



FILM AND VIDEO ARTS
SOCIETY · ALBERTA

Annual General Meeting

April 27th, 2022
6:30pm – 8:30pm

Room 149, Orange Hub Building
10045 – 156 Street, Edmonton, AB

This meeting will also be available to attend online via ZOOM
Virtual Attendees **must [RSVP](#) by noon on April 27th** to receive voting ballot

<https://us02web.zoom.us/j/86331090257>

587-328-1099 – Alberta
Meeting ID: 863 3109 0257
Passcode: 476628

Agenda

1. Approval of the Agenda
2. Approval of the 2021 AGM Minutes
3. Audited Financials 2021
4. Membership Bylaw Amendment Vote
5. Membership Upgrades
6. Board Reports
7. Staff Reports
8. Elections
9. New Board Announced
10. Volunteer Committee Opportunities
11. Call Out for Member Review of Audited Financials
12. Adjournment

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FILM AND VIDEO ARTS SOCIETY OF ALBERTA

FINANCIAL STATEMENTS

December 31, 2021

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FILM AND VIDEO ARTS SOCIETY OF ALBERTA
FINANCIAL STATEMENTS
December 31, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of Film and Video Arts Society of Alberta

Qualified Opinion

We have audited the accompanying financial statements of Film and Video Arts Society of Alberta, which comprise the statement of financial position as at December 31, 2021, 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 paragraph, the financial statements present fairly, in all material respects, the financial position of Film and Video Arts Society of Alberta as at December 31, 2021, and the results of its activities 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 Society derives revenue from cash donations and membership fees 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 Society. Therefore, we were not able to determine whether any adjustments might be necessary to cash donations and membership fees, excess of revenues over expenses, and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at December 31, 2021 and 2020 for both January 1, 2021 and 2020. Our audit opinion on the financial statements for the year ended December 31, 2020 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 Society 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society'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.

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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 Society'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 Society'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 Society 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.

Bergeron & Co. Chartered Professional Accountants

Date of approval
Edmonton, AB

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**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
STATEMENT OF OPERATIONS
For the year ended December 31, 2021**

	<u>2021</u>	<u>2020</u>
REVENUE		
Operating Grants (Note 16)	\$ 418,860	\$ 450,316
Project Grants (Note 17)	344,953	189,096
Production Revenue	294,759	229,918
Donations Income (Note 18)	139,558	239,041
Casino	26,196	2,444
Workshop and Class Fees	22,217	29,485
Amortization of Deferred Capital Contributions (Note 11)	21,824	15,798
Service Revenue	20,000	20,000
Membership Fees	15,268	20,132
Endowment	2,166	2,071
Other Income (Note 19)	<u>1,398</u>	<u>636</u>
	<u>1,307,199</u>	<u>1,198,937</u>
EXPENSES		
Wages and Benefits (Note 20)	539,882	458,582
Artist and Professional Fees	399,968	347,614
Other Artistic Programs and Services	123,019	8,539
Other Administrative Expenses	49,413	45,199
Amortization of Tangible Assets	44,079	39,237
General Facilities (Note 14)	38,377	42,398
Programs and Projects (Note 21)	38,006	71,528
Communications	24,016	19,579
Professional Fees	13,600	8,500
Office Rent (Note 14)	7,546	11,056
Professional development	3,784	3,570
Fund Development	1,226	896
Membership and Advocacy	<u>960</u>	<u>1,050</u>
	<u>1,283,876</u>	<u>1,057,748</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER ITEMS	<u>23,323</u>	<u>141,189</u>
OTHER ITEMS		
Gain (loss) on disposal of assets	<u>(462)</u>	<u>490</u>
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 22,861</u>	<u>\$ 141,679</u>

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**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
STATEMENT OF CHANGES IN NET ASSETS
For the year ended December 31, 2021**

