

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.

Non-Consolidated Financial Statements

And Independent Auditors' Report thereon

Year ended December 31, 2020

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.

Index to the Non-Consolidated Financial Statements

Year ended December 31, 2020

	Page
AUDITOR'S REPORT	2
NON-CONSOLIDATED FINANCIAL STATEMENTS:	
Non-Consolidated Statement of Financial Position	5
Non-Consolidated Statement of Operations	6
Non-Consolidated Statement of Changes in Net Assets	7
Non-Consolidated Statement of Cash Flows	8
Notes to the Non-Consolidated Financial Statements	9 - 21



KPMG LLP
205 5th Avenue SW
Suite 3100
Calgary AB
T2P 4B9
Telephone (403) 691-8000
Fax (403) 691-8008
www.kpmg.ca

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Calgary Arts Development Authority Ltd.:

Opinion

We have audited the non-consolidated financial statements of Calgary Arts Development Authority Ltd. (the Entity), which comprise:

- the non-consolidated statement of financial position as at December 31, 2020
- the non-consolidated statement of operations for the year then ended
- the non-consolidated statement of changes in net assets for the year then ended
- the non-consolidated statement of cash flows for the year then ended
- and notes to the non-consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, its remeasurement gains and losses, and its cash flows year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.



We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged With Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the non-consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.



We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group Entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Calgary, Canada

March 17, 2021

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Non-Consolidated Statement of Financial Position
As at December 31, 2020, with comparative information for 2019

	2020	2019
Assets		
Current		
Cash and cash equivalents	\$ 1,338,003	\$ 1,002,424
Accounts receivable	226,499	5,140
Goods and services tax receivable	13,024	11,998
Prepaid expenses	46,564	57,013
Refundable deposits	12,326	12,326
	1,636,416	1,088,901
Capital assets, net (Note 3)	11,474	18,239
	\$ 1,647,890	\$ 1,107,140
Liabilities and Net Assets		
Current		
Accounts payable and accrued liabilities	\$ 585,909	\$ 418,039
Employee deductions payable	21,826	20,440
Grant liabilities (Note 5)	100,750	32,750
Deferred contributions (Note 6)	140,487	7,750
	848,972	478,979
Net Assets		
Internally restricted (Note 7)	798,918	628,161
	\$ 1,647,890	\$ 1,107,140
Commitments (Note 11)		

See accompanying notes to non-consolidated financial statements.

ON BEHALF OF THE BOARD

Director

Director

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.**Non-Consolidated Statement of Operations****Year ended December 31, 2020, with comparative information for 2019**

	Budget (note 14)	2020	2019
Revenues			
City of Calgary grant	\$ 13,140,000	\$ 15,223,375	\$ 12,040,000
Revenue from other sources (Note 8)	49,000	194,275	124,977
Canada Wage Subsidy program	-	19,250	-
Interest income	10,000	12,352	12,242
Program income	176,000	5,000	103,220
Rental income	-	-	97
	13,375,000	15,454,252	12,280,536
Expenses (Note 9)			
Grant expense – City of Calgary	9,973,000	12,314,948	9,589,980
Grant expense – cSPACE (Note 12)	200,000	250,000	200,000
Total grant expense – City of Calgary	10,173,000	12,564,948	9,789,980
Salaries and employee benefits	1,207,305	1,177,655	1,107,112
Consulting and project management	714,500	601,389	325,736
Advertising and promotion	339,500	303,584	273,745
Rent	176,523	181,359	187,880
Grant expense – other sources (Note 10)	60,000	155,000	62,978
Volunteer development	104,500	122,862	69,679
Telecommunications	66,228	59,607	56,423
Office supplies	41,720	37,881	35,936
Professional fees	62,500	32,862	37,839
Catering and hosting	188,000	21,102	91,393
Travel and parking	69,885	10,148	42,503
Amortization	7,600	6,765	6,765
Artist and speaker fees	52,500	4,025	3,500
Bank charges and miscellaneous	6,000	3,807	4,197
Bad debt	-	380	17,750
Foreign exchange loss	-	121	151
	13,269,761	15,283,495	12,113,567
Excess of revenues over expenses	\$ 105,239	\$ 170,757	\$ 166,969

See accompanying notes to non-consolidated financial statements.

