



Maple Ridge Pitt Meadows Arts Council

2014-2015
ANNUAL REPORT



2014/2015

ANNUAL REPORT

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Executive Summary

The MRPM Arts Council has had a very busy and productive year. Two of the many accomplishments of our team included making significant changes and updates to our three year Operation Agreement for The ACT with the Parks and Leisure Commission; as well as holding three strategic planning sessions resulting in our next Strategic Plan for 2016 – 2018. We'd like to thank all the members, patrons and community participants who shared their valuable time in our in-person stakeholder's audit and the identity survey. Your feedback helped us to create consolidated branding as the operator of The ACT Arts Centre, linking all we undertake as a multifaceted organization. Our aim remains to offer vibrant arts and cultural opportunities and experiences through excellence in artistic and educational programming; customer, member and community service. We are dedicated to promoting and encouraging appreciation for the arts, as we continue to engage and enable the community's creative potential while creating public impact and value.



Korleen Carreras
PRESIDENT
Maple Ridge Pitt
Meadows Arts Council



Lindy Sisson
**EXECUTIVE &
ARTISTIC DIRECTOR**
Maple Ridge Pitt
Meadows Arts Council
& The ACT Arts Centre



Board of Directors

President: Korleen Carreras

Vice President: Dawn Flanagan

Treasurer: Diane Daignault

Secretary: Linda King

Past Board President: Bonnie Telep

Directors:

Jeff Anderson, Bob D'Eith,
Candace Gordon, Mike Murray,
Bill Thiessen, Brad Tones, Ray Wallis

MRPM Parks and Leisure Liaison:

Yvonne Chui

City of Maple Ridge, Liaison:

Councillor Corissa Bell

City of Pitt Meadows, Liaison:

Mayor John Becker

School District 42, Liaison:

Dave Rempel

Staff

Lindy Sisson, **Executive & Artistic Director**

Carol Cheremkora, **Arts Program Manager**

Lori Ceaser, **Arts Program & Admin Assistant**

Barbara Duncan, **Gallery Curator**

Courtney Harrod, **Gallery Assistant**

Philip Hartwick, **Business Manager**

Pilaar Yule, **Bookkeeper**

Karen Pighin, **Communications Manager**

Neva Broadhead, **Communications Coordinator**

Jenni Rempel, **Marketing & Web Content Coordinator**

Landrie Davies, **Event & Volunteer Manager**

Tracey Brady, **Ticket Centre Manager**

Ed Harris, **Technical Operations Manager**

Alex House, **Technical Director**

Colin McKay, **Custodian**

EVENT SERVICES SUPERVISORS: Melissa Harris,

Chris McGill, Danielle Nickel, Thomas Smith

BARTENDERS: John Harder, Sarah Nutbrown Bourdeau,

Anthony Rant Valentyne

TICKET CENTRE ATTENDANTS: Jennifer Babstock,

Abby Brown-John, Janet Comer, Nicole Eccles,

Shannon Spindor

TECHNICIANS: John Supeene, Kia Newton, Nate Kelly,

Shadoc Reisler, Don Parman, Jamie Burns, Jason

Smith, Russ Hawryzki, Shawn Gommer, Karch Tan



Vision

To bring arts to the heart of our community.

Mission

We work in partnership with the community to develop, promote and celebrate the arts.

Programming Mandate

- to present high quality exhibitions and performances featuring primarily Canadian artists
- to present a diverse balance of artistic and educational programming
- to develop The ACT Arts Centre as an inclusive centre for arts and culture within the community, appealing to a wide range of interests and ages
- to create mutually beneficial co-presenting opportunities, within our resources, with other not-for-profit arts and community organizations that will strengthen and diversify the cultural sector
- to encourage and support local artists and arts organizations through the execution of our vision, mission and values

177

MEMBERS

INCLUDING

39 VIPs

36 member groups

GOVERNMENT FUNDERS



Canadian
Heritage Patrimoine
canadien



CORPORATE SPONSORS



ARTS HEROES



**Cottonwood
Medical Clinic**



**BUSINESS
OF THE YEAR**

ARTS CHAMPIONS



**Bonnie and
Ralph Telep**



Board of Directors



SPECIAL EVENT SPONSORS



DONORS



**ROTARY CLUB
OF HANEY**

Helen Bing | Lola Boyce | Kristin Kimmel | Davinder Bhachu | Britta Cederberg | Yvonne Chui | Betty Coy | Iris Darcus | Helen Dickie
Dawn Flanagan | Gordon Hart | Myra Hutchinson | Diane Kalyk | Margaret Kury | Biju Mathew | Christine Message | Mike Murray
Surendra Patel | Teresa Thieman | Kendra Valois | Linda King | Andrea Walker

