

OTTAWA SUZUKI STRINGS

UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2018

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members,
Ottawa Suzuki Strings:

We have reviewed the accompanying financial statements of Ottawa Suzuki Strings that comprise the statement of financial position as at June 30, 2018 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.

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 Ottawa Suzuki Strings as at June 30, 2018, 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.

Ottawa, Ontario
October 14, 2018

OHCD LLP.

OUSELEY HANVEY CLIPSHAM DEEP LLP
Licensed Public Accountants

OTTAWA SUZUKI STRINGS

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2018

	2018		2017	
CURRENT ASSETS				
Cash	\$	60,317	\$	57,267
Accounts receivable		-		2,074
HST recoverable		-		364
		60,317		59,705
PROPERTY AND EQUIPMENT (note 2)				
		-		-
	\$	60,317	\$	59,705
CURRENT LIABILITIES				
Accounts payable	\$	6,862	\$	-
Deferred revenue (note 3)		9,030		6,085
		15,892		6,085
NET ASSETS				
Unrestricted net assets		44,425		53,620
	\$	60,317	\$	59,705

Approved on behalf of the Board:

Director

Director

OTTAWA SUZUKI STRINGS

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
Balance beginning of year	\$ 53,620	\$ 49,114
Net revenue (expense) for the year	(9,195)	4,506
Balance end of year	\$ 44,425	\$ 53,620

OTTAWA SUZUKI STRINGS

UNAUDITED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
REVENUE		
School	\$ 215,080	\$ 217,858
Touring program	28,394	45,475
External Program	-	210
Summer camp	-	13,334
Donations	2,841	1,624
Federal grant	2,260	2,235
Community Foundation of Ottawa grant	4,030	2,880
Other	6,135	7,216
	<u>258,740</u>	<u>290,832</u>
EXPENSE		
School	196,517	193,435
Touring program	28,870	46,071
External Program	-	38
Summer camp	-	13,335
Salary and fees	32,935	26,042
Insurance	2,107	2,066
Other administrative	7,506	5,339
	<u>267,935</u>	<u>286,326</u>
NET REVENUE (EXPENSE) FOR THE YEAR	\$ (9,195)	\$ 4,506

OTTAWA SUZUKI STRINGS

UNAUDITED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
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CASH PROVIDED BY (USED FOR)		
OPERATIONS		
Net revenue (expense) for the year	\$ (9,195)	\$ 4,506
Net change in non cash working capital items:		
Accounts receivable	2,074	(18)
Prepaid expenses	364	(364)
Accounts payable	6,862	(651)
Deferred revenue	2,945	(10,585)
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Net change in cash for the year	3,050	(7,112)
Cash beginning of year	57,267	64,379
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CASH END OF YEAR	\$ 60,317	\$ 57,267
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OTTAWA SUZUKI STRINGS

NOTES TO UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2018

Ottawa Suzuki Strings operates a music school and develops programs for the instruction of children in music inspired by the method and philosophy of Dr. Shinichi Suzuki. It was incorporated as a non share capital corporation under the Canada Corporations Act and has continued under the Canada Not-for-Profit Corporations Act. The organization is a registered charity.

1. SIGNIFICANT ACCOUNTING POLICIES

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

a) Revenue recognition

The organization follows the deferral method of accounting for contributions. Revenues related to general operations are recognized in the year in which they are received or receivable once the related services have been provided. Any revenues collected in the year that are related to future year programs are deferred to match expenses of the subsequent year. Donations are recognized when received unless they are for restricted purposes.

b) Use of estimates

The preparation of these 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. Actual results could differ from those estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

c) Financial instruments

Financial instruments are initially recognized at fair value and are subsequently measured at cost, amortized cost or cost less appropriate allowances for impairment.

d) Capital assets

Property and equipment consists of musical instruments recorded at cost. Amortization is calculated using the straight line method over a period of 5 years.

2. PROPERTY AND EQUIPMENT

	Cost	Accumulated Amortization	2018 NBV	2017 NBV
Musical instruments	\$ 3,103	\$ 3,103	\$ -	\$ -

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NOTES TO UNAUDITED FINANCIAL STATEMENTS
JUNE 30, 2018

3. DEFERRED REVENUE

Deferred revenue consists of registration fees paid in advance of services being provided and contributions received for future related expenses.

	2018	2017
Balance, beginning of year	\$ 6,085	\$ 16,670
Less: amounts recognized as revenue in the year	(5,665)	(16,670)
Plus: amounts received related to the following year	8,610	6,085
Balance, end of year	\$ 9,030	\$ 6,085

4. CONTRIBUTED SERVICES

Volunteers contribute time to assist the organization to carry out its service delivery activities. Because of the difficulty in determining the fair value of such contributed services, they are not recognized in the accompanying financial statements.

5. FINANCIAL INSTRUMENTS

The organization's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest rate, currency, credit, liquidity or market risks arising from its financial instruments and the carrying amount of the financial instruments approximate their fair value.