

ANNUAL REPORT 2021

**“You can draw what you want to draw,
you can be who you want to be,
and you can love what you have drawn
and what you are.”**

- Debbie Ratcliffe

TABLE OF CONTENTS

2020-21 Artists.....	1
Screenshot Scrapbook.....	2
Welcome.....	4
Donors.....	6
Staff Team	8
Board of Directors.....	9
Volunteers.....	10
Someone Great.....	11
Programming.....	12
Partners.....	20
Financial Statements.....	22

2020-21 ARTISTS

Mahdere Amaha

Elaine Bell

Ben Bourgeois

Bella Bowes

Malinda Caron

Ada Chan

Rebekah Cheetham

Sharlene Cooney

Sarah Cousineau

Megan Donovan

Dallin Ernhofer

Julie Fletcher

Jenny Francis

Doug Garrow

Naomi Morin

Chris Glor Bell

Birgitta Grolle

Christine Hammond

Maggie Hart

Michael Hinchcliff

Ashley Hiscott

Emma Hitsman

Henry Hong

Jessie Hugget

Alix Hysert

Joel Jamensky

Caroline Joannis

Tracey King

Analisa Kiskis

Elizabeth Langan

Frances Laube

Amanda Lloyd

Jenna MacVicar

Christine Maveety

Jessie McComb

Bradley Millar

Naomi Morin

Claire Nedzela

Suzan Ozkul

Nicole Paquin

Joanna Panuccio

Alanna Price

Sabrina Rankin

Debbie Ratcliffe

Charisse Rayne

Jake Riseborough

Monika Roots

Jennifer Rouselle

Marika Smart

Alexander Stuber

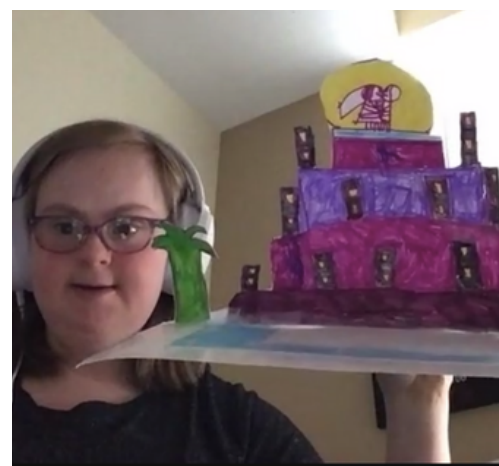
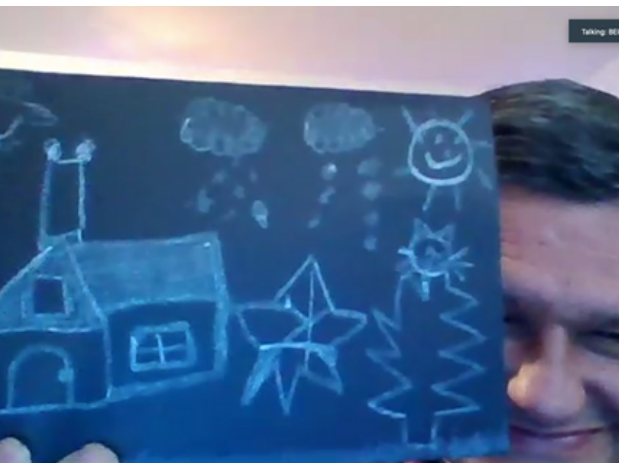
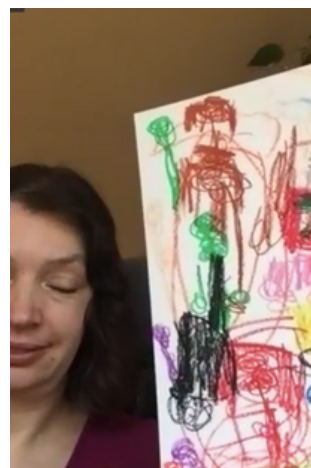
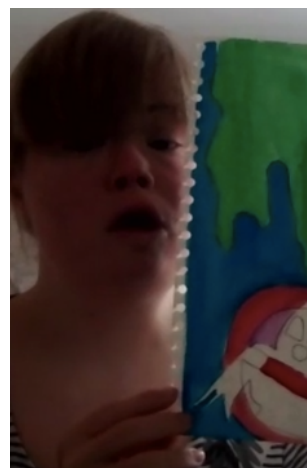
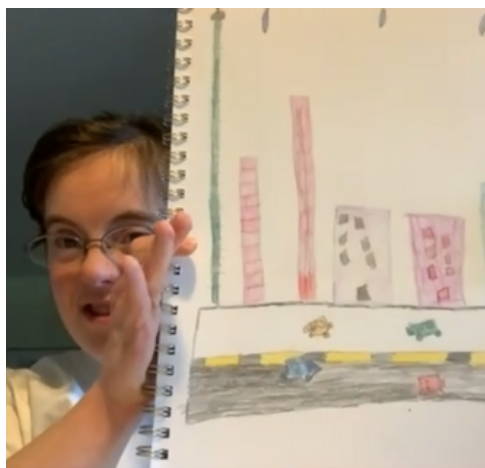
Alexa Vanveen