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.

Non-Consolidated Statement of Changes in Net Assets

Year ended December 31, 2020, with comparative information for 2019

	Internally restricted (Note 7)	Unrestricted	2020	2019
Net assets – beginning of year	\$ 628,161	\$ -	\$ 628,161	\$ 461,192
Excess of revenues over expenses	-	170,757	170,757	166,969
Interfund transfer	170,757	(170,757)	-	-
Net assets – end of year	\$798,918	\$ -	\$ 798,918	\$ 628,161

See accompanying notes to non-consolidated financial statements.

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.**Non-Consolidated Statement of Cash Flows**

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operating Activities		
Excess of revenues over expenses	\$ 170,757	\$ 166,969
Add back non-cash items:		
Amortization of capital assets	6,765	6,765
Changes in non-cash working capital:		
Accounts receivable	(221,359)	5,166
Goods and services tax receivable	(1,026)	483
Prepaid expenses	10,449	(13,398)
Accounts payable and accrued liabilities and employee deductions payable	169,256	372,353
Grant liabilities	68,000	(52,227)
Deferred contributions	132,737	(64,500)
Cash flows from operating activities	335,579	421,611
Investing Activities		
Redemption of short term investments	2,500,000	3,500,000
Purchase of short term investments	(2,500,000)	(3,500,000)
Purchase of capital assets	-	(16,185)
Cash flows from (used in) investing activities	-	(16,185)
Increase in cash and cash equivalents	335,579	405,426
Cash and cash equivalents, beginning of year	1,002,424	596,998
Cash and cash equivalents, end of year	\$ 1,338,003	\$ 1,002,424

See accompanying notes to non-consolidated financial statements

1. PURPOSE OF ORGANIZATION

The 2004 Calgary Civic Arts Policy led to the Calgary City Council's creation of Calgary Arts Development Authority Ltd. ("CADA"). CADA is a not-for-profit organization incorporated under the Alberta Business Corporations Act on March 18, 2005. CADA is The City of Calgary's arts development authority that promotes and directs investments in the arts to increase the sector's public and artistic impact on behalf of the citizens of Calgary. The Calgary Civic Arts Policy also directs CADA to create arts development strategy for Calgary. CADA is a government not-for-profit organization as it is controlled by the City of Calgary.

Management has determined that under Section 149 of the Income Tax Act, CADA is not subject to the payment of income tax.

2. SIGNIFICANT ACCOUNTING POLICIES

The non-consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards ("PSAS") for not-for-profit organizations. CADA's significant accounting policies are as follows:

(a) Basis of Presentation and Disclosure of Controlled Not-for-Profit Organization

These financial statements have been prepared on a non-consolidated basis. Financial details regarding cSPACE Projects ("cSPACE") a controlled entity, is disclosed in note 12 to these non-consolidated financial statements.

(b) Non-use of Non-Consolidated Statement of Remeasurement Gains and Losses

As there are no items to be reported on the non-consolidated statement of remeasurement gains and losses, the statement has not been prepared.

(c) Non-use of Net Debt Model Format

PSAS requires a net debt presentation for the non-consolidated statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as net debt or net financial assets as an indicator of the future revenues required to pay for past transactions and events. CADA operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these non-consolidated financial statements do not report a net debt indicator.

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Revenue recognition

CADA follows the deferral method of accounting for contributions.

Restricted contributions, such as grants, revenue from other sources, miscellaneous income designated for a specific purpose, are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions, such as grants, revenue from other sources, miscellaneous income not designated for a specific purpose are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest revenue is recognized when it is earned.

