

ARON THEATRE CO-OP

FINANCIAL STATEMENTS

December 31, 2019

NOTICE TO READER

On the basis of information provided by Management, we have compiled the statement of financial position of **ARON THEATRE CO-OP** as at December 31, 2019 and the statement of operations and changes in net assets for the year then ended.

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

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

Welch LLP

Trent Hills, Ontario
August 28, 2020

CHARTERED PROFESSIONAL ACCOUNTANTS
LICENSED PUBLIC ACCOUNTANTS

ARON THEATRE CO-OP
(Incorporated under the laws of Ontario)
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019

ASSETS

	<u>2019</u>	<u>2018</u>
CURRENT ASSETS		
Cash	\$ 36,590	\$ 35,667
Accounts receivable	5,986	3,837
Inventory	<u>2,017</u>	<u>2,439</u>
	44,593	41,943
BUILDING AND EQUIPMENT - note 1	<u>482,463</u>	<u>423,369</u>
	<u>\$ 527,056</u>	<u>\$ 465,312</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 6,407	\$ 3,840
Loan payable	3,912	12,683
HST payable	<u>230</u>	<u>5,026</u>
	10,549	21,549
LONG TERM LIABILITIES		
Bonds Payable - note 2	<u>191,696</u>	<u>186,213</u>
	202,245	207,762
NET ASSETS		
Balance	<u>324,811</u>	<u>257,550</u>
	<u>\$ 527,056</u>	<u>\$ 465,312</u>

Approved by the Board



 Director



 Director

(Unaudited - See Notice to Reader)

(See accompanying notes)

ARON THEATRE CO-OP
STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>
REVENUE		
Ticket sales	\$ 107,622	\$ 127,813
Grants	4,000	5,000
Concession sales	42,952	47,975
Advertising/sponsorship	11,980	15,306
Rental	10,563	10,586
Memberships	7,901	7,135
Miscellaneous income	<u>696</u>	<u>2,694</u>
	185,714	216,509
COST OF SALES		
Purchases	<u>71,839</u>	<u>77,384</u>
GROSS PROFIT	<u>113,875</u>	<u>139,125</u>
EXPENDITURES		
Advertising and promotion	4,005	5,839
Amortization	15,674	14,642
Freight	1,723	1,456
Insurance	3,873	3,359
Interest	6,923	6,726
Miscellaneous	4,344	1,530
Office	2,099	2,525
Professional fees	3,271	4,093
Property taxes	5,100	5,189
Repairs and maintenance	2,618	2,632
Salaries and related benefits	56,578	56,682
Telephone	2,181	1,931
Utilities	<u>7,625</u>	<u>7,305</u>
	<u>116,014</u>	<u>113,909</u>
Excess (deficiency) of revenue over expenditures before other item	(2,139)	25,216
Other income		
Capital grant	<u>69,400</u>	<u>-</u>
EXCESS OF REVENUE OVER EXPENDITURES	67,261	25,216
BALANCE, beginning of year	<u>257,550</u>	<u>232,334</u>
BALANCE, end of year	<u>\$ 324,811</u>	<u>\$ 257,550</u>

(Unaudited - See Notice to Reader)
(See accompanying notes)

ARON THEATRE CO-OP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

1. BUILDING AND EQUIPMENT

	2019		2018	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Building	\$ 499,746	\$ 40,112	\$ 430,109	\$ 28,688
Equipment	101,964	79,135	96,832	74,884
	601,710	119,247	526,941	103,572
Net book value	\$ 482,463		\$ 423,369	

2. BONDS PAYABLE

	2019	2018
5 year bonds - 2.5%	\$ 79,732	\$ 77,849
10 year bonds - 3.0%	39,650	38,495
15 year bonds - 3.5%	72,314	69,869
	\$ 191,696	\$ 186,213

Bonds payable is long term debt associated with fixed assets, including land, building and equipment.

(Unaudited - See Notice to Reader)