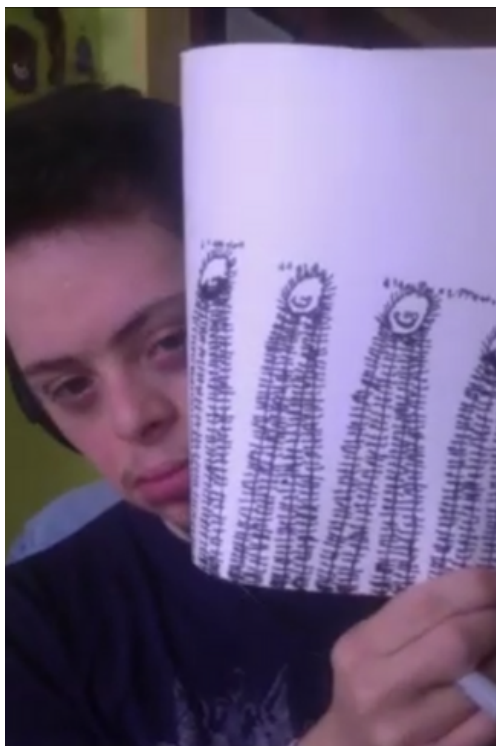
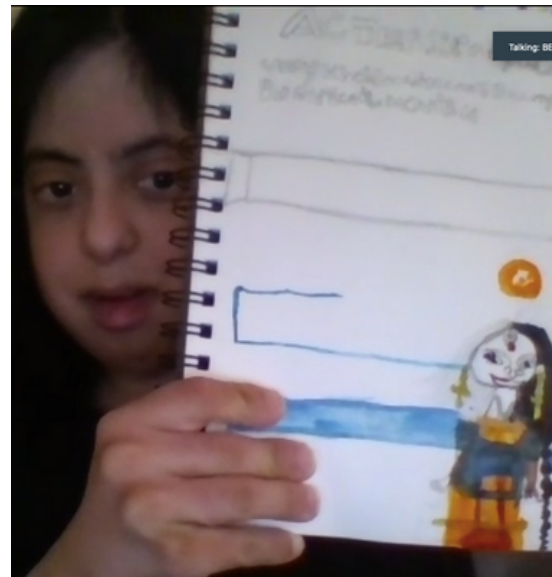
Devin Waldie

Nadia Walji

Alyssa Wylie

Jessica Whitney





WELCOME

What brings us together at BEING Studio is the joy of making art, but this year reminded us that what keeps us together as a community are the bonds of friendship and care.

BEING boldly embraced online programming in 2020/21. Thank you to all the artists and families who joined us on our journey online with BEING Home. Your trust, feedback and support have made it possible for BEING to thrive in ways we never imagined.

Congratulations and thank you to the staff team, for your innovation, courage, creativity, kindness, and sense of humour in adapting to the challenges of the COVID-19 pandemic. You took on new responsibilities and ways of working, while supporting each other and the artists and creating a truly impressive virtual program including Artist Connect, Virtual Coffee, and the podcast series SPEAK.

Thank you to the Board of Directors, for your energy and engagement in creating new policy, supporting financial resilience, and initiating strategic planning for the future of BEING Studio.

We are recognizing a record number of program volunteers and partners this year. Thank you for contributing your time and enthusiasm to BEING when we needed you most.

