

*Financial Statements of*

**CAPITOL THEATRE RESTORATION SOCIETY**

*April 30, 2021*

## NOTICE TO READER

---

Grant Thornton House  
22 Melton Street,  
Euston Square,  
London, NW1 2EP  
United Kingdom  
T +44 20 7391 9500  
F +44 20 7391 9501

On the basis of information provided by management, we have compiled the statement of financial position of the Capitol Theatre Restoration Society as at April 30, 2021 and the statement of operations and statement of changes in net assets for the year then ended.

We have not performed an audit or a review of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these financial statements may not be appropriate for their purposes.

*Grant Thornton LLP*

**Chartered Professional Accountants**


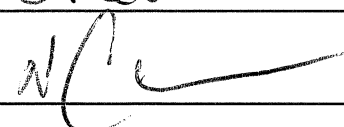
August 25, 2021

Nelson, B.C.

**CAPITOL THEATRE RESTORATION SOCIETY**  
**STATEMENT OF FINANCIAL POSITION**  
**As At April 30, 2021**  
(Unaudited - See Notice to Reader)

<b>ASSETS</b>	<b>2021</b>	<b>2020</b>
<b>CURRENT ASSETS</b>		
Cash	\$ 365,823	\$ 195,265
Accounts receivable	37,107	8,384
Inventory	182	564
Prepaid expenses	10,579	13,775
	<b>413,691</b>	<b>217,988</b>
<b>CAPITAL ASSETS (note 1)</b>	<b>924,332</b>	<b>787,186</b>
	<b>\$ 1,338,023</b>	<b>\$ 1,005,174</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 20,942	\$ 8,833
Government remittances payable	7,188	1,510
Deferred contributions (note 2)	158,963	100,448
Trust liabilities (note 3)	4,769	5,619
	<b>191,862</b>	<b>116,410</b>
<b>GOVERNMENT OF CANADA LOAN PAYABLE</b>	<b>30,000</b>	<b>-</b>
<b>DEFERRED CAPITAL CONTRIBUTIONS (note 4)</b>	<b>900,711</b>	<b>781,571</b>
	<b>1,122,573</b>	<b>897,981</b>
<b>NET ASSETS</b>		
Invested in capital assets (note 5)	23,621	5,615
Unrestricted net assets	191,829	101,578
	<b>215,450</b>	<b>107,193</b>
	<b>\$ 1,338,023</b>	<b>\$ 1,005,174</b>

Approved by the Directors:

  
\_\_\_\_\_  
  
\_\_\_\_\_

# CAPITOL THEATRE RESTORATION SOCIETY

## STATEMENT OF OPERATIONS For the Year Ended April 30, 2021 (Unaudited - See Notice to Reader)

	2021	2020
<b>REVENUE</b>		
Grants - Federal, Provincial, and Municipal	\$ 137,210	\$ 133,121
Grants - other	39,935	46,898
Donations and sponsorships	54,830	23,195
Performances	17,589	153,929
Concession	-	34,730
Rentals	48,215	54,351
Other performance revenue	4,694	28,051
Government assistance	131,359	6,943
Other income	11,049	7,027
Fundraising	250	1,899
Amortization of deferred capital contributions (note 4)	78,591	45,020
	<b>523,722</b>	<b>535,164</b>
<b>EXPENDITURES</b>		
Advertising and promotion	6,108	16,237
Amortization	88,680	45,542
Bank charges and interest	2,560	16,096
Building maintenance	7,456	9,179
Concession supplies	62	16,731
Licences and dues	11,442	11,370
Meetings and travel	836	5,078
Miscellaneous	56	289
Office	7,111	6,041
Production fees	40,127	118,115
Professional fees	21,115	17,796
Technical and equipment fees	12,470	26,964
Telephone	2,687	2,641
Utilities	15,490	16,160
Wages and employee benefits	191,515	184,701
Website maintenance	7,750	5,027
	<b>415,465</b>	<b>497,967</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>\$ 108,257</b>	<b>\$ 37,197</b>

**CAPITOL THEATRE RESTORATION SOCIETY**  
**STATEMENT OF CHANGES IN NET ASSETS**  
**For the Year Ended April 30, 2021**  
(Unaudited - See Notice to Reader)

---

	Invested in Capital Assets (note 5)	Unrestricted	Total 2021	Total 2020
<b>NET ASSETS, BEGINNING OF YEAR</b>	\$ 5,615	\$ 101,578	\$ 107,193	\$ 69,996
Excess of revenue over expenditures	18,006	90,251	108,257	37,197
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 23,621</b>	<b>\$ 191,829</b>	<b>\$ 215,450</b>	<b>\$ 107,193</b>