COMMUNITY PARTNERS

Aboriginal Education | Ivan Boudreau | Christmas Haven | Community Network | Downtown Maple Ridge Business Improvement
Association | Economic Development Maple Ridge | Family Education and Support Centre | Friends in Need Food Bank
Garibaldi Art Club | Golden Ears Writers | Gone Hooking Rug Group | Greg Moore Youth Centre | Holy Wow Poets | Katzie First Nation
Maple Ridge Festival of Lights Society | Maple Ridge Lapidary Club | Maple Ridge Pitt Meadows Katzie Literacy Committee
Maple Ridge & Pitt Meadows NEWS | Mission Association for Community Living | Nigel Tucker | School District 42
SFU Philosophers' Café | Boris Sichon | Simon Fraser Society for Community Living | Simplified Business Solutions
Ridge Meadows Association for Community Living | Ridge Meadows Recycling Society | Joe Robinsmith
Tourism Maple Ridge Pitt Meadows | Tri-Cities Community Living | Volunteer Maple Ridge Pitt Meadows
What's On Magazine | Whonnock Weavers and Spinners Guild

Scholarships

Since 2005, the Maple Ridge Pitt Meadows Arts Council has provided \$55,000 in support of young people in their pursuit of post-secondary arts education. Five deserving Grade 12 students in Maple Ridge and Pitt Meadows were awarded scholarships of \$1,000 each.

The 2015 scholarship recipients are (pictured, right):

Brendan Williams – Thomas Haney, Visual Arts
Rosie Elphick – Maple Ridge Secondary, Visual Arts
Jeremiah (Jeremy) Laity – Homeschooled, Music
Jacob Pryanthan – Maple Ridge Secondary, Music
Carla Haldin – Samuel Robertson Tech, Literary



Member Group Grants

In 2014, 13 Member Groups were awarded a total of \$7,500 in grant funding to support their 2015/2016 seasons. We are pleased to thank Chances Gaming Centre Maple Ridge for their continued support of the Arts in our community.

Member Group Grant Recipients are:

Cinema Politica Ridge Meadows, Downtown Maple Ridge BIA, Emerald Pig Theatrical Society, Garibaldi Art Club of Maple Ridge, SPECC-tacular Productions, Maple Ridge Pitt Meadows Art Studio Tour, Maple Ridge Concert Band Association, Ridge Meadows Quilters' Guild, MR PM Community Resource Fair, Maple Ridge Caribbean Festival Society, Maple Ridge Pitt Meadows Katzie Community Literacy Committee, Royal Canadian Theatre Company, Maple Ridge Festival of Light Society.

Arts Angels



The Arts Angels program provides *ACT Presents* performance tickets and Arts Program Bursaries to those who might not otherwise have access to the arts. Thanks to Arts Angels donors we have been able to provide over **1200 students** and **100 adults tickets** to *ACT Presents* performances and **51 Arts Program Bursaries**. We were also able to support approximately **61 families** through the 2014/2015 MRPM Parks & Leisure Participation Program.

ARTS ANGELS DONORS



MEADOW RIDGE
ROTARY

SHEILA NICKOLS | RENEE TYSON



The ACT *Presents* series was recognized with the Presenter of the Year Award from the Canadian Arts Presenters Association (CAPACOA) this past January. I am also proud to report we achieved **80% capacity** for the series! Our **Golden Ears Movie Series** has been running for 5 years now and has increased attendance by 62% since its inception in 2010. Highlights of the season included the only western Canadian presentation of the amazing Sarah Slean - who charmed and mesmerized our audience; sold out performances of *Winter Harp*, *The Odd Couple*, *The Harpoonist and the Axe Murderer* and *The Foreigner*; the return of Michael Kaeshammer - who gave our newly refurbished piano the most amazing work out; PLUS our first ALT Fest, complete with pre-show lobby entertainment by the Dusty Flower Pot Cabaret - which was too much fun!