Thank you to the Canada Council for the Arts, the Ottawa Community Foundation, the City of Ottawa, the Government of Canada, the Ontario Trillium Foundation, the Bronson Rise collective impact initiative, the McKay Cross Foundation and the many individual donors who supported BEING's programming and digital evolution.



ROB HYAMS
Board Chair



STEPHANIE NADEAU
Executive Director

DONORS

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

Patrons (\$2000+)

Clementine Van Veen
Jim and Casey Fletcher
Nick Kohler
Robert MacKinnon
The McKay Cross Foundation
Tom Raina & Family

Funders (\$1000 - \$1499)

Fiona Harrison
Jay Dollries
Bertin & Julie Angell-Nadeau
Kelly Santini LLP
Remi Theriault Creative Inc

Supporters (\$500 - \$999)

Alain Doucet
Angela and Bill Vanveen
Bill Clelland
Christine Allison
Francoise Bouchard
Gerald Stuber
James Miller
Malcolm Fletcher
Mark Schaan
Menggu He
Miss Suzan Ozkul
Rosalind Riseborough
Sandra Dyck
Simone Joannis
Stephanie Nadeau
Stephen Hammond

DONORS

Friend (\$1 - \$499)

Aileen Leo
Tara Bursey
Brenda Ryan
Judy Pike
Catherine Hanrahan
Diane Hammond
Dominic Laporte
Genton Hong
Jill Daigle
Margaret Moriarty
Marian Qaldie
Mikylo Odut
Mimi Hong
Samantha Beesley
Sandra Maveety
Sara Panuccio
Wendy Feldberg
Zoe MacNeil
Fauzya Talib
Laura Gray
Mary Anne King
Ann & Russ Gallant
Andrew Stewart
Catherine Lindquist
Catherine Sinclair

David Gray
FRANCES CARON
Greg Chapman
Jeanette Southwood
Laura Taler
Lois Frankel
Marc Legault
Me-Loi Hong
Patricia Gagnon
Phyllis MacRae
Regina Jurjonas
Regina Traczyk-Jurjonas
Shara Weaver
Maria Catana
Jennifer Ward
Richard Hinchcliff
Stirling Prentice
Elizabeth Nisbet
Felicity Tayler
Frances Caron
Judith Dunn
Pamela McCurdy
Robert Hyams
Alex Fletcher
Sabrina Daniel
Suzan Ozkul

Gillian King
Barbara Roblin
Cheryl Antoine
Jenny Peacock
Marylin Hong
Mike Southwood
Natalie Hart
Sheilagh MCGilvray

STAFF TEAM

APRIL 1, 2020 – MARCH 31, 2021



Alicia Hofland
Studio Facilitator



Ayesh Kanani
Studio Facilitator



Azucena Rogers
Studio Facilitator



Jojo Cadieux
Studio Facilitator



M Southwood
Facilitator/Program Liaison



Debbie Ratcliffe
Artist in Residence



Karen McRae
Program Director



Lauren Maloney
Communications &
Outreach Assistant



Maddie Alexander
Curatorial Assistant



Rachel Gray
Artistic Director



Stephanie Nadeau
Executive Director

BOARD OF DIRECTORS

APRIL 1, 2020 – MARCH 31, 2021



Rob Hyams
Boar Chair



Gbenga Aliu
Treasurer



Zoë MacNeil
Vice-Chair/Secretary



Allyson Green



Christine Mikhail



Analisa Kiskis



Eilidh Kyte



Nada Mahfouz



Sally Thomas



Stephanie Germano



Zoey Feder

VOLUNTEERS

APRIL 1, 2020 – MARCH 31, 2021

Cailyn Thistle

Carlos Arteaga

Cassandra Toner

Edith Chu

Janice Easton

Jarret Hlady

Jenn Rutledge Gordon

Kayla Colman

Keirra Prince

Micah Haykowsky

Olivia Earl

Rebecca Kimber

Rian Alston

Richelle Bear Hat

Katrina Salgado

Tara Snyder

Vanessa Turner

Marissa Gallmit

Gillian King

Abigail Kashul

Laurena Fineus

Christopher Griffin

Rebecca Gray

Terrance O'Brian

Allysann Foehring

Practicum Students

Parisa Anonby

Theo Egube

Tara Snyder

Katrina Salgado

Olivia Earl

Kayla Colman

Cassandra Toner

Bluynn Kelman

Angel Mary Joly

Hannah Quinton

Kayla Colman

Olivia Earl

SOMEONE GREAT

After nine wonderful years we say so long for now
and congratulations on your retirement to

Azucena Rogers.