NET ASSETS	Invested in capital & Heritage	Internally restricted (Note 22)	Unrestricted	Total 2021	Total 2020
Balance, beginning of year	\$ 202,758	\$ -	\$ 105,705	\$ 308,463	\$ 165,881
Excess of revenues over expenses	(22,254)	-	45,115	22,861	141,679
Investment in capital assets	104,206	-	(106,206)	(2,000)	-
Interest on internally imposed restrictions	-	22	-	22	903
Internally imposed restrictions	<u>-</u>	<u>27,500</u>	<u>(27,500)</u>	<u>-</u>	<u>-</u>
Balance, end of year	<u>\$ 284,710</u>	<u>\$ 27,522</u>	<u>\$ 17,114</u>	<u>\$ 329,346</u>	<u>\$ 308,463</u>

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FILM AND VIDEO ARTS SOCIETY OF ALBERTA
STATEMENT OF FINANCIAL POSITION
December 31, 2021

	ASSETS	
	<u>2021</u>	<u>2020</u>
CURRENT		
Cash (Note 3)	\$ 483,772	\$ 274,422
Accounts receivable (Note 4)	110,603	112,121
Goods and services tax recoverable	7,201	540
Inventory	3,556	2,887
Prepaid expenses	<u>13,159</u>	<u>50,306</u>
TOTAL CURRENT ASSETS	618,291	440,276
LONG-TERM ACCOUNTS RECEIVABLE	25,814	12,184
TANGIBLE CAPITAL ASSETS (Note 5)	370,188	268,866
HERITAGE EQUIPMENT (Note 6)	<u>113,615</u>	<u>114,144</u>
TOTAL ASSETS	<u>\$ 1,127,908</u>	<u>\$ 835,470</u>
	LIABILITIES	
CURRENT		
Insurance premium financing (Note 7)	\$ 1,387	\$ -
Accounts payable and accrued liabilities	70,212	34,140
Payroll liabilities (Note 8)	43,301	49,731
Deferred revenue (Note 9)	<u>446,839</u>	<u>235,548</u>
TOTAL CURRENT LIABILITIES	561,739	319,419
LONG-TERM DEBT (Note 13)	37,730	27,335
DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS (Note 11)	<u>199,093</u>	<u>180,253</u>
TOTAL LIABILITIES	<u>798,562</u>	<u>527,007</u>
	NET ASSETS	
Net assets invested in capital assets	284,710	202,758
Internally restricted net assets	27,522	-
Unrestricted net assets	<u>17,114</u>	<u>105,705</u>
TOTAL NET ASSETS	<u>329,346</u>	<u>308,463</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,127,908</u>	<u>\$ 835,470</u>

Approved on behalf of the Board:

_____, Director

_____, Director

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**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
CASH FLOW STATEMENT
For the year ended December 31, 2021**

	<u>2021</u>	<u>2020</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 22,861	\$ 141,679
Add (deduct):		
Charges to income not involving cash		
Amortization of deferred capital contributions	(21,824)	(15,798)
Amortization of tangible capital assets	44,079	39,237
Loss (gain) on disposal of assets	462	(490)
Interest on internally restricted reserve	22	-
Government assistance	(11,246)	(13,113)
Interest on long-term debt	1,640	448
Disallowed use of funds by AGLC	-	(14,558)
	<u>35,994</u>	<u>137,405</u>
Net change in non-cash working capital balances related to operations		
Accounts receivable	1,518	(16,091)
Goods and services tax payable	(6,661)	7,669
Inventory	(669)	701
Prepaid expenses	37,148	(47,971)
Accounts payable and accrued liabilities	36,069	11,967
Payroll liabilities	(6,429)	804
Deferred contributions	211,292	149,071
Insurance premium financing	1,387	-
	<u>309,649</u>	<u>243,555</u>
FINANCING ACTIVITIES		
Proceeds from long-term debt	20,000	40,000
Repayments of long-term debt	-	(45,200)
Capital contributions	<u>42,024</u>	<u>46,690</u>
	<u>62,024</u>	<u>41,490</u>
INVESTING ACTIVITIES		
Proceeds from disposal of tangible capital assets	-	2,090
Purchase of tangible capital assets	(148,693)	(73,519)
Long-term accounts receivables	<u>(13,630)</u>	<u>(3,307)</u>
	<u>(162,323)</u>	<u>(74,736)</u>
INCREASE IN CASH	209,350	210,309
CASH, beginning of year	<u>274,422</u>	<u>64,113</u>
CASH, end of year	<u>\$ 483,772</u>	<u>\$ 274,422</u>

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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1. PURPOSE OF THE NOT-FOR-PROFIT ORGANIZATION AND ECONOMIC DEPENDENCY

The Film and Video Arts Society of Alberta is incorporated under the Societies Act of Alberta and is a registered charity under the Canadian Income Tax Act, therefore, is exempt from income tax. The Society is an artist-run centre that facilitates and supports the production, exhibition, distribution, and preservation of independent film, video and new media art in Northern Alberta.

