

LE CERCLE MOLIÈRE, INC.
INDEPENDENT AUDITOR'S REPORT
FINANCIAL STATEMENTS
JULY 31, 2018

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Le Cercle Molière, Inc.:

We have audited the accompanying financial statements of Le Cercle Molière, Inc., which comprise the statement of financial position as at July 31, 2018, and the statements of operations and 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 the 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.

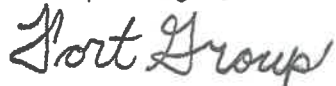
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization'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 organization'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.

Audit Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Le Cercle Molière, Inc. as at July 31, 2018, and its results of operations and changes in net assets, and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.



Winnipeg, Manitoba
October 12, 2018


CHARTERED PROFESSIONAL
ACCOUNTANTS INC.

**LE CERCLE MOLIÈRE, INC.
STATEMENT OF FINANCIAL POSITION
JULY 31, 2018**

	<u>2018</u>	<u>2017</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 122,846	120,746
Accounts receivable	77,567	23,782
GST receivable	3,055	2,416
Prepaid expenses	<u>27,345</u>	<u>57,320</u>
	230,813	204,264
CAPITAL ASSETS (Note 4)	<u>66,736</u>	<u>-</u>
	<u>\$ 297,549</u>	<u>204,264</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable & accrued liabilities	\$ 26,330	58,901
Deferred revenues (Note 5)	71,450	85,845
Deferred grants (Note 6)	<u>137,800</u>	<u>141,788</u>
	235,580	286,534
DEFERRED CAPITAL CONTRIBUTIONS (Note 7)	<u>66,736</u>	<u>-</u>
	302,316	286,534
NET ASSETS		
NET ASSETS		
Net assets (Deficit)	<u>(4,767)</u>	<u>(82,270)</u>
	<u>\$ 297,549</u>	<u>204,264</u>

APPROVED BY THE BOARD:


 _____ **President**

 _____ **Treasurer**

LE CERCLE MOLIÈRE, INC.
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS (DEFICIT)
YEAR ENDED JULY 31, 2018

	2018		2017
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
REVENUE			
Operational grants (Note 8)	\$ 595,000	572,900	483,900
Special grants (Note 8)	136,775	164,213	124,309
Fundraising (Note 9)	324,000	387,447	317,408
Performance sales	204,300	185,770	190,789
Other	81,600	81,873	100,854
	<u>1,341,675</u>	<u>1,392,203</u>	<u>1,217,260</u>
EXPENSES			
General production	310,250	300,471	317,962
Direct production and other programming	474,875	476,379	379,584
Administration	334,850	327,553	315,752
Advertising and promotion	117,700	120,497	110,750
Fundraising	94,000	89,800	92,744
	<u>1,331,675</u>	<u>1,314,700</u>	<u>1,216,792</u>
EXCESS OF REVENUE OVER EXPENSES	10,000	77,503	468
DEFICIT, BEGINNING OF YEAR	<u>(82,270)</u>	<u>(82,270)</u>	<u>(82,738)</u>
DEFICIT, END OF YEAR	<u>\$ (72,270)</u>	<u>(4,767)</u>	<u>(82,270)</u>

**LE CERCLE MOLIÈRE, INC.
STATEMENT OF CASH FLOWS
YEAR ENDED JULY 31, 2018**

	<u>2018</u>	<u>2017</u>
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Grants	\$ 733,125	664,156
Performance sales	171,375	189,467
Fundraising and other	414,896	429,256
Paid to employees and suppliers	<u>(1,317,296)</u>	<u>(1,219,156)</u>
	<u>2,100</u>	<u>63,723</u>
INVESTING ACTIVITIES		
Acquisition of capital assets	<u>(66,736)</u>	<u>-</u>
FINANCING ACTIVITIES		
Grant received for purchase of capital assets	<u>66,736</u>	<u>-</u>
INCREASE IN CASH	2,100	63,723
CASH, BEGINNING OF YEAR	<u>120,746</u>	<u>57,023</u>
CASH, END OF YEAR	<u>\$ 122,846</u>	<u>120,746</u>