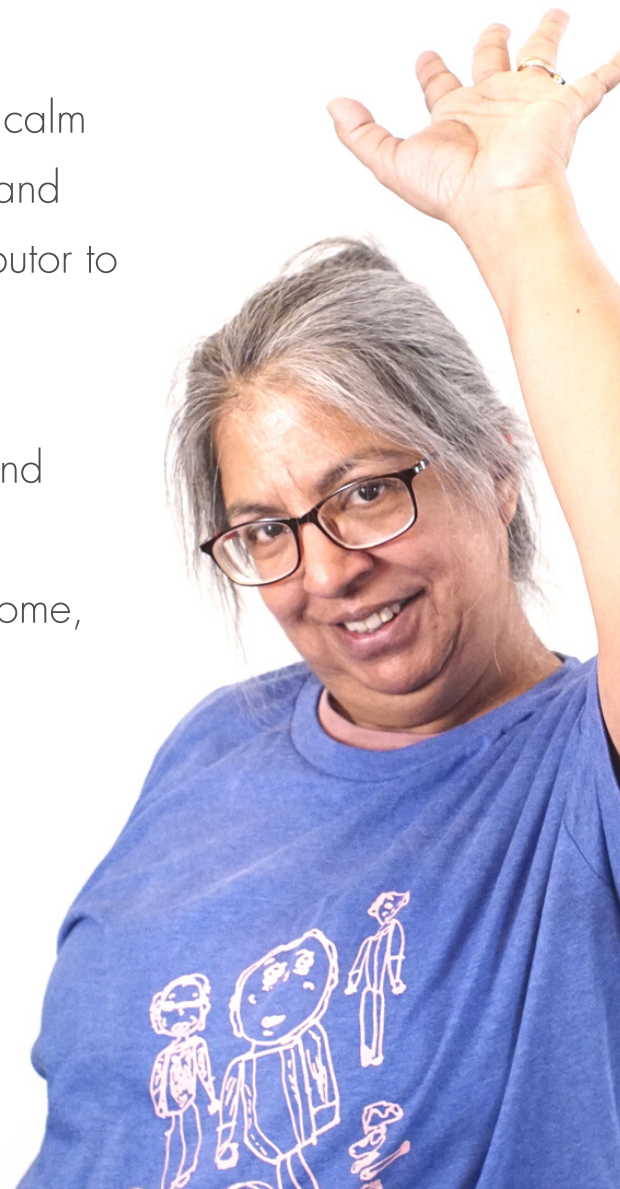
As a facilitator, Azucena radiated kindness and calm energy. Her willingness to embrace new things and learn technology made her an invaluable contributor to the founding of BEING Home.

Both artists and staff will miss her sense of fun and playfulness, and her love of art and creativity.

"She had a way of making everyone feel welcome, understood, supported and listened to."

- M Southwood.

Thank you, Azucena! We wish you all the best.