Rental revenue is recognized in the period during which occupancy took place.

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months.

(f) Capital Assets

Capital assets are recorded at cost. Assets purchased under \$10,000 are expensed. Amortization is provided by using the straight-line method to amortize the cost of the assets over their estimated useful lives. The rate is as follows:

Computer Equipment	4 years
Leasehold Improvements	5 years

(g) Contributed Goods and Services

Volunteers contribute many hours per year to assist CADA in carrying out its services and programs. Because of the difficulty of determining their fair value, contributed services are not recognized in the non-consolidated financial statements. There were no contributed goods during the year (2019 - \$nil).

(h) Non-monetary transactions

Non-monetary transactions which contain commercial substance are recorded at the fair market value of the asset given up. There were no non-monetary transactions during the year (2019 - \$nil).

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(i) Financial Instruments

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. CADA has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, CADA determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset.

If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount CADA expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

(j) Management Estimates

The preparation of non-consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the non-consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include valuation of accounts receivable, useful life of capital assets and related depreciation. Actual results could differ from those estimates.

In January 2020, the World Health Organization declared the Novel Coronavirus (“COVID-19”) outbreak a global health emergency and on March 11, 2020, it was declared a global pandemic. This has resulted in governments worldwide, including the Canadian and Alberta governments, enacting emergency measure to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods, closures of nonessential businesses, and physical distancing, have caused material disruption to businesses worldwide, resulting in an economic slowdown.

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

2. SIGNIFICANT ACCOUNTING POLICIES (j), continued

In March 2020, the Entity moved to a virtual working environment due to the pandemic. The impact of COVID-19 restrictions resulted in the temporary closure of certain programs from March 15th to August 31st, 2020. The Entity received additional grant funding during the fiscal 2020 year, which has aided in sustaining operations for the current year and will continue to support the Entity from a going concern perspective.

At the time of approval of these financial statements, Calgary Arts Development Authority continues to review its financial activities in response to the COVID-19 pandemic. These factors present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the financial effect to Calgary Arts Development Authority is not known at this time.

There have been no impacts to contracts or lease agreements, the assessment of provisions and contingent liabilities, or the timing of revenue recognition. The Entity continues to use its capital assets and management has not assessed any impairment that needs to be recognized on these assets at December 31, 2020. The Entity continues to manage liquidity risk by forecasting and assessing cash flow requirements on an ongoing basis. As at December 31, 2020, the Entity continues to meet its contractual obligations within normal payment terms and the Entity's exposure to credit risk remains unchanged as no outstanding debt exists.

3. CAPITAL ASSETS

	Cost	Accumulated Amortization	2020 Net	2019 Net
Leasehold Improvements	\$ 16,185	(\$ 6,474)	\$ 9,711	\$ 12,948
Computer Equipment	14,110	(12,347)	1,763	5,291
Balance, end of the year	\$ 30,295	\$ 18,821	\$ 11,474	\$ 18,239

4. FINANCIAL INSTRUMENTS

CADA's financial instruments consist of cash and cash equivalents, short term investments, accounts receivable, goods and services taxes receivable, refundable deposits, accounts payable and accrued liabilities, employee deductions payable and grant liabilities, all of which are measured at amortized cost. Due to their short-term nature, the carrying value of financial instruments approximate their fair market value. It is management's opinion that CADA is not exposed to significant interest rate risks arising from these financial instruments.

(a) Foreign Exchange Risk

CADA is exposed to the financial risk related to the fluctuation of foreign exchange rates. Their revenue is based on the Canadian dollar, but incurs some consulting expenses in U.S. dollars. A significant change in currency exchange rates of the U.S. dollar relative to the Canadian dollar could have an effect on CADA's results of operations, financial position and cash flows. CADA does not use derivative instruments to reduce its exposure to foreign exchange risk.

