

VIRTUOSI CONCERTS INC.

Financial Statements

Year Ended June 30, 2023

VIRTUOSI CONCERTS INC.
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Year Ended June 30, 2023

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INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of Virtuosi Concerts Inc.

We have reviewed the accompanying financial statements of Virtuosi Concerts Inc. (the organization) that comprise the statement of financial position as at June 30, 2023, and the statements of revenues and expenditures, changes in net assets 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 (ASNPO), 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.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of Virtuosi Concerts Inc. as at June 30, 2023, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

Exchange

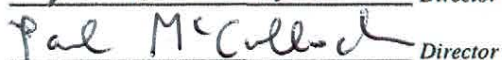
Chartered Professional Accountants LLP
Winnipeg, Manitoba
December 9, 2023

VIRTUOSI CONCERTS INC.
Statement of Financial Position
June 30, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 30,269	\$ 27,803
Accounts receivable	-	20,776
Goods and services tax recoverable	3,113	1,078
Prepaid expenses	606	200
	\$ 33,988	\$ 49,857
 LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 8,639	\$ 7,462
Wages payable	-	118
Employee deductions payable	-	1,468
Deferred income	15,000	18,700
Due to U of W Downtown Jazz	-	1,048
	23,639	28,796
 NET ASSETS	 10,349	 21,061
	\$ 33,988	\$ 49,857

ON BEHALF OF THE BOARD

 Director

 Director

See notes to financial statements

VIRTUOSI CONCERTS INC.
Statement of Revenues and Expenditures
Year Ended June 30, 2023

	2023	2022 <i>(15 months)</i>
REVENUES		
Foundations	\$ 56,701	\$ 9,491
Federal government grants	56,600	21,600
Concerts	34,390	20,027
Municipal government grants	11,400	12,500
Provincial government grants	14,782	18,750
Other income	1,654	249
Fundraising	1,026	20,351
	<u>176,553</u>	<u>102,968</u>
EXPENSES		
Administrative	101,381	103,078
Concert production	60,252	21,137
Fundraising	244	-
Promotion and marketing	15,867	7,707
Skywalk	1,400	1,800
Vision & strategic planning	6,921	-
Young Artist Master Classes	1,200	905
	<u>187,265</u>	<u>134,627</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (10,712)</u>	<u>\$ (31,659)</u>

See notes to financial statements

VIRTUOSI CONCERTS INC.
Statement of Changes in Net Assets
Year Ended June 30, 2023

	2023	2022
NET ASSETS - BEGINNING OF YEAR	\$ 21,061	\$ 52,720
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(10,712)	(31,659)
NET ASSETS - END OF YEAR	\$ 10,349	\$ 21,061

See notes to financial statements

VIRTUOSI CONCERTS INC.
Statement of Cash Flows
Year Ended June 30, 2023

	2023	2022 <i>(15 months)</i>
OPERATING ACTIVITIES		
Cash receipts from customers and grants	\$ 193,630	\$ 93,400
Cash paid to suppliers and employees	(188,081)	(137,165)
Goods and services tax	(2,035)	(419)
Cash flow from (used by) operating activities	<u>3,514</u>	<u>(44,184)</u>
FINANCING ACTIVITIES		
Due (to) from the University of Winnipeg	-	38,920
Due (to) from U of W Downtown Jazz	(1,048)	-
Cash flow from (used by) financing activities	<u>(1,048)</u>	<u>38,920</u>
INCREASE (DECREASE) IN CASH	2,466	(5,264)
CASH - BEGINNING OF YEAR	<u>27,803</u>	<u>33,067</u>
CASH - END OF YEAR	\$ 30,269	\$ 27,803

See notes to financial statements

VIRTUOSI CONCERTS INC.
Notes to Financial Statements
Year Ended June 30, 2023

1. DESCRIPTION OF OPERATIONS

The Virtuosi Concerts series was established in 1991 as a co-presentation of The University of Winnipeg and the Canadian Broadcasting Corporation (CBC). The series is now produced by Virtuosi Concerts Inc. (VCI) in Eckhardt-Gramatté Hall at The University of Winnipeg. VCI was incorporated in 1998 under the Corporations Act of Manitoba.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates which have been made using careful judgement. The financial statements have, in management's opinion, been properly prepared within the reasonable limits of materiality and within the framework of the significant accounting policies summarized below:

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Fund accounting

Virtuosi Concerts Inc. follows the deferral method of accounting for contributions.

The Unrestricted Fund accounts for the organization's program delivery and administrative activities. This fund reports unrestricted resources and restricted operating grants.

Revenue recognition

The organization recognizes revenues when they are earned, specifically when all the following conditions are met:

- services are provided or products are delivered to customers
- there is clear evidence that an arrangement exists
- amounts are fixed or can be determined
- the ability to collect is reasonably assured.

All funds relating to future concerts, as at the date of the statement of financial position, are deferred and recorded as revenues in the period in which the concert is held.

Contributed goods and services

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

(continues)

VIRTUOSI CONCERTS INC.
Notes to Financial Statements
Year Ended June 30, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Government grants

Government grants are recorded when there is reasonable assurance that the organization has complied with and will continue to comply with, all the necessary conditions to obtain the grants.

Capital Assets

In accordance with Section 4433.03 of Part III of the CPA Canada Handbook, not-for-profit organizations with average annual revenues for the current and prior year of less than \$500,000 may choose not to capitalize and amortize assets acquired in the year. The organization has elected to expense assets purchased in the year of acquisition.

3. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration:

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from funders. The organization has a significant number of funders which minimizes concentration of credit risk.

4. VIRTUOSI CONCERTS ENDOWMENT FUND

The Virtuosi Concerts Endowment Fund (the "Fund") was established by Virtuosi Concerts Inc. on June 4, 2015. The Fund was established to promote and support aspiring young artists. The funds donated are owned and invested by The Winnipeg Foundation. The Winnipeg Foundation pays Virtuosi Concerts Inc. a portion of the income earned on the Fund, which monies are partially disbursed to organizations or groups who meet the criteria of the Fund. The balance of the undistributed spending allocation for the year is intended to provide support for the activities of Virtuosi Concerts Inc. The Winnipeg Foundation prepares fund reports for the fiscal year ending September 30. As at September 30, 2022 the Fund's balance was \$221,722 (2021 - \$240,490), and the amount available for distribution to approved applicants under The Winnipeg Foundation's spending policy was \$48,282 (2021 - \$37,887).

5. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.