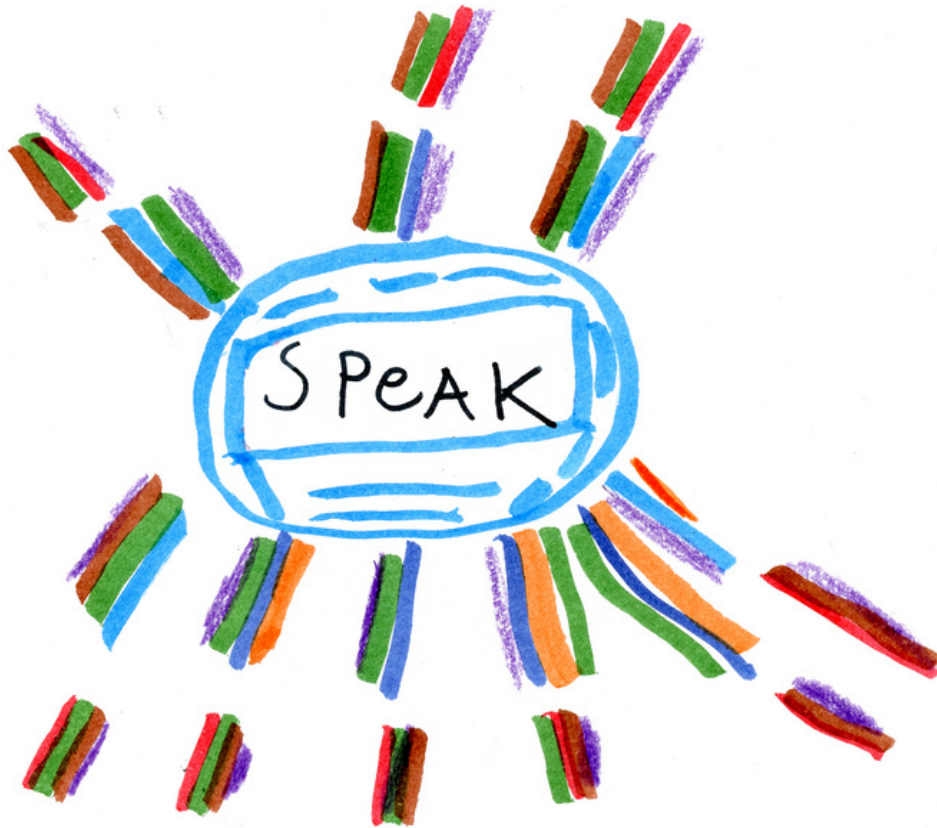
BEING HOME + VIRTUAL COFFEE

In April 2020, BEING started offering virtual programming using the platform Zoom, to keep our community connected and creative during the pandemic. BEING Home launched with daily group chats and art making/sharing sessions and home delivered art supply kits. The program also included studio visits with visiting guest artists, creative workshops, singalongs, virtual museum tours, and a mentorship program supported by the City of Ottawa.

Virtual Coffee was a casual talk series. For the length of a free Zoom meeting, BEING studio hosted an invited guest for a 40-minutes exchange of ideas on a range of topics. Virtual Coffee was first intended to foster inspiration for staff and artists during the pandemic. It became an important part of BEING's outreach strategy, and led to many new and enduring partnerships.



SPEAK + CLICK



Artwork by Jessie Huggett

SPEAK, a BEING original podcast, launched in September 2020 with a companion edition of BEING's online magazine CLICK. Each podcast episode brings you the stories and voices of the artists at BEING Studio. SPEAK is presented in collaboration with CHUO 89.1FM. Funded by the Canada Council for the Arts and Bronson RISE - a collective impact initiative of the Bronson Centre.



Canada Council
for the Arts

Conseil des arts
du Canada





BEING FUTURES

BEING Studio is building accessible options for artists to engage online beyond the pandemic. This evolution towards a digital hybrid future is an initiative supported by the Ontario Trillium Foundation's, (OTF) Resilient Communities Fund grant—a major investment of \$149,000 over 12 months that has allowed BEING to hire new staff, consult with experts, and co-design digital programs and platforms with artists at BEING.

Central to developing this strategy is a partnership with the Inclusive Design Research Centre (IDRC), an international community of open-source developers, designers, researchers, educators, and co-designers who work together to proactively ensure that emerging technology and practices are designed inclusively.



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

Co-design Workshop 1



Workshop 1 Prompt



Workshop 1



Co-design Workshop 2



Workshop 2 Prompt



Workshop 2



ARTIST CONNECT



Artwork by Analisa Kiskis

Artist Connect was a series of online events in January - March 2021, that brought together 6 communities of artists with disabilities from across Canada. BEING worked closely with Connected Canadians, the Disability Justice Network of Ontario, National accessArts Centre, H'Art Center, Propeller Dance, the Nina Haggerty Centre for the Arts and theSpace to make these events happen. During Artist Connect we talked about artwork, accessibility and community in online spaces.