36 ACT Presents
PRESENTATIONS
BROUGHT IN
9812
ATTENDEES

Community Initiatives - Highlights

- We raised enough funds to delight **1830 kindergarten and grade 4 SD42 students** who attended 3 free performances of the Very Hungry Caterpillar plus a classical concert with pianist Sarah Hagen and violist Tawnya Popoff.
- **Canada Culture Day** featured Instruments of the World INTERACTIVE! with Boris Sichon, plus our first free Creative Fusion Arts Sampler for Adults.
- **Lobby Nights** hosts 6 different evenings monthly. Holy Wow Poets joined forces with local visual artists to produce *The Essence of Love*, and we held a special Celtic Jam for St. Patrick's Day.
- Expanded **CRE8 Youth Arts Day** – thanks to a BCAC special project grant teens could choose 2 of 9 arts workshops offered by professional artists. We also produced two commissions, a youth produced film called *Art Can Change*, and *ReGeneration* created with students from the SD42 Aboriginal School program under the direction of singer/songwriter **Sandy Scofield**.

79
FREE EVENTS
& outreach
activities
BROUGHT IN
12,629
ATTENDEES



Arts Programs

The Arts Council supports lifelong learning through the arts and is continually developing new, creative, and diverse programming for all ages. Our professional and friendly instructors tailor classes to encourage students to explore their creative side and nurture their artistic goals in a supportive environment. This year we expanded our Creative Fusion Fine Arts Camps for children with a very successful Teen & Adult fine arts sampler where they also had an opportunity to explore a variety of art mediums.

2340
PARTICIPANTS
ATTENDED
>>460<<
arts programs

INCLUDING
42 NEW
PROGRAMS
55 summer
programs
with 200 hours of
PHYSICAL ACTIVITY
in our spring/summer camps

The ACT Art Gallery

Celebrating the creation of artwork and fine craft from Maple Ridge, Pitt Meadows and beyond is our passion at The ACT Art Gallery, formerly known as the Maple Ridge Art Gallery. Guided by the belief that exhibitions by professional, emerging and amateur artists can be equally honoured in this beautiful space, we were delighted to be able to host the work of both local and regional painters, craft-based artists and photographers. Some of the highlights of the year included:

- A retrospective of the artwork of local artist, Kristin Kimmel, whose journey from struggling student to accomplished professional artist was an inspiration to us all.
- What is now a cherished seasonal tradition – the 2014 Ensemble Exhibition and Sale.
- During our exhibition by the talented Scottish Canadian artist, Jeff Wilson, we held a Robbie Burns Day Celebration featuring Scottish dancing, recitation and more.
- Our transformation into an elegant and artful tearoom for our annual fundraiser, TeaGarden included honeybee expert Brian Campbell as the feature speaker.

Increasingly, we want our visitors to both enjoy the artwork and engage in conversations during the artist talks, workshops and other presentations that are regularly featured at the gallery. The experience of these events and other visual art activities over the past year has strongly reinforced our belief in the essential place of art in our community.



7942 GALLERY & SHOP VISITORS
7 gallery EXHIBITIONS
+10 additional exhibits



The Gallery Shop

The Gallery Shop has had yet another stellar year in achieving its two aligned goals: raising funds for the gallery and offering exposure to a wide range of artists and makers. With an emphasis on 'local and handmade' we believe that much of our recent success is attributable to the fresh, contemporary look of the items we carry, and the wonderful volunteers who offer many dedicated hours in their role as sales attendants.



Volunteers

Once again the 2014/2015 season could not have happened if it were not for our wonderful team of dedicated volunteers. Volunteers have accumulated over 6800 hours of service for our past season. We have volunteers from 5 years old to over 85 years and each one is a valuable member of our team. Whether they are ripping tickets, shredding old documents, stapling programs or selling jewellery each volunteer comes with a smile and a helping hand. We would like to express our gratitude for each moment we get to spend with this amazing group of people.

Volunteer of the Year Awards:

Theatre – Betty Millward
Art Gallery - Dorothy Johnson
Arts Program - Micah Moore