The Society receives operating grants which accounts for 36% (2020 - 47%) of its revenue.

2. ACCOUNTING POLICIES

These financial statements were prepared in accordance with Canadian Accounting Standards for Not-for-Profit Organizations and include the following significant accounting policies:

Management's use of estimates

- a) The preparation of financial statements in accordance 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 reporting date, and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Significant financial statements items that require the use of estimates are as follows: useful life and amortization of tangible capital assets, wages capitalized to leasehold improvements, net realizable value of accounts receivable and long-term accounts receivable, accrued liabilities, deferred contributions and deferred contributions related to tangible capital assets. These estimates are reviewed periodically and adjustments are made, as appropriate, in the statement of operations in the year they become known.

Revenue recognition

- b) The Society follows the deferral method of accounting for contributions (Grants Donations and Casino). Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The forgivable portion of the Canada Emergency Business Account Program is recognized in income as operating grants when received, provided there is reasonable assurance that the Society has complied and will continue to comply with all the conditions of the loan. Canadian Emergency Wage Subsidy is also recognized in income as operating grants.

Contributions restricted for the purchase of capital assets to be amortized are deferred. They will be recognized as revenue using the same method and rate used for amortization of capital assets acquired to which they relate. Restricted contributions for purchase or donation of Heritage Equipment are recognized as direct increases in net assets.

Net production revenue is recorded net of any discounts when the service is rendered or the contractual obligation has been met.

Membership fees, programming revenue, fee for service and other income are recognized when the service is rendered or the contractual obligation has been met.

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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Financial instruments

- c) Financial assets and liabilities are measured initially at fair value, except for certain non-arm's length transactions which are measured at carrying value or exchange value, as appropriate. Subsequent measurement is at amortized cost.

Financial assets measured at amortized cost consist of cash, trade receivables, grants receivable, long-term receivables.

Financial liabilities measured at amortized cost consist of accounts payable and accrued liabilities, payroll liabilities and long-term debt.

Transaction costs related to other financial assets and financial liabilities are included or deducted in the initial measurement of the assets or liabilities and are amortized on a straight-line basis over the useful life of these assets and liabilities.

Financial instruments impairment

- d) Financial assets measured at cost or amortized cost are tested for impairment if there are indications of possible impairment. The amount of the write-down is recognized in net income. A previously recognized impairment loss may be reversed to the extent of the improvement, either 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 loss not been recognized previously. The amount of the reversal is recognized in net income.

Cash and cash equivalents

- e) Cash and cash equivalents include amounts on deposit with financial institutions, bank overdrafts that fluctuate frequently from being positive to overdrawn, and term deposits, if any, that mature within three months from the date of acquisition. Cash and cash equivalents exclude term deposits that are unavailable for current use because they are pledged as security.

Inventory measurement

- f) Inventory is measured at the lower of cost (determined by using the first-in, first-out method) and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the costs necessary to make the sale.

Long-term accounts receivable

- g) Long-term receivables are comprised of amounts receivable from independent film producers and artists and remain collectible up to the date of completion of the production. These amounts bear no interest and have no fixed term of repayment.

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021



Tangible capital assets

h) Purchased tangible capital assets are recorded at cost. Contributed tangible capital assets are recorded at fair value at the date of contribution. Amortization is recorded at the following rates, which have been established by estimates of useful lives. Additions during the current year are amortized at one-half their normal rates, and no amortization is taken in the year of disposition.