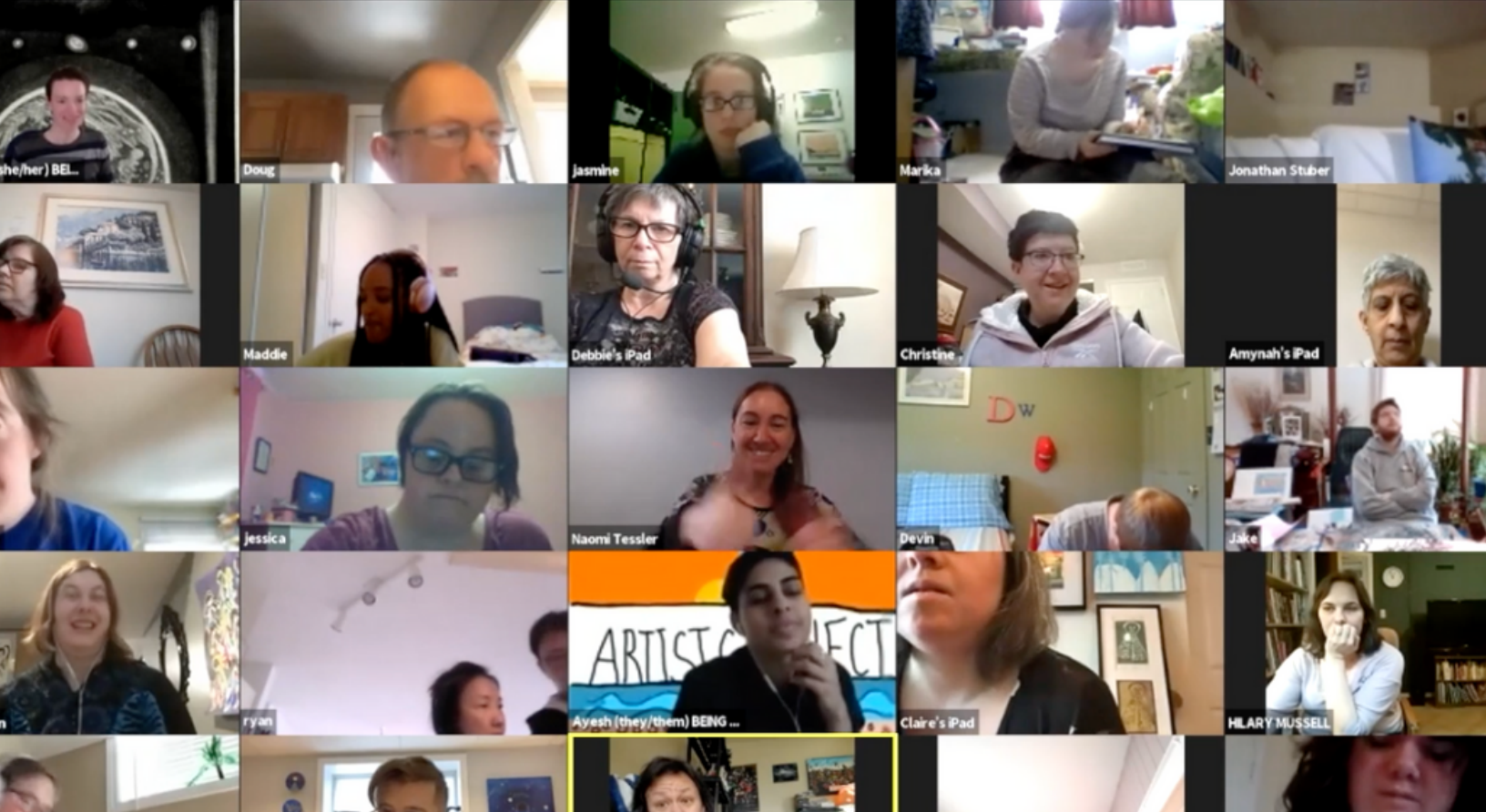


Canada Council
for the Arts

Conseil des arts
du Canada



OTTAWA
COMMUNITY
FOUNDATION

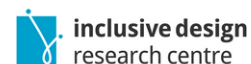


Claire Nedzela
Artist at BEING



Gives us hope and courage

PARTNERS





THANK YOU

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, 2021

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, 2021, 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, 2021 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, 2021 and 2020, current assets as at March 31, 2021 and 2020, and net assets as at April 1, 2019 and 2018 and March 31 for both the 2021 and 2020 years. Our audit opinion on the financial statements for the year ended March 30, 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 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.