GRAND TOTALS

982 EVENTS

73,903

FACILITY ATTENDANCE

Rental Clients

233 Total Events
39,597 Total Attendance

Event Services Rental Usage

Rental Clients 105

MAINSTAGE

122 bookings
1188 hours

STUDIO THEATRE

65 bookings
643 hours

CONFERENCE ROOM

54 bookings
329 hours

THE ACT ARTS CENTRE

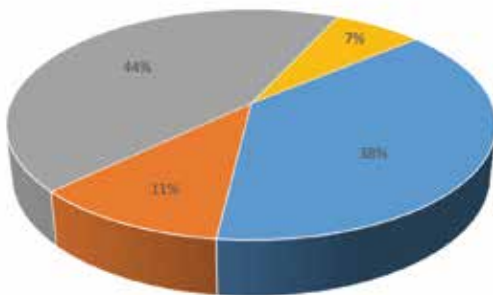
429 bookings
3369 hours



Financial Summary

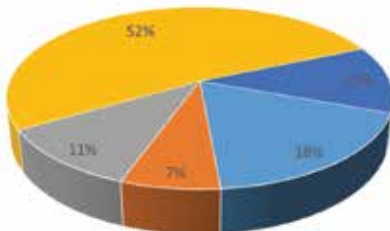
Total Operating Budget \$1,839,946

REVENUES BY CATEGORY



■ PLS Operating Grant
 ■ Other Grants
 ■ Earned Revenue
 ■ Membership Services & Donations

EXPENSES BY CATEGORY



■ Artistic and Community Programming
 ■ Marketing and Fundraising
■ Administration
 ■ Payroll
■ Facility Expenses

Capital Improvement Fund

In our 2014-15 year, we purchased a variety of capital equipment for the Arts Centre to enhance user experiences. Among the items purchased are: an Automated External Defibrillator (AED), two new ticket printers, new lobby furniture, a closed circuit television camcorder so we can broadcast our performances in the lobby, a portable sound console which is usable throughout the building, and lighting infrastructure for the theatre. In total we spent \$60,785 on capital improvements.

Maple Ridge Pitt Meadows Arts Council

The ACT Arts Centre

11944 Haney Place, Maple Ridge,
British Columbia V2X 6G1
604.476.2787

 [FACEBOOK.COM/MAPLERIDGEACT](https://www.facebook.com/MapleRidgeACT)

 [@MAPLERIDGEACT](https://twitter.com/MapleRidgeACT)

 [YOUTUBE: THE ACT ARTS CENTRE](https://www.youtube.com/channel/UC...)

theactmapleridge.org

Financial statements of

**Maple Ridge and Pitt Meadows
Arts Council**

June 30, 2015

Maple Ridge and Pitt Meadows Arts Council

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Independent Auditor's Report

The Members,
Maple Ridge and Pitt Meadows Arts Council

We have audited the accompanying financial statements of Maple Ridge and Pitt Meadows Arts Council, which comprise the statement of financial position as at June 30, 2015, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Maple Ridge and Pitt Meadows Arts Council as at June 30, 2015, 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.

Report on Other Legal and Regulatory Requirements

As required by the Society Act (British Columbia), we report that, in our opinion, these financial statements are presented on a basis consistent with that of the preceding year.

Deloitte LLP

Chartered Professional Accountants
Langley, British Columbia

September 15, 2015

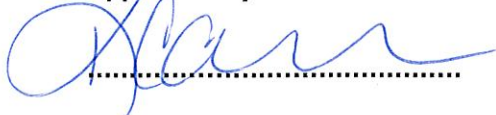
Maple Ridge and Pitt Meadows Arts Council

Statement of financial position

As at June 30

	2015	2014
	\$	\$
Assets		
Current		
Cash		
Unrestricted	322,550	304,764
Restricted (Note 3)	255,057	204,337
Temporary investment (Note 4)	53,283	52,808
Accounts receivable	21,101	25,771
Inventory	3,959	2,805
Prepaid expenses and deposits	43,437	32,163
	699,387	622,648
Property and equipment (Note 5)	12,375	13,750
	711,762	636,398
Liabilities		
Current		
Accounts payable and accrued liabilities	195,371	170,201
Deferred revenue	188,670	217,004
Deferred contributions - capital improvement fund (Note 8)	165,377	114,792
	549,418	501,997
Net assets		
Invested in property and equipment	12,375	13,750
Internally restricted (Note 7)	19,485	19,485
Unrestricted	130,484	101,166
	162,344	134,401
	711,762	636,398

Approved by the Directors



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Maple Ridge and Pitt Meadows Arts Council

Statement of changes in net assets

Year ended June 30

	Invested in property and equipment	Internally restricted	Unrestricted	2015 Total	Invested in property and equipment	Internally restricted	Unrestricted	2014 Total
	\$	\$	\$	\$	\$	\$	\$	\$
Net assets at beginning of the year	13,750	19,485	101,166	134,401	14,916	19,485	100,000	134,401
Surplus of revenue over expenditures for the year	(1,375)	-	29,318	27,943	(1,166)	-	1,166	-
Net assets at end of the year	12,375	19,485	130,484	162,344	13,750	19,485	101,166	134,401