Production and Exhibition Equipment	25%	declining balance
Office Equipment	25%	declining balance
Leasehold Improvements		Not amortized

When a tangible capital asset no longer has any long-term service potential for the Society, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

Heritage equipment

i) Heritage equipment is tangible capital assets of historical nature, of limited availability, and limited in their use. These are kept as a collection in order to preserve their historical value. Heritage equipment is not amortized.

Contributed materials and services

j) Contributed materials and services used in the normal course of the Society's operations are recognized when their fair value can be reasonably estimated. Volunteers contribute a significant amount of time each year to assist the Society in carrying out its programs and services. Contributed services of volunteers are not recognized in these financial statements because fair value cannot be reasonably determined.

Foreign currency translation

k) Foreign currency denominated monetary assets and liabilities are translated to Canadian dollars at the exchange rate in effect at the balance sheet date. Foreign currency denominated non-monetary assets and liabilities are translated to Canadian dollars at the exchange rate in effect on the transaction date. Revenue and expense items are translated at the exchange rate in effect at the time of the transaction. Foreign exchange gains or losses are included in the determination of net income.

3. RESTRICTED CASH

	<u>2021</u>	<u>2020</u>
Internally restricted cash - Contingency	27,522	-
Externally restricted cash - Casino	50,863	80,083
Externally restricted cash - Deferred contributions	375,976	155,465
Total restricted cash	454,361	235,548
Unrestricted cash	29,411	38,874
Cash	483,772	274,422

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FILM AND VIDEO ARTS SOCIETY OF ALBANY
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

4. ACCOUNTS RECEIVABLE

	<u>2021</u>	<u>2020</u>
Trade receivables	\$ 33,479	\$ 76,913
Grants receivable	77,124	14,518
Other receivable	<u>-</u>	<u>20,690</u>
	<u>\$ 110,603</u>	<u>\$ 112,121</u>

5. TANGIBLE CAPITAL ASSETS

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2021</u>	<u>2020</u>
Production and Exhibition Equipment	\$ 450,422	\$ 269,979	\$ 180,443	\$ 118,223
Office Equipment	31,600	17,060	14,540	13,623
Leasehold Improvements	<u>175,205</u>	<u>-</u>	<u>175,205</u>	<u>137,020</u>
	<u>\$ 657,227</u>	<u>\$ 287,039</u>	<u>\$ 370,188</u>	<u>\$ 268,866</u>

6. CHANGES IN HERITAGE EQUIPMENT

During the year, the Society disposed heritage equipment having a net book value of \$3,303 for no proceeds. It transferred Tangible Capital Assets to various Heritage Equipment for a net book value of \$2,773. These transactions had no impact on the Society's cash flows. The changes in Heritage Equipment are detailed as follows:

	<u>Addition</u>	<u>Disposal</u>
Heritage Studio Equipment	\$ -	\$ 2,239
Heritage Film Field Equipment	-	200
Heritage Video Equipment	1,195	-
Heritage Lenses	1,302	-
Heritage Camera Support	-	-
Heritage Lighting Support	131	175
Heritage Audio Support	112	453
Heritage Grip Equipment	-	86
Heritage Exhibition Equipment	-	-
Heritage Dubbing Equipment	<u>33</u>	<u>150</u>
	<u>\$ 2,773</u>	<u>\$ 3,303</u>

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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7. CREDIT FACILITIES

The Society has arranged for an operating line of credit authorized to \$70,000. The operating line of credit is secured by a general security agreement on all present and future assets of the Society. The interest is payable monthly on any outstanding balance at the bank's prime rate plus 5.04%. The lender prime rate is 2.45% as at December 31, 2020.

The Society has a credit card facility agreement authorized to \$25,000 and bearing interest at 7.45% secured by all cash deposits of the Society.

The Society has arranged financing for its insurance premium with First Insurance of Canada Funding at a fixed rate of 9%, repayable in 10 monthly blended instalments of \$1,472 maturing in January 2022.

8. GOVERNMENT REMITTANCES

The amount owing for government remittances, other than accounts that are separately reported in the balance sheet is \$9,240 (2020 - \$10,716). This amount is included in payroll liabilities.