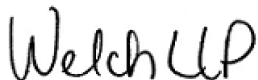
Auditor's Responsibilities for the Audit of the Financial Statements

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 11, 2021.

Welch LLP[®]

BEING STUDIO
(Formerly operated as H'art of Ottawa)
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2021

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash	\$ 166,964	\$ 44,471
Short-term investments	8,001	20,255
Accounts receivable	21,385	34,912
Prepaid expenses	<u>600</u>	<u>623</u>
	<u>\$ 196,950</u>	<u>\$ 100,261</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 14,634	\$ 6,624
Deferred contributions (note 5)	<u>82,369</u>	<u>8,720</u>
	97,003	15,344
NET ASSETS		
Unrestricted	<u>99,947</u>	<u>84,917</u>
	<u>\$ 196,950</u>	<u>\$ 100,261</u>

Approved by the Board:

..... Director

..... 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, 2021**

	<u>2021</u>	<u>2020</u>
Sales	\$ 7,364	\$ 19,284
Cost of sales	<u>4,231</u>	<u>8,198</u>
Gross profit	<u>3,133</u>	<u>11,086</u>
Other revenue		
Participant fees	152,829	161,176
Donations	42,122	35,756
Endowment fund income	2,243	2,256
Grants and other contributions	143,036	168,984
Other income	285	355
Government contributions (note 8)	<u>28,394</u>	<u>-</u>
	<u>372,042</u>	<u>379,613</u>
Expenses		
Salaries, wages and employee benefits	202,846	162,586
Artist and curator honoraria	38,924	6,194
Professional fees	31,488	8,317
Office	18,392	18,365
Rent	16,354	19,240
Professional development	12,494	-
Renovation	10,543	138,183
Art and general supplies	8,626	4,274
Telecommunication	7,489	1,600
Bank charges	3,163	922
Insurance	2,677	2,612
Event and public affairs	2,072	375
Postage and printing	1,081	50
Miscellaneous	<u>863</u>	<u>1,172</u>
	<u>357,012</u>	<u>363,890</u>
Excess of revenue over expenses	15,030	15,723
Net assets, beginning of year	<u>84,917</u>	<u>69,194</u>
Net assets, end of year	<u>\$ 99,947</u>	<u>\$ 84,917</u>

(See accompanying notes)

BEING STUDIO*(Formerly operated as H'art of Ottawa)***STATEMENT OF CASH FLOWS****YEAR ENDED MARCH 31, 2021**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM (USED IN)		
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 15,030	\$ 15,723
Changes in non-cash working capital components:		
Accrued investment income	<u>-</u>	<u>(255)</u>
	15,030	15,468
Changes in the level of:		
Accounts receivable	13,526	(25,357)
Prepaid expenses	23	2,437
Accounts payable and accrued liabilities	8,010	(9,231)
Deferred revenue	-	(2,175)
Deferred contributions	<u>73,649</u>	<u>(18,804)</u>
	<u>110,238</u>	<u>(37,662)</u>
INVESTING ACTIVITIES		
Redemption of short-term investments	20,255	14,151
Purchase of short-term investments	<u>(8,000)</u>	<u>(20,000)</u>
	<u>12,255</u>	<u>(5,849)</u>
FINANCING ACTIVITIES		
CEBA loan proceeds received	10,000	-
CEBA loan payments made	<u>(10,000)</u>	<u>-</u>
	<u>-</u>	<u>-</u>
INCREASE (DECREASE) IN CASH	122,493	(43,511)
CASH AT BEGINNING OF YEAR	<u>44,471</u>	<u>87,982</u>
CASH AT END OF YEAR	<u>\$ 166,964</u>	<u>\$ 44,471</u>

(See accompanying notes)

BEING STUDIO

(Formerly operated as H'art of Ottawa)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2021

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 and t-shirt 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.

BEING STUDIO

(Formerly operated as H'art of Ottawa)

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2021

2. SIGNIFICANT ACCOUNTING POLICIES - Cont'd.

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.

Contributed materials and services

Contributed materials which are used in the normal course of the organization's operations and would otherwise have been purchased are recorded at their fair value at the date of contribution. For the year ended March 31, 2021, there were no contributed materials recognized.