Maple Ridge and Pitt Meadows Arts Council

Statement of operations

Year Ended June 30

	2015	2014
	\$	\$
Revenue		
Arts council presentations	174,627	158,751
Art gallery	16,613	18,348
Arts programs	203,995	218,220
Front of house services	92,742	70,003
Fundraising	18,441	15,726
Operating grant (Note 6)	701,546	688,536
Other grants (Note 9)	190,891	167,192
Other revenue	112,312	92,181
Rentals	258,349	237,588
Ticket centre revenue	70,430	61,113
	1,839,946	1,727,658
Expenditures		
Administration	117,811	104,895
Amortization	1,375	1,166
Art gallery	13,281	27,024
Arts council presentations	129,508	121,368
Arts programs	140,626	149,647
Bad debts (recovery)	(2,934)	4,475
Bank charges	23,792	19,563
Building	63,846	60,899
Community programs	42,640	16,994
Contribution to City assets (Note 6)	60,785	63,230
Front of house	32,027	22,164
Fundraising	2,152	1,544
Lease (Note 6)	80,000	80,000
Marketing	120,624	114,728
Payroll	924,719	866,840
Ticket centre	5,772	2,312
Utilities	67,779	65,401
	1,823,803	1,722,250
Surplus of revenue over expenditures		
before contribution to Arts Centre equipment reserve	16,143	5,408
Receipts from (contributions to)		
Arts Centre equipment reserve (Note 6)		
Receipts	11,800	14,735
Contributions	-	(20,143)
Surplus of revenue over expenditures for the year	27,943	-

The accompanying notes are an integral part of these financial statements.

Maple Ridge and Pitt Meadows Arts Council

Statement of cash flows

Year Ended June 30

	2015	2014
	\$	\$
Operating activities		
Surplus of revenue over expenditures for the year	27,943	-
Items not involving cash		
Amortization of property and equipment	1,375	1,166
	29,318	1,166
Changes in non-cash operating working capital		
Accounts receivable	4,670	(5,593)
Inventory	(1,154)	94
Prepaid expenses	(11,274)	(16,548)
Accounts payable and accrued liabilities	25,170	(16,238)
Deferred revenue	(28,334)	40,418
	(10,922)	2,133
	18,396	3,299
Financing activity		
Capital improvement fund contributions received	50,585	43,806
Investing activities		
Change in temporary investments	(475)	(452)
Change in restricted cash	(50,720)	(36,727)
	(51,195)	(37,179)
Change in cash during the year	17,786	9,926
Cash at beginning of the year	304,764	294,838
Cash at end of the year	322,550	304,764

Maple Ridge And Pitt Meadows Arts Council

Notes to financial statements

June 30, 2015

1. Purpose of the organization

The mission of the Maple Ridge and Pitt Meadows Arts Council (the "Society") is to develop, promote, and celebrate the arts in Maple Ridge and Pitt Meadows. The Society is incorporated under the British Columbia Society Act as a not-for-profit organization and is a registered charity under the Income Tax Act.

2. Significant accounting policies

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

Revenue recognition

The Society follows the deferral method of accounting for contributions. Restricted contributions, including grants received for specific purposes or operating periods, are recognized as revenue in the period which the grant relates to or the period in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Operating grant, theatre, ticket centre, front of house, arts programs, art gallery, and rental revenues are recognized when the services are provided or product is delivered and collection is reasonably assured.

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Society becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in the statement of operations as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Society recognizes in the statement of operations an impairment loss, if any, when it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss shall be reversed in the statement of operations in the period the reversal occurs.

Maple Ridge And Pitt Meadows Arts Council

Notes to financial statements

June 30, 2015

2. Significant accounting policies (continued)

Property and equipment

Property and equipment is recorded at cost. Amortization is provided using the straight line method over their estimated useful life as follows:

Grand piano 20 years

Amortization is reduced to one half the normal rate in the year of acquisition.

An impairment loss is recognized in property and equipment when the asset no longer has any service potential to the Society. The amount of impairment loss is determined as the excess of its net carrying value over any residual value and is recognized in the statement of operations.

Inventory

Inventory is comprised of items held for resale by the Society's art gallery, arts programs, and concession and is valued at the lower of actual cost and net realizable value. Cost is determined on the average cost basis. Net realizable value is the selling price less the cost necessary to make the sale. During the year the Society expensed \$38,594 (2014 - \$26,925) of inventory.