9. DEFERRED REVENUE

	<u>Opening</u>	<u>Funds received</u>	<u>Funds used</u>	<u>Ending</u>
Alberta Foundation for the Arts	\$ -	\$ 87,500	\$ (62,000)	\$ 25,500
Edmonton Arts Council	66,000	160,900	(133,400)	93,500
Development revenue	16,052	196,584	(212,636)	-
Casino	80,083	-	(29,220)	50,863
Canada Council of the Arts	48,414	264,800	(158,214)	155,000
Rapid Response	22,224	48,900	(71,124)	-
Registration fees and programming	2,775	18,771	(16,357)	5,189
Heritage Canada Council	-	100,000	-	100,000
Telefilm Canada	-	20,000	(5,000)	15,000
Studio A rental	-	1,786	-	1,786
	<u>\$ 235,548</u>	<u>\$ 899,241</u>	<u>\$ (677,951)</u>	<u>\$ 446,838</u>

10. RELATED PARTIES

The Society paid \$42,050 (2020 - \$24,265) to either companies controlled by or to current directors of the Society for various services that were provided. The society also made miscellaneous sales for an amount of \$1,750 (2020 - \$4,866) to either companies controlled by or to current directors of the Society. As at December 31, 2020, the Society has an amount receivable of \$600 from either a company controlled by a director or directors. A company controlled by a director made a contribution of \$2,500 toward the purchase of equipment.

These transactions were conducted in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.



FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

11. DEFERRED CONTRIBUTIONS RELATED TO CAPITAL ASSETS

Deferred contributions related to capital assets represent contributed capital assets and restricted contributions with which some of the tangible capital assets were originally purchased. The changes in the balance of deferred contributions related to capital assets for the period are as follows:

	<u>2021</u>	<u>2020</u>
Opening balance	\$ 180,253	\$ 121,181
Contributed equipment (Note 5)	-	9,197
Received	42,024	46,690
Transferred from deferred revenue	-	33,541
Write-off	(58)	-
Transferred to equity	(1,302)	-
Disallowed used of funds by AGLC	-	(14,558)
Amounts amortized to revenue	<u>(21,824)</u>	<u>(15,798)</u>
Ending balance	<u>\$ 199,093</u>	<u>\$ 180,253</u>

Deferred contributions related to capital assets are detailed as follows:

Deferred contribution related to equipment	\$ 114,830	\$ 95,990
Deferred contribution related to facility	<u>84,263</u>	<u>84,263</u>
	<u>\$ 199,093</u>	<u>\$ 180,253</u>

12. ENDOWMENT FUND

The Edmonton Community Foundation holds endowment funds that benefit the Society on an ongoing basis. At December 31, 2021, the fair value of these funds was \$64,344 (2020 - \$54,157) and provides annual support equal to 4% of the fund value at the beginning of the year to the Society. The fund is the property of the Edmonton Community Foundation and is not recorded in the accounts of the Society. The Society received \$2,166 (2020 - \$2,071). This amount has been recognized as other income in the statement of operations.

The Society donated an amount \$3,000 (2020 - \$2,000) to the endowment fund in the current year. This amount was recognized in other artistic programs and services on the statement of operations.



**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

13. LONG-TERM DEBT

	<u>2021</u>	<u>2020</u>
CEBA Loan, with an unpaid principal of \$60,000, guaranteed by the Canadian Government, interest-free until December 31, 2023 (a)	\$ <u>37,730</u>	\$ <u>27,335</u>
Less current portion:		
Cash repayments required within 12 months	\$ <u>-</u>	\$ <u>-</u>
Current debt	<u>-</u>	<u>-</u>
Long-term debt	\$ <u><u>37,730</u></u>	\$ <u><u>27,335</u></u>

(a) The Society obtained a \$60,000 loan under the Canada Emergency Business Account Program. If the Society repays \$40,000 by December 31, 2023, the \$20,000 balance will be forgiven. Otherwise, an interest of 5% will apply to the balance, which will be repayable in blended instalments over 24 months. Since there is a reasonable assurance that the Society will repay \$40,000 by December 31, 2023, the Society recognized \$10,000 (2020 - \$10,000) in net income when the loan was granted, which is presented as government assistance in Operating grants. The liability resulting from the \$10,000 (2020 - \$30,000) balance was initially recognized at its fair value of \$8,754 (2020 - \$26,887) using an interest rate of 5%. The Society deems that the \$1,246 (2020 - \$3,113) difference is government assistance toward current expenses and recognized it as Operating grants as well. Since the loan was received in April (2020 - August), the Society also recognized an interest expense of \$2,335 (2020 - \$448) in net income.