Volunteers contribute many hours per year to assist the organization in carrying out its activities. Due to the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

Government assistance - Canada Emergency Wage Subsidy and the Temporary Wage Subsidy for Employers

The Canada Emergency Wage Subsidy (CEWS), a form of temporary government assistance introduced in response to the COVID-19 pandemic, was a subsidy initiated by the federal government to enable employers to re-hire workers previously laid off, and to retain those who were already on payroll. The subsidy was calculated as a percentage of eligible remuneration paid by those who experienced a certain level of revenue decline during the program periods. The Temporary Wage Subsidy for Employers (TWS), is another form of temporary government assistance introduced in response to the pandemic, that enabled eligible employers to reduce the amount of payroll deductions they were required to remit to the Canada Revenue Agency (CRA).

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.

The organization does not hold t-shirts or other merchandise for sale as those items are produced as sales are made.

BEING STUDIO

(Formerly operated as H'art of Ottawa)

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2021

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, 2021.

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, 2021

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 BEING Studio 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, 2021, the endowment fund has a value of \$56,032 and income of \$2,243 was receivable by the organization.

5. DEFERRED CONTRIBUTIONS

Deferred contributions consist of the following activity:

	<u>2021</u>	<u>2020</u>
Balance at beginning of year	\$ 8,720	\$ 29,699
Grants received in year	9,210	5,865
Restricted grants received in year	204,578	5,000
Grants recognized in year	(6,820)	(8,040)
Restricted grants recognized in year	<u>(133,319)</u>	<u>(23,804)</u>
Balance at end of year	<u>\$ 82,369</u>	<u>\$ 8,720</u>

6. LEASE COMMITMENT

The organization has signed a lease for its premises which requires monthly payments totaling \$16,355 annually with a 2% annual increase and expires December 31, 2024.

7. 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 27, 2020. In addition, an event that was to take place in April 2020 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.

8. GOVERNMENT CONTRIBUTION

In March of 2020, the Government of Canada announced that they would be providing emergency funding in response to measures various businesses were required to take regarding the spread of the COVID-19 pandemic.

The amount of subsidies attributable to the Organization's March 31, 2021 fiscal year are reported below:

Canada Emergency Wage Subsidy (CEWS) program	\$ 23,546
Canada Temporary Wage Subsidy (TWS) program	2,011
Canada Emergency Rent Subsidy (CERS) program	337
Canada Emergency Business Account (CEBA) - forgivable portion (note 9)	<u>2,500</u>
	28,394
Amounts received during the year	<u>25,023</u>
Government contributions receivable included in accounts receivable	<u>\$ 3,371</u>

BEING STUDIO

(Formerly operated as H'art of Ottawa)

NOTES TO THE FINANCIAL STATEMENTS - Cont'd.

YEAR ENDED MARCH 31, 2021

9. CEBA LOAN

During the year, the organization received access to a \$40,000 loan under the provisions of the Canada Emergency Business Account ("CEBA"). The program was launched by the Government of Canada to provide financing to qualifying small businesses and not-for-profit organizations to ease the financial strain experienced as a result of the COVID-19 pandemic.

The loan, which was provided by Royal Bank of Canada (RBC), is a revolving line of credit, non-interest bearing, unsecured and guaranteed by the Government of Canada. Repayment of principal is not required on or before December 31, 2022 and loan payments can be made at any time without fees or penalties. If the Corporation has paid \$40,000 of the loan prior to December 31, 2022, the lender will forgive the remaining \$10,000 balance of the loan.

Any outstanding balance remaining at January 1, 2023 will bear interest at an annual rate of 5%, payable monthly. Any remaining balance owing, in principal and interest, will be repayable in full on December 31, 2025.

As the organization has already repaid the \$10,000 of loan proceeds received in the year, \$2,500 of the loan has been recognized as revenue in the year (note 8).

On June 30, 2021, BEING Studio applied for a \$20,000 CEBA loan, which is an expansion of the existing \$40,000 CEBA loan. November 30, 2021 is the last date that they will be able to withdraw or transfer funds from the CEBA loan. On December 1, 2021, the outstanding balance on the CEBA loan converts into a non-revolving term loan. The terms and conditions of the expansion remain the same as the original CEBA loan.

10. COMPARATIVE FIGURES

Comparative figures have been reclassified where necessary to conform to the presentation adopted in the current year.