The carrying amount of foreign currency denominated monetary assets and liabilities is as follows:

	2020	2019
Cash and cash equivalents	\$ 3,187	\$ 3,340
Accounts payable and accrued liabilities	-	(2,551)

(b) Credit Risk

Credit risk refers that a counter party may default on its contractual obligations resulting in a financial loss. CADA is exposed to credit risk with respect to cash, short term investments and accounts receivable. Cash and short term deposits are deposited with chartered Canadian commercial banks. A substantial portion of accounts receivable are well known and reliable funders and are subject to normal credit risk.

(c) Liquidity Risk

Liquidity risk is the risk that CADA will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or other financial assets. Liquidity requirements of CADA are met through maintaining sufficient cash to meet short term obligations. There has been no change in this risk from the prior year, except for the potential impacts of the events disclosed in note 2(j).

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

5. GRANT LIABILITIES

	2020	2019
Balance, beginning of the year	\$ 32,750	\$ 84,977
Add: liabilities approved during the year	12,791,198	9,763,480
Less: liabilities paid out during the year	(12,723,198)	(9,815,707)
Balance, end of the year	\$ 100,750	\$ 32,750

The above balances consist of grant liabilities to the following programs or organizations:

	2020	2019
Pink Flamingo	\$ 90,000	\$ -
Mayor's Lunch (Artist Legacy Awards)	10,750	32,750
	\$ 100,750	\$ 32,750

These liabilities will be paid out in accordance with funding agreements with funded programs and organizations.

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

6. DEFERRED CONTRIBUTIONS

Deferred contributions are comprised of unspent externally restricted grants and other revenue.

	2020	2019
Chinook Blast	\$ 79,286	\$ -
Mayor's Lunch (Artist Legacy Awards)	38,700	7,750
Rise Up	10,000	-
Cultural Activation	12,500	-
	\$ 140,486	\$ 7,750

Continuity of deferred contributions is as follows:

	2020	2019
Balance, beginning of year	\$ 7,750	\$72,250
Less amount recognized as revenue in the year	(18,750)	(67,000)
Add amount received related to future years	151,486	2,500
	\$ 140,486	\$ 7,750

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

7. INTERNALLY RESTRICTED

The Board has internally restricted the following amount for specific purposes:

(a) Contingency Operating Reserve - \$ 298,918 (2019 - \$161,192)

These funds are internally restricted by the Board for the purpose of addressing short term fluctuations in operating costs.

(b) Community Investment Reserve - \$ 500,000 (2019 - \$ 466,969)

These funds are internally restricted by the Board for the purposes of funding strategic initiatives in accordance with the strategic plan approved by the Board from time to time. As at December 31, 2020, Management identified \$ 469,969 (2019 - \$ 469,969) to support strategic business plan initiatives.

8. REVENUE FROM OTHER SOURCES

	Budget	2020	2019
Calgary Arts Foundation	\$ -	\$ 100,000	\$ -
Mayor's Lunch (Artist Legacy Awards)	38,500	38,250	38,000
Pink Flamingo	-	20,000	-
Poet Laureate	10,500	13,500	9,000
Space Finder	-	10,000	50,000
Summer Temporary Employment Program	-	4,200	-
Other Sources	-	8,325	-
InvestYYC	-	-	22,977
Equinox Vigil	-	-	5,000
	\$ 49,000	\$ 194,275	\$ 124,977

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

9. EXPENSES BY DEPARTMENT

	Budget	2020	2019
Community Investment	\$ 11,407,730	\$ 13,608,960	\$ 10,539,025
Operations	683,040	790,130	696,312
Engagement	555,396	404,808	444,834
Communication	623,595	479,597	434,396
	\$ 13,269,761	\$ 15,283,495	\$ 12,113,567

10. GRANTS EXPENSE FROM OTHER SOURCES

	Budget	2020	2019
Calgary Arts Foundation	\$ 25,000	\$ 100,000	\$ -
Mayor's Lunch (Artist Legacy Awards)	35,000	35,000	35,000
Pink Flamingo	-	20,000	-
InvestYYC	-	-	22,978
Equinox Vigil	-	-	5,000
	\$ 60,000	\$ 155,000	\$ 62,978

