

# ANNUAL REPORT 2020

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**"We are about art. I love, live  
and hope."**

- Chris Maveety,  
BEING artist

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# WELCOME

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So many wonderful things happened at BEING in the 2019-20 year.

The creativity of artists at BEING was showcased in several sales and exhibitions, including a group show at Galerie Annexe at the Ottawa Art Gallery, guest curated by Rose Ekins.

Stephanie Nadeau joined the team as Executive Director in April, 2019. She previously served on the Studio's Board of Directors from 2014 to 2018, and has over 10 years' experience as an arts professional.

In July through early September, a construction project transformed the studio into a more beautiful and functional space, thanks to the generous support of the Ontario Trillium Foundation. Thanks also to the support and generosity of our community, we raised additional funds for the installation of a new and much needed HVAC system.



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The year ended with the unfortunate and unavoidable closure of our physical facilities on March 13, 2020 due to the COVID-19 pandemic. Though it is difficult to see the door closed on all the potential of our beautiful new space, we know this is only a temporary setback.

Life hides opportunities in the most unlikely of circumstances, and we are so grateful to have the unwavering support of our community as we lean in and step up to the challenges of these strange times.

For the artists, and for the abiding vision of an accessible art world, we will continue to learn, adapt, and grow into an even better and more resilient BEING.

Thank you to the City of Ottawa, the Ontario Arts Council and the Ottawa Community Foundation for their support of our programs.



**MICHAEL LEAVER**  
Board Chair



**STEPHANIE NADEAU**  
Executive Director

# TEAM BEING

**APRIL 1, 2019 – MARCH 31, 2020**

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## **Staff**

Stephanie Nadeau - Executive Director  
Karen McRae - Program Director  
Rachel Gray - Coordinator,  
Special Projects & Communications  
Azucena Rogers - Studio Facilitator  
Alicia Hofland - Studio Facilitator  
Jojo Cadieux - Studio Facilitator  
M Southwood - Studio Facilitator  
Andrew Stewart - Admin Assistant

## **Board of Directors**

Michael Leaver - Chair  
Sterling Doucette - Treasurer  
Zoë MacNeil - Secretary  
Richard Bolduc - Artist Representative  
Kathryn Craner  
Stephanie Germano  
Diane Hammond  
Rob Hyams  
Kosi Nnebe  
Michael Orsini

## **Volunteers**

Alex Fletcher  
Allison Pike  
Brenda Lim  
Fiona Wright  
Heather Sword  
Jojo Cadieux  
Kate Aley  
Vanessa Turner  
Christopher Griffin  
Lyn Apedaile  
Noah Klein  
Marlene Burton  
Natalie Hart  
Ming Wu  
Rose Ekins  
Kirk Pashak & Pashak Family  
Steve Barkhouse  
Martin Landry  
Hume & Amanda Rogers

## **Practicum Students**

Leah Legault  
Megan Jones  
Natalie Hart  
Natasha Whalen  
Parisa Anonby

# 2019-20 ARTISTS

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Maria Aguilar-Cruz

Emmanuel Asrat

Elaine Bell

Ben Bourgeois

Richard Bolduc

Malinda Caron

Sharlene Cooney

Anna Coulombe

Sarah Cousineau

Megan Donovan

Julie Fletcher

Jenny Francis

Doug Garrow

Chris Glor Bell

Christine Hammond

Maggie Hart

Adam Heaton

Michael Hinchcliff

Ashley Hiscott

Emma Hitsman

Henry Hong

Jessie Huggett

Alixé Hysert

Joel Jamensky

Caroline Joannis

Tracey King

Analisa Kiskis

Holly Lalonde

Elizabeth Langan

Andre Lanthier

Frances Laube

Karen Lu

Amanda Lloyd

Jessie McComb

Bradley Millar

Christine Maveety

Claire Nedzela

Suzan Ozkul

Joanna Panuccio

Nicole Paquin

Alanna Price

Debbie Ratcliffe

Charisse Rayne

James (Jake) Riseborough

Monika Roots

Marika Smart

Alexander Stuber

Alexa Vanveen

Devin Waldie

Alyssa Wylie

Nadia Walji

Jessica Grace Whitney

# TIMELINE

## Exhibitions and Events

**April 1, 2019 – March 31, 2020**

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**May 16 – 27**

### **In the Making, Galerie Annexe at the Ottawa Art Gallery**

Artists: Sarah Cousineau, Julie Fletcher, Jenny Francis, Henry Hong, Alixe Hysert, Analisa Kiskis, Karen Lu, Suzan Ozkul, Debbie Ratcliffe, and Jake Riseborough. | Curator: Rose Ekins

**July 2**

Official start of the studio construction project.