Regular principal payments required on all long-term debt for the next two years are as follows.

2022	\$ -
2023	<u>40,000</u>
	\$ <u><u>40,000</u></u>

14. LEASE COMMITMENTS

The Society leases office premises and production facilities with the City of Edmonton under a lease agreement expiring on March 31, 2022. Future minimum lease payments total \$16,872.

**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**



15. FINANCIAL RISKS

The Society is exposed to various risks through its financial instruments. The following describes the exposures to those risks, how they arise, any changes in risk exposures from the previous period, and any concentrations of risk.

Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Society's main credit risk relates to its accounts receivable of which \$28,680 is receivable from two clients (2020 - \$53,386 from three clients). It is management's opinion that there is no significant credit risk as of December 31, 2021.

Currency risk:

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Purchases in US currency comprise approximately 18% (2020 - 23%) of total purchases.

Liquidity risk:

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Society is mainly exposed to liquidity risk as of December 31, 2020 through its current and long-term liabilities.

16. OPERATING GRANTS

	<u>2021</u>	<u>2020</u>
Edmonton Arts Council	\$ 115,900	\$ 105,900
Canada Emergency Business Account	106,869	115,741
Alberta Foundation for the Arts	62,000	57,500
Canadian Emergency Wage Subsidy	69,579	136,828
Serving Communities Internship Program	26,769	-
Service Canada	21,498	18,734
Canada Emergency Business Account	11,245	13,113
Telefilm Canada	<u>5,000</u>	<u>2,500</u>
	<u>\$ 311,991</u>	<u>\$ 334,575</u>

**FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021**

DRAFT

17. PROJECT GRANTS

	<u>2021</u>	<u>2020</u>
Canada Council for the Arts	\$ 125,000	\$ 135,000
City of Edmonton	75,000	-
Edmonton Community Foundation	71,124	5,000
Edmonton Heritage Council	25,000	-
Edmonton Arts Council	17,500	35,000
Miscellaneous	15,000	14,096
Epcor	15,000	-
Canada Cultural Investment Fund	<u>1,329</u>	<u>-</u>
	<u>\$ 344,953</u>	<u>\$ 189,096</u>

18. DONATION INCOME

	<u>2021</u>	<u>2020</u>
Cash Donations	\$ <u>5,662</u>	\$ <u>1,318</u>
<u>Donations in kind</u>		
Services	126,830	231,220
Silent auction items & prizes	5,648	-
Equipment	<u>1,418</u>	<u>6,503</u>
	<u>133,896</u>	<u>237,723</u>
	<u>\$ 139,558</u>	<u>\$ 239,041</u>

19. OTHER INCOME

Interest	\$ 51	\$ 167
Other administration revenue	<u>1,347</u>	<u>469</u>
	<u>\$ 1,398</u>	<u>\$ 636</u>

20. WAGES AND BENEFITS

Administration Staff	\$ 153,040	\$ 129,322
Communications	62,176	45,800
Artists	49,543	45,430
Production	<u>272,595</u>	<u>238,031</u>
	<u>\$ 537,354</u>	<u>\$ 458,583</u>

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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21. OTHER INFORMATION ON OPERATIONS

	<u>2021</u>	<u>2020</u>
<u>Other Administrative Expenses</u>		
Interest on long-term debt	\$ 1,640	\$ 2,218
Interest on Insurance premium financing	695	-
Interest on operating line of credit	336	347
<u>Programs and Projects</u>		
Cost of inventory sold	\$ 9,890	\$ 16,523

22. INTERNALLY RESTRICTED FUND

The board approved the creation of a contingency fund with an initial allocation of \$25,000 plus monthly contribution of \$500 per month until the fund reaches a total value of \$80,000. This fund cannot be used without the prior approval of the board.