Contributed services

Several members of the community contribute numerous volunteer hours each year organizing and over-seeing the administration of the Society's activities. Contributed services are not recognized in the financial statements.

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 the assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Key components of the financial statements requiring management to make estimates include the provision for doubtful accounts in respect of receivables, the useful lives and impairment of property and equipment and certain accrued liabilities. Actual results could differ from these estimates.

3. Restricted cash

	2015	2014
	\$	\$
Board designated funds (Note 7)	19,485	19,485
Externally restricted gaming funds	70,195	70,060
Capital improvement fund (Note 8)	165,377	114,792
	255,057	204,337

Maple Ridge And Pitt Meadows Arts Council

Notes to financial statements

June 30, 2015

4. Temporary investment

Temporary investment consists of a guaranteed investment certificate which earns interest at 0.90% (2014 - 0.90%) and matures in November 2015.

5. Property and equipment

	2015		2014	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Grand piano	27,500	15,125	12,375	13,750

6. Operating agreement

The Society has entered into an operating agreement (the "agreement") with the Maple Ridge and Pitt Meadows Parks and Leisure Services Commission (the "Commission"), whereby the Society receives monies from the Commission to manage and operate the Maple Ridge Arts Centre and Theatre (the "Arts Centre and Theatre"). As part of this agreement the Society is required to lease the Arts Centre and Theatre from the City of Maple Ridge (the "City").

The agreement with the Commission is in effect until December 31, 2017 but may be terminated at any time by either party on 180 days notice. The agreement provides for the following expected operating grants from the Commission and lease charges to be paid to the City until December 31, 2017, assuming the agreement is not terminated by either party:

	Operating grant	Lease charges	Net
	\$	\$	\$
July 1, 2014 - June 30, 2015	701,546	(80,000)	621,546
July 1, 2015 - June 30, 2016	714,954	(80,000)	634,954
July 1, 2016 - June 30, 2017	727,613	(80,000)	647,613
July 1, 2017 - December 31, 2017	367,003	(40,000)	327,003
	2,511,115	(280,000)	2,231,115

Maple Ridge And Pitt Meadows Arts Council

Notes to financial statements

June 30, 2015

6. Operating agreement (continued)

Under the terms of the agreement all equipment used in the operation of the Arts Centre and Theatre is the property of the City except for the grand piano and specific equipment which has been identified as the property of the Society. During the year the Society expended \$60,785 (2014 - \$63,230) on various equipment that now belongs to the City and, accordingly, has been recorded as an expense in these financial statements.

The operating agreement requires the Society to make certain equipment reserve and surplus sharing payments to the City when the Society's unrestricted net assets exceed \$150,000 and there is an annual surplus as defined in the agreement. As a result of the fiscal 2015 surplus of revenues over expenditures, the Society has recorded a current year contribution expense of \$nil (2014 - \$20,143) to an Arts Centre Equipment Reserve fund controlled and maintained by the City. This fund has been established to provide for future Arts Centre capital additions and replacement.

7. Restrictions on net assets

The internally restricted net assets are held for capital purposes and their expenditure requires approval from the board of directors. During 2015 the Society did not purchase any property and equipment using these funds (2014 - \$nil).

8. Capital improvement fund

The Society has established a capital improvement fund, the purpose of which is to fund the purchase and maintenance of property and equipment used to operate the Arts Centre and Theatre. During 2015 the Society collected \$50,585 (2014 - \$43,806) of restricted contributions for the fund through a capital improvement fee added to the price of certain event tickets. Prior to the establishment of the capital improvement fund in 2010, the funds collected were unrestricted, reported as revenue in the year collected. The board of directors internally restricted those prior year funds (Note 7).

These externally restricted contributions will be recognized as revenue when expenses are recorded related to the use of these funds on the purchase or maintenance of equipment. During fiscal 2015 the Society used \$nil (2014 - \$nil) of these funds. At June 30, 2015 the Society has \$165,377 (2014 - \$114,792) of unspent funds held for future use (Note 3).

Maple Ridge And Pitt Meadows Arts Council

Notes to financial statements

June 30, 2015

9. Other grants

	2015	2014
	\$	\$
Community gaming grants	70,000	70,000
BC Arts Council	32,741	27,342
Canadian Heritage	34,000	14,000
Other	54,150	55,850
	190,891	167,192

10. Government remittances

The Society has government remittances totalling \$12,657 recorded in accounts payable and accrued liabilities at year end (2014 - \$8,118).