**July 3 – 30**

Chris Maveety: Jello with Blueberries, The Manx Pub. Exhibition opening: July 7

**July 2 – August 1**

Debbie Ratcliffe & Frances Laube: Infusion, Purple Urchin

**August 29**

My Pixel is Expanding, workshop led by Hyun-Woo “Pixel” Kim, in partnership with Indefinite Arts and Korean Cultural Centre.

**September 7**

Move-in day! New studio

## Exhibitions and Events (Cont'd)

### April 1, 2019 – March 31, 2020

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#### September 19

Marika Smart: Hopes and Dreams, Richcraft Recreation Complex

#### October 30

Halloween FunRaiser, Club Saw

#### December 7

Snow Day Shop and Sale  
All artists represented

#### March 13

Closure due to COVID 19

(April 2, 2020) – First Zoom Group Chat held for BEING Home



# STUDIO MAKEOVER

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Did you know the Bronson Centre used to be a high school?

BEING Studio is located in what was once a science classroom. That's a great story to tell at parties, but not a very functional feature when you're trying to fit large canvases into a cupboard that used to hold the Bunsen burner.

Artists need a functional, accessible and professional space to make their work in.

Thanks to the support of the Ontario Trillium Foundation, BEING artists now have the studio space they deserve.



An agency of the Government of Ontario  
Un organisme du gouvernement de l'Ontario











# SOMEONE GREAT

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[Michael Leaver](#) joined the Board of Directors in 2011, and became Board Chair in 2014. Michael's leadership sparked necessary positive change and supported the development of ideas that challenged the status quo. His contributions and dedication will continue to impact the community at BEING for years to come. Though he is stepping down as Chair, we are grateful to have his continued support as an advisor and friend to the Studio.



# DONORS

Thank you to all the donors and advocates who support us.  
We couldn't do this without you!

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## **Patron (\$2000+)**

Bertin Nadeau (In Loving Memory: Eric Nadeau)

Blink Gallery

McKay Cross Foundation

## **Builder (\$1500 - \$1999)**

Cindy Scott

## **Funder (\$1000 - \$1499)**

Bill Staubi

Nicholas Kohler

Clementine Van Veen

William and Angela Vanveen

## **Supporter (\$500 - \$999)**

Caroline Gao and Menggu He

Mark Schaan

# DONORS

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## Friend (\$1 - \$499)

Adam Brown

Aileen Leo

Alain Doucet

Alain

Doucet

Alain Doucet

Alex

Stecky-Efantis

Alexandra Sampaio

Amity Bradbury

Ann Marie Major

Anna & Denis Colbourne

Anonymous

Anonymous

Aubrey Anable

Barbara Butler

Barbara McInnes

Benjamin Magnus

Breanne Oryschak

Canadian Conservation Institute

Carol Sinclair

Caroline Richardson

Catherine Sinclair

Charlene Winchester

Christine Allison

Christine

Allison

Christine

Allison

Christine Allison

Cindy

Laneville

Danika

Gagnon

David Dunlop (In Honour: C. Hammond)

David Gray

Debra Hogan & Loyola Hogan

Denise Amyot & François Guimont

Denise Hughes (In Honour: C. Hammond)

Diane Dodds

Diane Hammond

Donna Andrews

Eleanor Glor

# DONORS

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## Friend (\$1 - \$499)

Elizabeth Joanna Tymkiw

Evelyn Beck (In Memory: Irene Beck)

Fauzya Talib

Felicity Tayler

Fiona Harrison

Gail Bourgeois

Genton Hong (For Henry)

Gordon

Lloyd

HLTT Inc.