23. COMPLIANCE WITH THE CHARITABLE FUNDRAISING ACT AND REGULATIONS

No amounts have been paid as remunerations to employees or the Society whose principal duties involve fundraising.

No expenditures were incurred for a separate fundraising business to make solicitation on behalf of the Society.

24. CORRESPONDING INFORMATION

Certain corresponding amounts have been reclassified to conform with the current year presentation.

FILM AND VIDEO ARTS SOCIETY OF ALBERTA
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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Annual General Meeting Notice
FAVA - Film & Video Arts Society Alberta AGM

APRIL 27, 2022 | 6:30 PM
Orange Hub 10045-156 street
RM 149 (Bottom Floor)

Wish you were on the board or part of a committee at FAVA? Want to get a handle on what's been going on over the past year? Looking to connect with other members of your community? All of these are great reasons to attend FAVA's AGM on April 27th, 2022.

Drop by at 6 pm for snacks and a chance to mingle.
The meeting will start at 6:30 pm.

OR

Join us virtually online via Zoom
<https://us02web.zoom.us/j/86331090257>
Phone: (587)-328-1099
Alberta Meeting ID: 863 3109 0257
Passcode: 476628

**Virtual Attendees must RSVP by noon on April 27th
to receive the voting ballot**

Specific outcomes of the AGM include:

- 1. Membership Upgrades**
- 2. Board Elections**
- 3. Volunteer Committees**
- 4. Annual Reports from Board & Staff**
- 5. Financial Statement Review & Approval**
- 6. Membership Bylaw Amendment**



1) Membership Upgrades

Each FAVA member is required to provide 12 hours of volunteer time annually on behalf of the co-op. Annual fees are assessed to each member. Associate Members wishing to be upgraded to General or General Members wishing to be upgraded to Producer memberships may apply at the Annual General Meeting.

Why upgrade?

We want you to be a part of shaping FAVA. As a member, it is your organization and we want to know what you think. Associate members aren't able to vote. By upgrading to General or Producer, you have more opportunities to have a say in the functioning of FAVA. Your membership fees also drop from \$89.25 to \$68.25(General) or \$42.00(Producer). If you are unsure if it would be a good time for you to upgrade, give us a call at the office.

In order to become a General Member:

– you have been involved in the co-op by volunteering at least 24 hours in the year you are upgrading, have been an Associate member for at least 12 months, have participated in a workshop or program, and actively participate in FAVA productions

In order to become a Producer Member:

- you have at least 48 hours of volunteer time in the year you are upgrading, have been a General member for at least 12 months, are making a significant contribution to the co-op and are developing a body of work.

2) Board Elections for the following positions:

Four Board of Directors positions are up for (re)election:

i. President

ii. Treasurer

iii. Video Chair

iv. Programming Chair



Duties of the Board (Bylaws Article 6):

President:

- Chairs all meetings of the Society and Board;
- Supervises the affairs of the Board;
- The main liaison with staff;
- Principal spokesperson of the organization;
- Holds signing authority for the Society;
- An ex-officio member of all committees;
- Develops agendas for meetings
- Other duties assigned by the Board.

Treasurer:

- Responsible for all monies paid to society;
- Ensures all monies are deposited in a chartered bank or treasury branch;
- Hold signing authority along with the President, Executive Director, and one other director as selected by the Board;
- Account for the funds of the society and keep books as may be directed;
- Present a full, detailed account of receipts and disbursements to the Board whenever requested;
- Prepares an audited statement of financial position for the Annual Meeting and gives a copy to the Communications Chair for the record-keeping;
- Other duties as assigned by the Board.

Programing Chair (Member-at-large)

- Chairs the Programming Committee
- Collects and shares member wants and needs to inform annual programming for members
- Provides support, guidance and input to the Programming and Membership Manager
- Member-at-Large supports the mission, vision, and values of the organization as liaisons to specific departments.

Video Chair (Member-at-large)

- Co-chairs the Equipment & Studios Committee along with the Film Chair
- Collects and shares equipment wants, needs and maintenance to share with the Board and prioritize expenses based on available budget
- Provides support, guidance and input to the Equipment Manager and Studio Manager
- Member-at-Large supports the mission, vision, and values of the organization as liaisons to specific departments.