---

**CAPITOL THEATRE RESTORATION SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS**  
**As At April 30, 2021**  
(Unaudited - See Notice to Reader)

**1. CAPITAL ASSETS**

		<b>2021</b>		<b>2020</b>
	<b>Cost</b>	<b>Accumulated Amortization</b>	<b>Cost</b>	<b>Accumulated Amortization</b>
Leasehold improvements	\$ 1,514,702	\$ 692,557	\$ 1,304,712	\$ 631,970
Equipment	266,882	193,484	258,706	179,584
Furniture and fixtures	123,885	95,096	116,226	80,904
	<u>1,905,469</u>	<u>981,137</u>	<u>1,679,644</u>	<u>892,458</u>
Cost less accumulated amortization	<u>\$ 924,332</u>		<u>\$ 787,186</u>	

**2. DEFERRED CONTRIBUTIONS**

Deferred contributions represent grants, donations, and deposits for specific purposes as follows:

	<b>2021</b>	<b>2020</b>
Donations for equipment and other capital purposes	\$ 59,535	\$ 85,298
Operating grant for subsequent year	<u>99,428</u>	<u>15,150</u>
	<u>\$ 158,963</u>	<u>\$ 100,448</u>
Balance, end of year consists of:		
BC Touring	\$ 30,376	
Amy Ferguson Institute - Orchestra Pit Upgrades	2,117	
BC Gaming - Artist Washrooms	31,672	
CBT Public Arts Grant - Outside Bench	8,440	
BC Arts Council	10,814	
CBT Tech Grant	4,492	
RDCK Grant	2,000	
Creative BC - Indigenous	8,535	
Province of BC - Multiculturalism	3,800	
Osprey Foundation - Tech training	3,471	
Vancouver Foundation - COVID	44,000	
Columbia Kootenay Cultural Alliance	<u>9,246</u>	
	<u>\$ 158,963</u>	

**3. TRUST LIABILITIES**

The Society prints and sells tickets for performances held by groups renting the facility. Trust liabilities represent the portion of funds from these ticket sales that are due to the renters once the performance is held and all costs are settled.

**CAPITOL THEATRE RESTORATION SOCIETY**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**As At April 30, 2021**  
(Unaudited - See Notice to Reader)

**4. DEFERRED CAPITAL CONTRIBUTIONS**

	2021	2020
Balance, beginning of year	\$ 781,571	\$ 686,945
Additions	197,731	139,646
Less: Amounts amortized to revenue	<u>( 78,591)</u>	<u>( 45,020)</u>
Balance, end of year	<u>\$ 900,711</u>	<u>\$ 781,571</u>
Additions consist of:		
Canadian Heritage	\$ 3,330	
BC Arts Council	6,100	
Canadian Heritage Capital	87,870	
CBT	61,002	
Heritage BC	37,429	
Nelson Chamber of Commerce	<u>2,000</u>	
Total additions	<u>\$ 197,731</u>	

Deferred capital contributions are amortized on a straight-line basis over the useful life of the assets that they funded.

**5. INVESTED IN CAPITAL ASSETS**

	2021	2020
The investment in capital assets is calculated as follows:		
Capital assets	\$ 924,332	\$ 787,186
Less: Amounts financed by deferred capital contributions	<u>( 900,711)</u>	<u>( 781,571)</u>
	<u>\$ 23,621</u>	<u>\$ 5,615</u>

**6. COVID-19 IMPACT ON OPERATIONS**

During the fiscal year ending April 30, 2021, the Society had a significant reduction in programming revenue due to the COVID-19 pandemic, resulting in a decrease in performance and concession revenue of over 85%. Despite the lack of programming, the Society committed to not laying off any staff and instead focused efforts on live streaming productions.

The surplus on the statement of operations is a result of the following revenue being received due to the pandemic: government assistance - wage subsidies; one major theatre rental client; COVID-19 grant funding and an increase in community and member donations. In addition, costs associated with performance production and advertising were significantly reduced.

An overall austerity program was implemented to ensure funds were carried into the next fiscal year to offset the anticipated shortfall in performance revenue due to limited capacity audiences as we embark on the road to recovery.

The Society would like to thank all our funders, sponsors and the community at large for continuing to provide ongoing financial support during these unprecedented times.