Jacqueline

Jans

James

Miller

Jantha

Tymkiw

Jeanette Southwood

Jeanne Taylor-Page

Jennifer Ward

Jennifer M Shank

Jill Reeves

Jo-Ann Meloche

John Horwitz

John Howard Society

John Paul Duncan

Jonathan C Horwitz

Joyce Richardson

Judith and Peter Dunn

Julie Angell Nadeau

Justin Francis

Kathleen Lee

Katy Craner

Kieran Holmes

Kimberley Wilson

Kunal Gupta

Laura Gray (In honour: R. Gray)

Laurie Tucker

Lawson Hunter

Leah Mowers

Leslie Horwitz-beare

Lisa Presley

Lisa Barleben

Lorna Tener

Lynne Forgette

# DONORS

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## **Friend (\$1 - \$499)**

Madeleine Clouffe

Marc Legault (In honour: C. Hammond)

Margaret Haire

Maria Catana (In honour: C. Hammond)

Marian Waldie

Mariana Southwood

Mary Ellen Kelly

Mary-Anne King

Mathieu Charlebois

Matthew Foy

Michael Orsini

Micheline Goetz

Mimi Hong

Laura Taler & Mitchell Frank

Mr. D Joe Irvine & Mrs. Christine Irvine

Mr. Steven E Dieter & Ms. Elizabeth A

Sneyd Mrs. Melanie Major/ Mr.

Gregory J Girard

Mrs. Nancy Rheume

Mrs. Sabrah Talib

Ms. Barbara A Steele

& Mr. Andrew Balfour

Ms. Diane J. Corbeil

Ms. Jane And Mr. Colin Beaumont

Ms. Josee Marie Doucet

Ms. Nicole L Deschesne

Ms. Suzanne Potter

Ms. Wendy Loschiuk

Murray Gamble

Nancy Huggett

Nick Kohler

Nicole Burisch

Pamela Jones

Pamela McCurdy (In honour:

The Fletcher and Leduc Family)

Patricia Gagnon

Patricia Gagnon

Paul Duncan

Phyllis

MacRae

Poppy Vineberg

Reconnect from Grief

Richard Hinchcliff

Robert Hyams

Sandi Wallace

# DONORS

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## **Friend (\$1 - \$499)**

Sandra Zagon

Shawna Holmes & Bryan Holmes

Sheila Duncan

Simone Joannis

Stephanie Germano

Stephanie Pichette

Stirling Prentice

Sue Kavanagh

Susan Derby

Susan McIntosh

Suzanne Lister

Terri Sinclair

Theresa Humphrys

Vanessa Simmons

Veronica Donovan

Véronique Couillard

Victoria Steele

Vita Chappell

Vivianna E Sigurdson

Wendy Davidson

# PARTNERS







# THANK YOU

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To the growing community of advocates and donors who support us, **thank you**.

The world needs people like you, now more than ever.

BEING Studio  
304-211 Bronson Avenue  
Ottawa, ON K1R 6H5

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Charitable Registration # 834484073 RR0001



**FINANCIAL STATEMENTS**

**For**

**BEING STUDIO**

*(Formerly operated as H'art of Ottawa)*

**For year ended**

**MARCH 31, 2020**

## INDEPENDENT AUDITOR'S REPORT

To the members of

### **BEING STUDIO**

#### *Qualified Opinion*

We have audited the financial statements of BEING Studio (the Organization), which comprise the statement of financial position as at March 31, 2020, and the statements of operations and 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 Organization as at March 31, 2020 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 charitable organizations, the Organization derives revenue from donations and 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 Organization. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess of revenues over expenses, and cash flows from operations for the years ended March 31, 2020 and 2019, current assets as at March 31, 2020 and 2019, and net assets as at April 1, 2019 and 2018 and March 31 for both the 2020 and 2019 years. Our audit opinion on the financial statements for the year ended March 31, 2019 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 Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

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

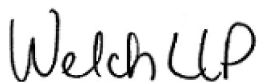
### *Auditor's Responsibilities for the Audit of the Financial Statements*

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 Organization'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 Organization'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 Organization 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.



Chartered Professional Accountants  
Licensed Public Accountants


Ottawa, Ontario  
August 19, 2020.