Powers & Duties of the Board include (Bylaws Article 5):

- Promoting the objects of the Society;
- Promoting membership in the Society;
- Hiring employees to operate the Society;
- Regulating employees' duties and setting their salary;
- Maintaining and protecting the assets and property of the Society;
- Approving an annual budget;
- Collecting revenue and paying expenses for Society;
- Financing the operations of the Society and raising monies;
- Maintaining all accounts and financial records;
- Appointing legal counsel if necessary;
- Approving all contracts for the Society;
- Making policies and procedures for operating the Society;
- Without limiting the general responsibility of the Board, delegating its powers and duties to the Executive Director of the Society.

For those interested in running for the FAVA Board please fill out the 2022 AGM Letter of Interest [here](#).

For more information about the roles and responsibilities of board and committee positions, please contact

David Baron, Vice President at davidbaron.mail@gmail.com,

Edmon Rotea, Communications Chair at edmon.rotea@outlook.com

David Morgan, Film Chair at deependfilms@gmail.com or

Dylan Pearce, Exhibition Chair at dylanpearce3d@gmail.com

3) Volunteer Committee Positions

Volunteer committee members are expected to meet regularly over a one-year term to assist, advise, support, and facilitate the goals of the organization by working with a specific department. [See Bylaws Article 8](#) for more information.

Members can volunteer to be on the following committees:

i. Production Committee

FAVA's Production Committee brings together our community to discuss and solve the needs of FAVA Production which includes Equipment and Studios. Members of the committee will discuss and plan short and long-term solutions for Production to help benefit its members and fill gaps in our current offerings. Members of the committee will be directed by the Film Chair, Video Chair, as well as the production staff. Members of the committee may meet approximately twice a year but may meet more frequently depending on purchase plans.



FILM AND VIDEO ARTS
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ii. Programming and Outreach Committee

The Programming Committee meets regularly to explore topics, information, and opportunities for classes, workshops, and seminars.

iii. Special Events Committee

Do you want to help make FAVA's events unique and exciting? The Special Events committee takes all kinds of minds, hands, and skills to complete a successful event. Everyone on the committee will bring something unique such as design skills, marketing knowledge, creative event ideas, different perspectives, technical capabilities, varied artistic disciplines, fundraising, and sponsorship. Our events include FAVA FEST, The Gotta Minute Film Festival Awards, and the FAVA Summer Party, for example. If you are interested in making FAVA's events, screenings, and festivals a hit: join the Special Events Committee!

iv. Inclusion, Diversity & Equity Committee

The Inclusion, Diversity & Equity Committee meets virtually once a month and acts as an advisory team to provide recommendations and facilitate/execute board-approved action plans/initiatives to help fulfill the organization's commitment to building an inclusive, diverse, and equitable experience for all FAVA members and staff.

4) Annual Reports from Staff and Board

FAVA staff and board members will present a brief report on activities pertinent to their role within the organization including a review of the Audited Financial Statements from the Treasurer.

5) Financial Statement Review

The 2021 audited financial statements will be available on the day of and the membership will have an opportunity to ask questions regarding the financial statements.

6) Membership Bylaw Amendment

The following amendment to the Membership Bylaws requires members to vote to approve these changes at the AGM. To review the changes, please see below.



The Board of Directors recommends the following bylaw amendment to be discussed and a motion will be introduced.

Current Bylaw

3.3.1 Membership Year

The membership year is October 1 to September 30.

New Bylaw

3.3.1 Membership Year

The membership year shall be 1 year from the date of membership purchase {receipt of Payment}.

Remove Bylaw 3.3.3

3.3.3 Payment Date for Fees

The annual membership fees must be paid on or before October 1 of each year.

Info

12.3 Amendments may be made only by a 75% majority vote cast at any General Meeting of the Society.

This will be introduced by the President, seconded, and discussed.

2021 Annual General Meeting Minutes

If you'd like to take a look at the minutes from the 2021 AGM in advance as they will have to be approved at the meeting, they are available [here](#)

For any further questions about the AGM or information provided here please contact Kelly Service, Executive Director at kelly.service@fava.ca

RSVP HERE

