655</u>
NET ASSETS		
Accumulated surplus	<u>23,825</u>	<u>13,221</u>
	<u>\$ 85,720</u>	<u>\$ 128,876</u>

Approved by the Board *R. Gato* Director

A. Borkhardt Director

See accompanying Notes to Financial Statements

JUMBLIES THEATRE**Statement of Operations and Changes in Net Assets**

For the year ended June 30, 2009

	2009	2008
REVENUES		
<i>Earned:</i>		
Box office, sales, consultancy, workshops and classes	\$ 19,807	\$ 8,041
Contracts (Note 7)	89,934	80,756
Interest	1,256	1,808
Rental	200	3,720
In kind contributions (Note 8)	<u>54,121</u>	<u>55,670</u>
	<u>165,318</u>	<u>150,195</u>
<i>Private sector:</i>		
Individual donations and fundraising	2,022	5,412
Foundations	<u>116,875</u>	<u>75,000</u>
	<u>118,897</u>	<u>80,412</u>
Government funding (Note 6)	<u>206,789</u>	<u>168,502</u>
Total revenues	<u>492,800</u>	<u>479,109</u>
EXPENSES		
<i>Artistic (Note 8):</i>		
Artists' fees	97,264	54,894
Artistic salaries	144,358	146,655
Production and technical salaries and fees	28,265	9,674
Production costs	51,585	51,205
Professional development, documentation and education	19,303	13,749
Other	<u>22,359</u>	<u>27,477</u>
	<u>363,144</u>	<u>303,644</u>
<i>Operating (Note 8):</i>		
Administration salaries and fees	75,538	119,320
Rent	12,676	11,666
Fundraising and development	3,682	3,905
Office and administration	<u>27,198</u>	<u>25,232</u>
	<u>119,094</u>	<u>160,123</u>
Total expenses	<u>482,198</u>	<u>464,127</u>
EXCESS OF REVENUES OVER EXPENSES	10,604	14,982
ACCUMULATED SURPLUS (DEFICIT), Beginning of year	<u>13,221</u>	<u>(1,761)</u>
ACCUMULATED SURPLUS, End of year	<u>\$ 23,825</u>	<u>\$ 13,221</u>

See accompanying Notes to Financial Statements

JUMBLIES THEATRE

Notes to Financial Statements

June 30, 2009

1. ORGANIZATION AND OPERATIONS

Jumbles Theatre was incorporated without share capital on February 21, 2001 as a not-for-profit organization under the laws of the Province of Ontario. Its purpose is to produce and promote local neighbourhood theatre. Jumbles Theatre is a registered charity and, as such, is exempt from income taxes under the Income Tax Act (Canada).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representation of management and have been prepared in accordance with Canadian generally accepted accounting principles.

Revenue recognition:

The organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenues when received or receivable, provided that contributions receivable can be reasonably estimated and collection is reasonably assured. Restricted contributions, including grants, are recognized as revenues in the year in which the related expenses are incurred.

Contract and other earned revenues are recognized when the services have been rendered.

Capital expenditures:

Expenditures on capital assets, such as furniture and computer equipment, are expensed in the year of acquisition.

Donations in kind:

Revenues from donations in kind and their corresponding expenses are recognized in the accounts when a fair value can be reasonably and independently determined.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Statement of cash flows:

A statement of cash flows has not been presented as it would not provide additional meaningful information.

Comparative figures

Certain 2008 comparative figures have been reclassified to conform with 2009 presentation.

JUMBLIES THEATRE

Notes to Financial Statements

June 30, 2009

3. FINANCIAL INSTRUMENTS

The carrying value of the organization's financial instruments, which consist of cash and term deposits, amounts receivable, and accounts payable and accrued expenses approximate their fair value due to the relatively short term to maturity of those instruments.

It is management's opinion that the organization is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

4. CREDIT FACILITIES

Cash and term deposits includes \$4,265 in term deposits held as security for credit card facilities.

5. DEFERRED REVENUES

Deferred revenues at June 30 consist of the following:

	2009	2008
Private sector	\$ 12,565	\$ 14,000
Canada Council	23,900	23,000
Ontario Arts Foundation	-	15,000
Ontario Trillium Foundation	-	25,000
Toronto Community Foundation	-	25,000
Toronto Arts Council	10,000	-
Contracts	9,726	-
	<u>\$ 55,791</u>	<u>\$ 102,000</u>

6. GOVERNMENT FUNDING

Revenue from government funding during the year is as follows:

	2009	2008
Canada Council	\$ 43,750	\$ 21,000
Department of Canadian Heritage	-	20,000
Human Resources and Social Development Canada	5,235	3,000
Ontario Arts Council	30,000	29,502
Ontario Trillium Foundation	100,000	150,000
Toronto Arts Council	29,800	25,000
	<u>\$ 208,785</u>	<u>\$ 248,502</u>

A significant portion of government revenues consists of project grants. As a result, revenues from specific funding programs may vary from year to year as grants for new projects are attained and prior projects are completed.

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June 30, 2009

7. COLLABORATIVE PROJECTS

Jumbles Theatre provides artistic direction and coordination for community arts initiatives under a partnership arrangement with Davenport Perth Neighbourhood Centre ("DPNC") and other organizations. Funding procured by these organizations and transferred to Jumbles Theatre and other fees paid to Jumbles Theatre under these arrangements is classified as earned contracts revenue.

8. IN KIND CONTRIBUTIONS

The organization received in kind contributions during the year as follows:

	2009	2008
Davenport Perth Neighbourhood Centre	\$ 15,000	\$ 24,420
Toronto Community Housing Corporation	8,000	22,800
Cedar Ridge Creative Centre	23,621	-
Montgomery's Inn	-	2,000
Other	7,500	5,660
	<u>\$ 54,121</u>	<u>\$ 55,870</u>

The corresponding expense items for these in kind contributions are classified as follows:

	2009	2008
Artistic:		
Artist fees	\$ -	\$ 3,500
Production and technical salaries and fees	8,200	-
Production costs*	34,741	45,150
Other	2,700	2,900
Operating:		
Administration salaries and fees	-	4,320
Rent	5,000	-
Office and administration	3,480	-
	<u>\$ 54,121</u>	<u>\$ 55,870</u>

* In kind contributions of production costs include production and performance space rental of \$ 30,944 (2008 - \$ 38,950).