**BEING STUDIO**  
*(Formerly operated as H'art of Ottawa)*  
**STATEMENT OF FINANCIAL POSITION**  
**MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
<b><u>ASSETS</u></b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 44,471	\$ 87,982
Short-term investments	20,255	14,152
Accounts receivable	34,912	9,555
Prepaid expenses	<u>623</u>	<u>3,059</u>
	<u>\$ 100,261</u>	<u>\$ 114,748</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 6,624	\$ 15,855
Deferred revenue	4,425	6,600
Deferred contributions (note 5)	<u>4,295</u>	<u>23,099</u>
	<u>15,344</u>	<u>45,554</u>
<b>NET ASSETS</b>		
Unrestricted	<u>84,917</u>	<u>69,194</u>
	<u>\$ 100,261</u>	<u>\$ 114,748</u>

Approved by the Board:

  
..... Director  
Michael Leaver

  
..... Director

(See accompanying notes)

**BEING STUDIO***(Formerly operated as H'art of Ottawa)***STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS****YEAR ENDED MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>Revenue</b>		
Participant fees	\$ 161,176	\$ 134,332
Sales	19,284	29,222
Donations	35,756	14,517
Endowment fund income	2,256	2,227
Grants and other contributions	168,984	30,001
Other income	355	1,291
	<u>387,811</u>	<u>211,590</u>
<b>Expenses</b>		
Salaries, wages and employee benefits	163,831	100,944
Renovation	138,183	-
Rent	19,240	15,162
Office	18,365	4,296
Professional fees	8,317	5,890
Artist commission fees	8,198	16,910
Artist and curator fees	4,949	7,748
Art and general supplies	4,274	4,532
Insurance	2,612	2,392
Telecommunication	1,600	420
Miscellaneous	1,172	775
Bank charges	922	2,028
Event and public affairs	375	306
Postage and printing	50	384
	<u>372,088</u>	<u>161,787</u>
<b>Excess of revenue over expenses</b>	15,723	49,803
<b>Net assets, beginning of year</b>	<u>69,194</u>	<u>19,391</u>
<b>Net assets, end of year</b>	<u>\$ 84,917</u>	<u>\$ 69,194</u>

(See accompanying notes)

**BEING STUDIO***(Formerly operated as H'art of Ottawa)***STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Excess of revenue over expenses	\$ 15,723	\$ 49,803
Changes in non-cash working capital components:		
Accrued investment income	<u>(255)</u>	<u>(152)</u>
	15,468	49,651
Changes in the level of:		
Accounts receivable	(25,357)	(4,579)
Prepaid expenses	2,437	(1,754)
Accounts payable and accrued liabilities	(9,231)	4,312
Deferred revenue	(2,175)	6,350
Deferred contributions	<u>(18,804)</u>	<u>16,999</u>
	<u>(37,662)</u>	<u>70,979</u>
<b>INVESTING ACTIVITIES</b>		
Redemption of short-term investments	14,151	1,523
Purchase of short-term investments	<u>(20,000)</u>	<u>(14,000)</u>
	<u>(5,849)</u>	<u>(12,477)</u>
<b>INCREASE (DECREASE) IN CASH</b>	(43,511)	58,502
<b>CASH AT BEGINNING OF YEAR</b>	<u>87,982</u>	<u>29,480</u>
<b>CASH AT END OF YEAR</b>	<u>\$ 44,471</u>	<u>\$ 87,982</u>

(See accompanying notes)

**BEING STUDIO**  
*(Formerly operated as H'art of Ottawa)*  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED MARCH 31, 2020**

**1. NATURE OF OPERATIONS**

BEING Studio ("the organization") is a unique and innovative art studio where self-expression and a sense of place are encouraged and celebrated for people with developmental disabilities. Through the common language of art and self-expression, the artists of BEING Studio contribute to the community and the cultural life of Ottawa. On June 3, 2005, BEING Studio was incorporated under Part II of the Canada Corporation Act and on September 3, 2014, continued under the Canada Not-for-profit Corporations Act. On July 23, 2018, the organization changed its legal name from H'art of Ottawa to BEING Studio. The organization is exempt from income taxes and is a registered charity.

**2. SIGNIFICANT ACCOUNTING POLICIES**

*Basis of accounting*

The organization prepares the financial statements in accordance with Canadian accounting standards for not-for-profit organizations.