11. COMMITMENTS

In January 2014, CADA entered into a lease agreement for new leased premises with an expiry date of March 2024. The estimated minimum annual rental payment, including estimated operating costs, are as follows:

2021	149,431
2022	149,431
2023	149,431
2024	<u>37,357</u>
	<u>\$ 485,650</u>

In November 2018, CADA signed a lease agreement for a photocopier, which expires in January 2024. The minimum annual rental payments are as follows:

2021	5,027
2022	5,027
2023	<u>5,028</u>
	<u>\$ 15,082</u>

12. CONTROLLED AND RELATED ENTITY – cSPACE Projects

CADA is a shareholder of, and controls, the non-profit corporation, cSPACE Projects (“cSPACE”), by virtue of holding 99% of the voting shares. cSPACE was incorporated in Alberta on October 27, 2011 under the Alberta Corporations Act. The purpose of cSPACE is to promote, coordinate and facilitate real estate projects that establish affordable facilities, accommodations and education opportunities for artists and registered non-profit organizations operating in the arts and community sector. cSPACE has not been consolidated with CADA’s non-consolidated financial statements.

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

12. CONTROLLED AND RELATED ENTITY – cSPACE Projects, continued

Financial summaries of cSPACE as at December 31, 2020 and 2019 and for the years then ended are as follows:

	2020	2019
Financial Position		
Total Assets	\$27,665,907	\$28,815,825
Total Liabilities	16,466,605	17,424,075
Net Assets	\$11,199,302	\$11,391,750
Results of Operations		
Total Revenues	\$1,880,351	\$1,762,684
Total Expenses	2,107,928	2,082,026
Flood Recovery	35,518	-
Flood Losses	390	25,783
Deficiency of revenues over expenses	(\$192,449)	(\$345,126)

CALGARY ARTS DEVELOPMENT AUTHORITY LTD.
Notes to the Non-Consolidated Financial Statements
Year ended December 31, 2020, with comparative information for 2019

12. CONTROLLED AND RELATED ENTITY – cSPACE Projects (continued)

	2020	2019
<hr/>		
Cash Flows		
Cash flows (used in) from operations	\$362,202	\$25,043
Cash flows from financing activities	(380,875)	(81,403)
Cash flows used in investing	154,000	(38,129)
<hr/>		
Net change in cash	\$135,327	(\$94,489)
<hr/>		

During 2020, pursuant to the Memorandum of Understanding between cSPACE and CADA, CADA granted \$250,000 (2019 - \$200,000) of funding to cSPACE. In addition, \$nil in venue rental costs in 2020 (2019 - \$294).

The transactions are measured at the exchange amounts as they occur within the normal course of business.

13. RELATED PARTY – Calgary Arts Foundation

During 2018, CADA formed a registered charity for tax purposes, the Calgary Arts Foundation (the “Foundation”). The Foundation’s purpose is to increase fundraising for CADA in order to strengthen the arts in Calgary. In previous years the Foundation was considered a controlled entity. In 2020 changes were made to the Foundation such that CADA is no longer involved in the decision making of the Foundation and there are no common Board members. This results in the Foundation no longer being considered controlled. CADA does have an economic interest in the Foundation and both entities share overlapping staff, however the economic interest is not considered significant. During 2020, the Foundation donated \$100,000 (2019 – \$nil) to CADA, of which is \$100,000 is receivable at year end (2019 - \$nil) and reimbursed CADA \$5,000 for administration costs (2019 - \$nil, of which \$5,000 is receivable at year end (2019 - \$nil).

14. BUDGET FIGURES

Budgeted figures have been provided for comparison purposes and have been derived from CADA’s Budget Plan as approved by the Board of Directors on December 17, 2019.