*Revenue recognition*

BEING Studio follows the deferral method of accounting for contributions which include grants and donations. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

i) *Participant fees*

Participant fees are recognized as revenue as the courses are completed.

ii) *Sales*

Art sales are recognized as revenue when the sales occur.

*Capital assets*

Capital assets are recorded as expenses on the statement of operations in the year they are purchased.

*Use of estimates*

The preparation of financial statements in conformity 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 date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include determining the collectibility of accounts receivable and the amount of accrued liabilities. Actual results could differ from these estimates as additional information becomes available in the future and adjustments are made to the statement of operations in the year they become known.

*Financial instruments*

i) *Measurement of financial instruments*

The organization initially measures its financial assets and financial liabilities at fair value and subsequently re-measures them at cost or amortized cost at the year-end date.

ii) *Transaction costs*

Transaction costs associated with the acquisition and disposal of investments are capitalized to the acquisition costs or reduce proceeds of disposal.

## BEING STUDIO

(Formerly operated as H'art of Ottawa)

### NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2020

#### 3. FINANCIAL INSTRUMENTS

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 March 31, 2020.

The organization does not use derivative financial instruments to manage its risks.

##### *Credit risk*

The organization is exposed to credit risk resulting from the possibility that parties may default on their financial obligations. The organization's maximum exposure to credit risk represents the sum of the carrying value of its cash, investments and its accounts receivable. The organization's cash and investments are deposited with a Canadian chartered bank and as a result management believes the risk of loss on these items to be remote. The organization manages its credit risk by reviewing accounts receivable aging monthly and following up with outstanding amounts. Management believes that all amounts receivable at year end will be collected.

##### *Liquidity risk*

Liquidity risk is the risk that the organization cannot meet a demand for cash or fund its obligations as they become due. The organization meets its liquidity requirements by preparing and monitoring detailed forecasts of cash flow from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

##### *Market risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

##### *i) Currency risk*

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates.

The organization's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

##### *ii) Interest rate risk*

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate due to changes in market interest rates.

The organization's exposure to interest rate risk arises from its investments. The organization's investments include amounts on deposit with financial institutions that earn interest at market rates.

##### *iii) Other price risk*

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. The organization is not exposed to other price risk.

##### *Changes in risk*

There have been no significant changes in the organization's risk exposures from the prior year.



## BEING STUDIO

(Formerly operated as H'art of Ottawa)

### NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2020

#### 4. ENDOWMENT FUND

In 2015, the organization established an endowment fund with the Community Foundation of Ottawa ("the Foundation"). The organization's initial investment was made in the name of the H'Art of Ottawa legacy fund from a \$50,000 gift. The organization is entitled only to endowment fund income on an annual basis. Income from this fund will be used in the course of the organization's normal operations. Capital funds will remain with the Foundation perpetually. As of March 31, 2020, the endowment fund has a value of \$55,281 and income of \$2,256 was receivable by the organization.

#### 5. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following activity:

	<u>2020</u>	<u>2019</u>
Balance at beginning of year	\$ 23,099	\$ 6,100
Grants received in year	5,000	40,825
Revenue recognized in year	<u>(23,804)</u>	<u>(23,826)</u>
Balance at end of year	<u>\$ 4,295</u>	<u>\$ 23,099</u>

#### 6. ART INVENTORY

The art inventory of the artists of BEING Studio has not been presented in these financial statements due to the difficulty in accurately valuating the inventory.

#### 7. LEASE COMMITMENT

The organization has signed a lease for its premises which requires monthly payments totaling \$16,356, annually with a 2% annual increase and expires December 31, 2024.

#### 8. COVID-19

In mid-March, the province of Ontario declared a state of emergency in response to the public health concerns originating from the spread of COVID-19

On March 23, 2020, all employees were laid off and returned to work remotely on April 27th, in addition, an event that was to take place in April was cancelled.

A high degree of uncertainty persists surrounding the full economic impact of the situation. The unpredictable nature of the spread of the virus makes it difficult to determine the length of time that the organization's operations will be impacted. Consequently, at the time of issuance of these financial statements, the effect that the abrupt decline in economic activity will have on the organization's operations, assets, liabilities, revenues and expenses are not yet known.